UNO MINDA

DRIVING THE NEW

Minda Industries Limited

TRANSFORMING THE PRESENT | REIMAGINING THE FUTURE

30th ANNUAL REPORT **2021-22**

Across the Pages

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INVESTOR INFORMATION

Market Capitalisation as at 24 May 2022	₹ 23,860 Crores
CIN	L74899DL1992PLC050333
BSE Code	UNOMINDA
NSE Symbol	UNOMINDA
Bloomberg Code	MNDA: IN
Dividend Declared	₹ 1.5 per share (Interim and Final Dividend)
AGM Date	16 September 2022
AGM Venue	Virtual Platform

ABOUT THE REPORT

As an organisation, we have always prioritised sustainability and this year we have embarked on a journey to transparently communicate our performance to all our stakeholders. As the first step in this journey, we are presenting our first Integrated Annual Report (IAR). This report has been prepared in alignment with the International Integrated Reporting Council's (IIRC) framework and outlines our business model, sustainability strategy and performance against material Environmental, Social and Governance (ESG) metrics. Our performance metrics are in alignment with the Global Reporting Initiative (GRI).

Moving forward, we remain committed to communicate against the strategies that we are adopting to manage our capitals and adopt a business model that enables us to create value in the long term.

SCOPE AND BOUNDARY OF THIS REPORT

The Integrated Annual Report (IAR) covers the reporting period from 1 April 2021 to 31 March 2022. The Report includes the performance of all our plants based in India, our subsidiaries, and our corporate offices. The environmental performance data disclosed in the report only covers our manufacturing plant sites. The social data disclosed, additionally covers our corporate offices.

ASSURANCE (ON FINANCIAL STATEMENT)

Assurance on financial statements has been provided by independent auditors S.R. Batliboi & Co. LLP.

SUGGESTIONS AND FEEDBACK

We continuously strive to disclose relevant information to our stakeholders. We welcome any comments and/or suggestions on the Report's content. Please do send us your comments at investor@mindagroup.com.

About Us

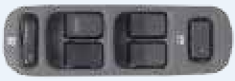
Uno Minda is a leading supplier of Proprietary Automotive Solutions to Original Equipment Manufacturers (OEMs). Incepted in 1958, the Group now has a turnover that exceeds US$ 1 Billion. Through its manufacturing setup in India, Indonesia, Vietnam, Spain, Mexico Colombia, Germany and design centres in Taiwan, Japan & Spain, the Company has made significant contributions to the automotive industry supply chain.

Technology and innovation are the two pillars of our philosophy. Our underlying vision is to create a culture that fosters great ideas and can be the basis for planning ingenious products, successfully manufactured to deliver value to our customers.

Our Products

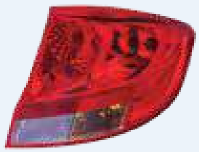
SWITCHES SYSTEMS

2-wheeler Switches
4-wheeler Switches




LIGHTING SYSTEMS

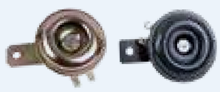
2-wheeler Lighting
4-wheeler Lighting




CASTINGS

2-wheeler Alloy Wheels
4-wheeler Alloy Wheels

ACOUSTIC

AUTOMOTIVE SEATING

EV PRODUCTS

Group Vision

To be a **Sustainable Global** organisation that enhances values for all its **Stakeholders**, attains **Technology Leadership** and cares for its people like **A Family.**

SUSTAINABLE

A business model that is dynamic, responsive and self-evolving and resilient over time that meets the needs of the present without compromising the ability to meet the needs of the future. It successfully manages technological, financial, social and environmental risks, obligations and opportunities from time to time.

GLOBAL

Having manufacturing footprints in all major geographies globally i.e. Asia, Africa, Europe, North America.

TECHNOLOGY LEADERSHIP

Uno Minda would attain leadership in technology of its product and processes through JV partners, Own R&D, Contract research and M&A

EMPLOYEE CARE

- Uno Minda would
  - Be like a family that employees could relate to and feel that they are a part of it - the Company and employee would care for each other at all times
  - Grow its employee so that they are able to realise and unlock their full potential

STAKEHOLDERS

- Customers
- Employees
- Suppliers
- Technical Collaborations
- Community
- Shareholders

We believe that organisations that embrace a responsible and sustainable way of working, and keep pace with rapidly changing technologies will continue to thrive in the future. Our values imbibe this fundamental belief. Being responsive to our customers, innovating quality products that are more sustainable, implementing process improvements and fostering a culture that is driven by respect and ethics are the values through which we conduct our business.

Our Values

- Customer is supreme
- Live quality
- Encourage creativity and innovation to drive people, process & products
- Respect for individuals
- Respect for work-place ethics

Our Journey

We began our journey as a small auto parts trading firm in 1958 which later transitioned into a partnership firm, Minda Industries, in 1962. Minda Industries Limited was incorporated in 1992 with an objective to take over the business of partnership firm Minda Industries. Starting with our first manufacturing site in Wazirpur (Haryana), today we have spread our operations across the world with manufacturing facilities in eight different countries and 72 plants globally. Over the years, we have added various new products to our product portfolio such as automotive switching systems; automotive lighting systems; acoustics systems for the automotive industry; automotive seating systems; Alloy Wheels and other products like general aluminium die casting, various components for electric vehicles, blow moulding, hoses (brakes and fuel), fuel caps, air filters, air bags, CNG and LPG kits, speakers, and infotainment, among others. We have formed many alliances in the form of Joint Ventures/ Technical Agreements with globally renowned technology leaders from Japan, Italy, Germany and Taiwan, starting with the creation of 'Minda Rika', a Joint Venture between Minda Industries Limited and Tokai Rika to manufacture 4-wheeler switches.

1958

Uno Minda took its first step in its illustrious journey by manufacturing ammeters for Royal Enfield.

1960

Took the first step towards expanding the portfolio by venturing into the realm of automotive switches.

2014

Began production of fuel caps.

2015

Entered into Joint Venture with Kosei for manufacturing Alloy Wheels for passenger vehicles.

2016

Acquired Rinder Group of Spain, widening our lighting segment with LED lights.

2017

Entered into Joint Venture with Katolec Japan (EMS), and Onkyo (Infotainment accessories).

2018

- Entered into an agreement with SENSATA Technologies USA for high-end sensors for BS VI Application.
- Setup CREAT for Advanced research engineering and technologies.
- Acquisition of iSYS RTS GmbH, Germany.

2019

Acquired advance lighting technology company Delvis in Germany.

1980

Took another step towards horizontal diversification with the manufacturing of automotive lighting products.

1993

Added another product to the portfolio by venturing into the horns segment.

1995

Commenced the production of automotive 4-wheeler switches through associate company (Mindarika Private Limited).

2005

Made presence felt on international shores with a manufacturing facility in Indonesia.

2007

Forayed into the battery segment with a new manufacturing facility at Pantnagar.

2008

Commenced manufacturing of blow moulded products from the Company's Bengaluru site.

2009

- Reinforced international presence with a new manufacturing facility in Vietnam.
- Initiated the design and development of alternative fuel kits at Manesar facility.

2010

Bolstered product portfolio with the addition of aluminium die-cast products for automobiles.

2011

Scaled up the blow moulded manufacturing facility at Bawal.

2013

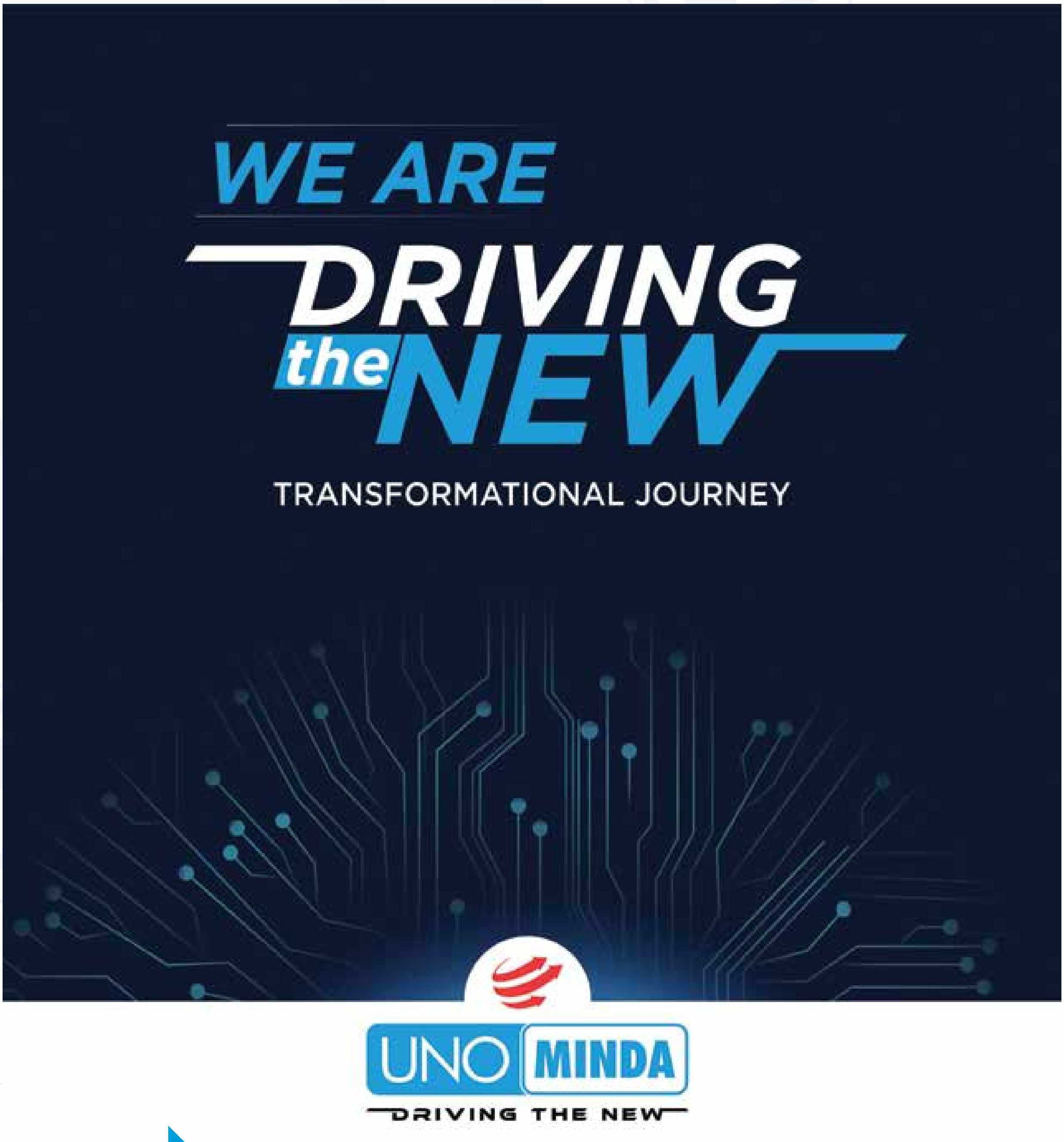
Acquired Clarton (leading horn manufacturers in Europe) of Spain.

2020

Entered into TLA with Dayou Global for LPDC Alloy Wheels.

2021

- Completed Acquisition cum Merger of Harita Seatings thereby adding automotive seating to the Company's diversified product portfolio.
- Entered into joint venture agreement with FRIWO AG for 2-wheeler/3-wheeler electric vehicle component.
- Developed formidable 2-wheeler/3-wheeler electric vehicle component product portfolio.


WE ARE
DRIVING
the NEW
TRANSFORMATIONAL JOURNEY
UNO MINDA
DRIVING THE NEW


TOMORROW BEGINS TODAY
CREATING TOMORROW TODAY
WITH YOU!
UNO MINDA
DRIVING THE NEW

Driving The New Through Partnership

1995

4-wheeler Switches

2010

emer

Now Westport
CNG Kits

ROKI

Air Filters

2020

DAYOU GLOBAL

TLA for LPDC Alloy Wheel

DELVIS

Lighting Solutions

AMP

TLA for Battery Management Solutions

2022

FRIWO

Joint venture for Manufacturing of 2-wheeler/3-wheeler Electric Vehicles Components

dhama INNOVATIONS

TLA for Temperature Controlled Seats

2011
TOYODA GOSEI
Hoses
KYORAKU
Blow Moulding

TORICA
Raw Material Procurement

2012
FUJITSU TEN
Now Denso Ten
Car Infotainment

2015
Kosei
Alloy Wheels

2016
ONKYO
Infotainment – Sound and Amplifier Systems

2017
KATOLEC
Printed Circuit Boards (PCB) and Box Build Assemblies

2018
iSYS RTS
Embedded Software
Sensata Technologies
High-end Sensors for BSVI Application

2019
KPIT
Telematics Products Complying to AIS-140 Norms

2021
Harita
Harita Seating Systems Ltd.
Seating System

13
Joint Ventures

6
Mergers and Acquisitions

3
Technical License Agreement

₹ 104 Billion

Uno Minda Group Turnover

Amongst

Top 200

Companies Listed on **NSE & BSE** in Terms of Market Capitalisation

72

Plants Globally

20+

Product Lines

16

Joint Ventures/ TLA Partners

6

Acquisitions

23,000+

Employees

1,320

Engineers

350+

Patents Filed

320+

Design Registrations

20+

R&D and Engineering Centres Globally

40+

Companies

MIL'S Subsidiaries, Joint Ventures and Associates

DOMESTIC SUBSIDIARIES

- Mindarika Pvt. Ltd. - 51%
- Minda Kyoraku Limited - 67.60%
- Minda Kosei Aluminum Wheel Pvt. Ltd. - 77.35%
- Minda Storage Batteries Pvt. Ltd. - 100%
- MI Torica India Pvt. Ltd. - 60%
  - MITIL Polymer Pvt. Ltd. - 100%
- Minda Katolec Electronics Services Pvt. Ltd. - 51%
- Harita Fehrer Limited - 100%
- Uno Minda EV Systems Pvt. Ltd. - 100%
- UnoMinda Auto Systems Pvt. Ltd. - 100%
- Samaira Engineering - 87.50%
- S M Auto Industries - 87.50%
- Auto Components - 95%
- YA Auto Industries (YA) - 87.50%

INTERNATIONAL SUBSIDIARIES

- Global Mazinkert S L - 100%
  - Lights & Systems Technical Centre S L - 100%
  - Clarton Horn, Spain - 100%
    - Clarton Mexico - 100%
- PT Minda Asean Automotive - 100%
  - PT Minda Trading (PTMT) - 100%
- Sam Global Pte Ltd. - 100%
  - Minda Industries Vietnam Company Ltd. - 100%
  - Minda Korea Co. Ltd. - 100%
- UNO Minda Europe GmbH - 96.19%
  - UNO Minda Systems GmbH - 100%
  - CREAT GmbH - 100%

JOINT VENTURES & ASSOCIATES

- Minda Westport Technologies Limited - 49.99%
- Rinder Riduco S A S - 50%
- Roki Minda Co. Pvt. Ltd. (RMPL) - 49%
- Minda NexGenTech Ltd. - 26%
- Denso Ten Minda India Pvt. Ltd. (DMIPL) - 49%
- Minda D-Ten India Pvt. Ltd. - 51%
- Minda TG Rubber Pvt. Ltd. - 49.90%
- Kosei Minda Aluminum Company Pvt. Ltd. - 18.31%
- Yogendra Engineering - 48.90%
- Toyoda Gosei Minda India Pvt. Ltd. - 47.80%
- Minda Onkyo India Pvt. Ltd. - 50%
- Kosei Minda Mould Pvt. Ltd. - 49.90%
- Tokai Rika Minda India Pvt. Ltd. - 30%
- CCSE Dakshina Solar Private Limited - 27.71%
- Strongsun Renewables Private Limited - 28.10%

Driving The New with Our Nation-wide Connection

We utilise our asset base, which includes manufacturing facilities, R&D centres, warehouses, specialised equipment, and high-end machinery, to make components for our clients. In order to deliver innovative goods and solutions to our clients, we also rely on IT equipment and software. Development in storage, infrastructure, processing, and other assets is critical to delivering excellent products to our clients across the world. Uno Minda is always looking for new technologies and methods to do things more effectively and intelligently.

North & South America

Mexico (Queretaro)

Colombia (Manizales)

Europe

France (Epernon)

Italy (Turin)

Spain (La Carolina)

Germany
(Ettlingen/Konzell, Munich, Reutlingen)

Asia (w/o India)

Indonesia (Karawang)

Taiwan (Tainan)

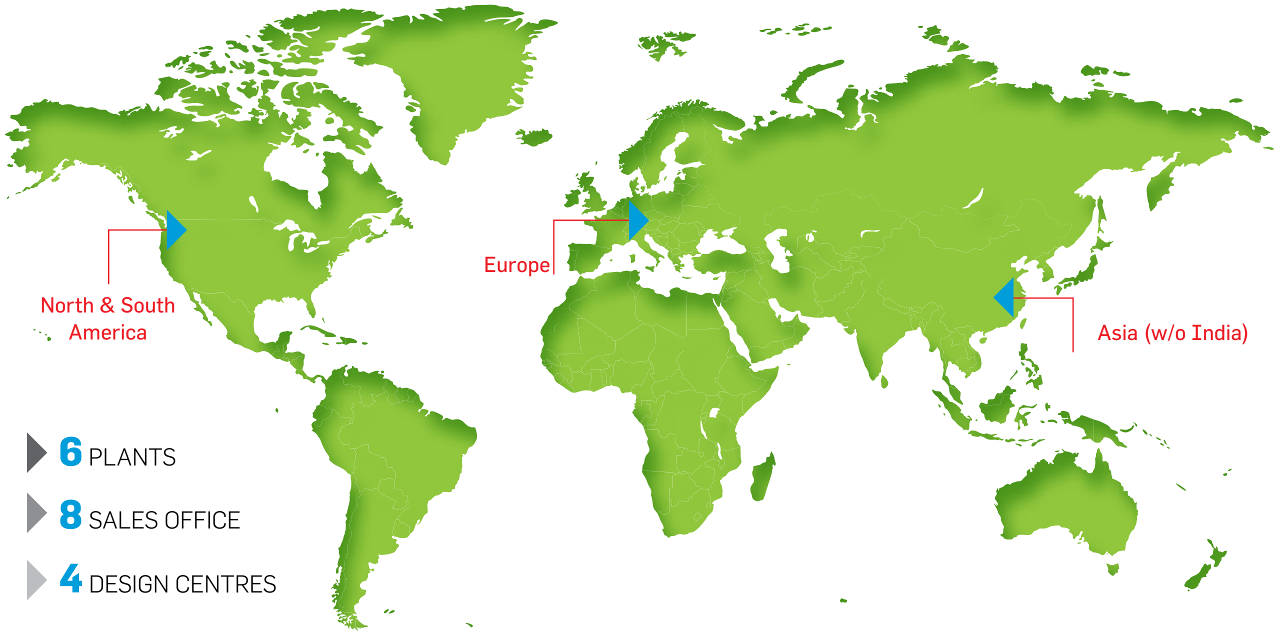
Thailand (Bangkok)

Vietnam (Vin Phuc)

Japan (Nagoya)

South Korea (Pyeongtaek)

The maps used in this document are a generalised illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features / states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection to its accuracy or completeness.



6 PLANTS
8 SALES OFFICE
4 DESIGN CENTRES

66 PLANTS
7 SALES OFFICE
12 R&D CENTRES
HEAD OFFICE
REGISTERED OFFICE

North Zone

- Manesar
- Bawal
- Neemrana
- Bhiwadi
- Delhi
- Bahadurgarh
- Sonipat
- Pantnagar
- Surajpur
- Nalagarh
- Haridwar

West Zone

- Ahmedabad
- Pune
- Ahmednagar
- Aurangabad
- Waluj
- Pithampur

South Zone

- Bengaluru
- Chennai
- Hosur
- Mysore

Driving The New with Our Diversifying Portfolio

Switching Systems

#1 India's largest Switch Player diversified across the 2-wheeler and 4-wheeler segments

11
Manufacturing units

Acoustic Systems

#1 Indian and #2 global
We are No. 1 in Horns in India and 2nd largest Horns Player globally

6
Manufacturing units

Lighting Divisions

#3 India's 3rd largest Automotive Lighting Player, post-acquisition of Rinder Group Taiwan R&D & Design Center, Spain R&D Base for 2-wheeler, India R&D Base for 4-wheeler

8
Manufacturing units

Casting

We are the MARKET LEADER of Alloy Wheels in PV segment

6.3
MPA (PV & 2-wheeler)
Alloy Wheels

1.32
Lakhs TPA
Die Aluminium

6
Manufacturing units

Seating

#1 Indian, supplying to commercial vehicles, buses and 2-wheelers

10
Manufacturing units

Others

5
Manufacturing units

7
Major categories

Future Areas

Controllers

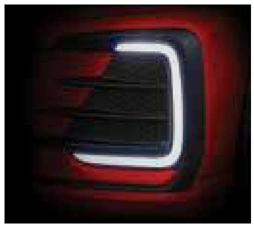
Distributed & Integrated Body Controllers, Multi-Function Controllers, Wireless Chargers

Electric Vehicle Technologies

Motor Controllers, DC Converters, On-Board Chargers, Smart Plug, Battery Management System, Off Board Charger, RCD Cable, Vehicle Acoustic System

Lighting

Digital Lamps, Adaptive Front Lighting, Sequential Lighting, Ambient Lighting



Advanced Driver Assist

Parking Systems, Collision Avoidance, Around View, Aug Reality HUD, Smart City Brake Support System

Infotainment & Connectivity

Android Infotainment, Deep Thinking & Interactive Voice, Rear Seat Entertainment

Telematics & IOT

Smart City Solutions, 3G/4G TCU, Flash Over the Air, Smart Antenna, Data Analytics

Driving The New with Innovations and Creating The New for Better Future

Two-tier engineering organisation

Business-focussed product engineering teams attached to the business

Global technical centres with focus on advanced and future technology

R&D Vision

Self-Reliance

Skill Upgradation, Technology Absorption, Technology Acquisition and Technology Creation

Innovation and Creativity

Fields of Products, Processes and Services

Integration with Electronics

Exploring Ways to Master Electronic Embedded Systems, for Inclusion in Our Products

Robust NPD Process

First Time Right with Global Quality Standards and On-Time Completion of Projects

Central R&D

- Lighting & Acoustics Systems (LAS)
- Electronic & Control Systems (ECS)
- Seating Comfort Systems (SCS)
- Light Metal & Powertrain Systems (LPS)
- Engineering (COC)
- Creative Design (INITIA)
- CREAT (Centre for Research, Engineering and Advance Technologies)

About 'CREAT'

CREAT (Centre for Research, Engineering and Advance Technologies) is an innovation-driven flagship R&D Centre of Uno Minda, incubating products with its core at PACE – Personalised, Autonomous, Connected and Electronic products. It innovates and tests embedded electronics products related to connected vehicles, telematics, ADAS, infotainment, EV technologies, controllers and sensors, advance lighting and technologies related to next generation automotive needs. It works in collaboration with other entities of the Uno Minda Group and external technology providers.

About INITIA

INITIA is an independent design consultancy studio of Uno Minda, specialising in all aspects of automotive design. INITIA provides best-in-class creative services to automakers, automotive Tier-1's and mobility solution providers. Creative services include automotive design and styling - 4-wheelers, 2-wheelers, commercial vehicles, special utility vehicles - interiors, exteriors and component design; Design research - user research, primary and secondary, usability analysis and trend analysis; User Experience design - in-vehicle experience, interaction design, visual design and motion graphics design; Mobility ecosystem design and Electric Vehicle design.

About Light Systems & Technical Centre S L (LSTC)

LSTC, Spain, is a centre fully specialised in the process of design and R&D of lighting components, including the mechanical, optical and electronic design along with the development of the production lines in addition to offering technical support for the Group´s factories.

About Uno Minda Systems GmbH

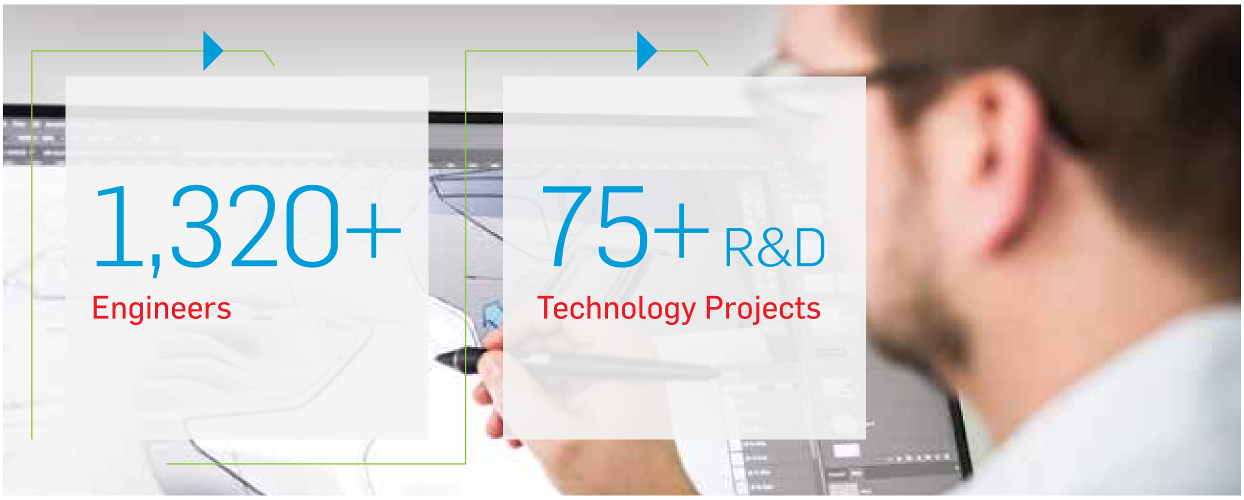
We have reorganised our business verticals and entities in Europe and as part of reorganisation, Delvis and iSYS RTS GmbH have been merged to have a more focussed customer approach. Post merger, product and services are further realigned into separate entities i.e. Uno Minda Systems GmbH and CREAT GmbH, respectively.

Uno Minda Systems GmbH, as an expert in lighting systems and electronic control units (ECUs), offer its customers the development, production and series delivery of innovative systems and components for automobiles and motorcycles. Our focus is primarily on the vehicle domains of body and interior as well as central functions (e.g. central control units and gateways). We are regarded as specialists in the implementation of attractive customer functions, especially in the application areas of exterior and interior lighting as well as mechatronic comfort functions based on DC or BLDC motors.

CREAT GmbH

As part of the European business reorganisation, we also formed a central R&D centre in Europe named CREAT GmbH to include existing engineering services verticals as well as to work on future technologies.

CREAT GmbH, while bridging any technology needs in India, also serves Tier 1 and Tier 2 OEMs. Their highly skilled engineering services team provides cutting-edge technologies to our customers. Their services include vehicle designing and styling, mechanical engineering, electronic hardware and software development, validation and testing. They utilise our creativity and expertise at all stages of the product development process.



INITIA®

FORM | EXPERIENCE | MOBILITY

We are an independent design studio, a fully owned entity of the Minda Group with a focus on user-centric design.

25+ Design Experts

200+ Years of collective Experience

100+ Total design projects

3500 Sq. Ft. Studio Space with capacity of 40 designers. Located in Pune, India

TRANSPORTATION DESIGN

We create strategic automotive designs integral to all stages of product development.

OUR SERVICES:
Design Research
Full vehicle design
Component Design
Accessory Design `

UI/UX DESIGN

From the basic specifications to the next generation interfaces we craft experiences that re define the way automobiles look and operate.

OUR SERVICES:
UX Research
Design Strategy
Digital Ecosystem Design
HMI Design

DIGITAL MODELLING

INITIA works with technologies that leverage digital modeling for developing futuristic automotive solutions

OUR SERVICES:
Scan to Surface
CAS Modeling
Class A Surfacing
Parametric Modeling
Digital Visualization

in initiadesigns | initia_designs

www.initiadesigns.com | www.unominda.com

Our Strong R&D Focus

4 Locations in India

Pune, Gurugram, Hosur, Chennai

Embedded Electronics Design Studio

300+

Engineers

Uno Minda Systems Europe

Munich, Germany

Embedded Electronics Engineering Services

75+

Engineers

Regensburg, Germany

Advance Lighting Systems

120+

Engineers

Munich, Germany

Optics & Lighting

30+

Engineers

Uno Minda has made important contributions to the automotive industry supply chain for more than six decades with innovative products that are developed and engineered for efficiency with an emphasis on enhanced comfort and fine-tuned response.

Our relentless focus on innovation has continued to differentiate Uno Minda from the rest. This has helped us design products with prime importance and relevance with respect to the future. Personalisation, Autonomous, Connected, and Electric (PACE) are the four major trends that the organisation has been concentrating on. Every initiative that the Company takes on today is scrutinised through the prism of PACE. With the right capabilities and strategies, we are fully aligned with these megatrends that will shape our markets and drive the future growth.

We at Uno Minda have now expanded our Central R&D CREAT's footprint in India – now operating out of four locations (Pune, Gurugram, Hosur and Chennai) and consolidated our R&D centres in Europe with our Group's product and technology strategy. We have also centralised our Group's R&D to put focussed efforts towards incubation of new products and technology and to rapidly advance our product-technology roadmap. The centralisation of R&D has also helped us drive excellence in R&D execution.

Our R&D centres work on advanced technology products with the following mandate –

- Steer Group's entry into new product-technology markets which are getting shaped with PACE (Personalisation, Autonomous, Connected and Electric) automotive macro-trends
- Make existing product lines of the Group smarter
- Provide more value to customers – from component engineering to system engineering

We also have our design studio - INITIA to make superior industrial designs for our products.

Our products in the 'Hall of Fame' for FY 2021-22

HEAD LAMP WITH MINIATURE PROJECTOR

Uno Minda has been leading the technology curve in lightning. We are comprehensively present in 2-wheeler, passenger car and off-road market. The lightning technology is evolving from standard lamp to projector technology and is also expected to foray into LED matrix technology in the near future.

Our latest innovation in the market is a miniature projector lens integrated into head lamp. It is a Plastic Projector Lens with Collimator Technology which helps in optimum power consumption for low beam (7 watts) and for high beam (12 watts) and better road visibility. We are extending the same technology to the passenger car market.

AUTO-LEVEL SEATING PORTFOLIO

We have a very strong seating portfolio with a comprehensive presence in 2-wheeler, commercial vehicle and off-road markets. Our latest addition to our export portfolio is auto-level seats. Our latest range has many advanced features like operator presence switch, embroidery, seat depth adjustment and seat tilt adjustments.

WIRELESS CHARGER

We launched our next generation of wireless chargers with two leading passenger car manufacturers.

With the rapid penetration of smart phones, there is an increase in the adoption of smart phone compatible solutions in vehicle cockpit electronics. Uno Minda is coming up with various products and solutions to cater to this market trend like wireless chargers that are 'made in India', Qi-compliant products with the latest technologies of NFC and active cooling to name a few. Car owners can effortlessly charge smart phones on-the-go with the product.

BUS INTELLIGENT TRANSPORT SYSTEM

Uno Minda has successfully launched a BIS16833 compliant Intelligent Transport System solution for the smart bus fleet. We are extremely active in Telematics and Connected space and with this latest launch we will be addressing the niche market of Smart buses plying in all smart cities in India. The solution enables buses to be tracked in real time over a 4G network and has interfaces for route display, passenger information system, in-bus camera-based surveillance system and interface with electronic ticketing system as well.

ELECTRIC POWERTRAIN AND CHARGING ECOSYSTEM PRODUCTS TO SUPPORT THE FAME II INITIATIVE

Uno Minda Group welcomes various Government initiatives like FAME II, Battery Interoperability policy, and PLI Scheme, among others, to support EV adoption. 2-wheeler and 3-wheeler segments will get benefited the most from these policy initiatives. We are aggressively working on products to cater to the promising EV market.

One of the products that we have taken successfully to production is the smart charger. It has variants that will support safe charging of EV vehicles at home, at a captive location and at public charging spaces.

ON-BOARD CHARGERS

Uno Minda has indigenously developed on-board chargers for charging the traction battery of EV from any commercial power supply by converting AC input to a DC input. The product works for a 48V, 72V and 96V system and can be applicated for 2-wheelers and 3-wheelers.

At Uno Minda Group, our greatest strength is our people. Across our R&D locations, our talented engineers work seamlessly to ideate, incubate and scale up technologies for Indian as well as all markets where we have a footprint. We are committed to 'Make in India' initiative by consistently increasing our self-reliance on technology.

ELECTRIFICATION

EV PRODUCT PORTFOLIO (2-WHEELER & 3-WHEELER)

Automotive industry is changing rapidly, triggered by the accelerated rise of technologies, sustainability and changing consumer preferences. These forces are giving rise to disruptive technology driven trends in the automotive sector popularly known as PACE, which is Personalised mobility, Autonomous driving, Connected and Electrification. Amongst these trends, while internal combustion engines continue to lead and are expected in the medium term of electrification, has now accelerated the transformation of the mobility industry and presents significant opportunities to the entire mobility ecosystem.

We at Uno Minda have been at the forefront of capturing electrification trends in the automotive industry and have built a strong EV-specific product portfolio. Backed by in-house R&D at CREAT, we have developed 2-wheeler/3-wheeler EV components like on-board chargers, smart plugs, telematics, DC-DC converter, and Vehicle Control Units, among others. During the year, we also entered into a joint venture with FRIWO to further strengthen our EV product portfolio and accelerate development, enchance our products's time to market and manufacture EV components in India.

FRIWO is a leading international manufacturer of innovative power supply units and e-drive solutions. Based in Germany, they have half a century of innovative strength coupled with German engineering expertise.

Our kit value for 2-wheeler and 3-wheeler has multi-folded almost 5-6 times to make it one of the most comprehensive offerings in the industry.

Awards & Recognitions

2022

Uno Minda is now a certified GREAT PLACE TO WORK for the time period November 2021-November 22

WINNER of the 'AMROP-Economic Times Best Board's Award' in the small Cap Category

WINNER of Human Capital Award for Excellence in HR Digital Transformation

2021

WINNER of 'The 5th Institute of Company Secretaries of India (ICSI) CSR Excellence Awards' for extraordinary Contribution towards CSR, under the category of the Best Corporate in the Emerging Category

WINNER of "Golden Peacock Award for Excellence in Corporate Governance" for the year 2020 by the Institute of Directors

2019-2020

N K Minda - Best CEO Award (Emerging Category by Business Today)

The Iconic Brand of India by Economic Times

'Most Promising Company of The Year' Indian Business Leader Awards (CNBC TV18)

2022

Overall Performance Award
Roki Minda Co. Pvt. Ltd.
MARUTI SUZUKI

Best Supplier Quality and Delivery Award
Minda Industries Limited, CD
TVS

Incoming Quality Improvement Award
Minda Industries Limited, Switch
SUZUKI

Best Performance-Quality Award
Mindarika Pvt. Ltd.
TATA MOTORS

Best Practices Award
Roki Minda Co. Pvt. Ltd.
HONDA POWER PRODUCTS

Long Term Association Award
Minda Industries Limited, Switch
HONDA POWER PRODUCTS

Excellent Services Award
Mindarika Pvt. Ltd.
SML ISUZU

Partner Award for Seating Business
Minda Industries Limited
JOHN DEERE

2021

Platinum Rating Award
Minda Harita
TVS

Best Safety Leader MIL – Lighting 4-wheeler Division
Zero PPM & 100% Timely Delivery
Minda Denso Ten
TOYOTA

'Grand Award for QCD Performance & Extraordinary Support'
Roki Minda Co. Pvt. Ltd.
HONDA

Special Support & Delivery Award
Minda Industries Limited – Lighting 2-wheeler Division
Kubota

Shift To Use Quality Award
Minda Industries Limited – 2-wheeler Switch Division
FORCE MOTORS

Certification

CERTIFIED ISO/TS 16949:2009 COMPANY

CERTIFIED ISO 9001:2015 COMPANY

CERTIFIED ISO 14001 : 2004 COMPANY

OHSAS 18001:2007

ISO 17025 2005

We, at Uno Minda, have been at the forefront of technology trends in the automotive industry. Our relentless focus on innovation has continued to differentiate Uno Minda from the rest.

Message from the CMD's Desk

Dear Stakeholders,

The recent challenges have tested our resilience as the COVID-19 pandemic and simultaneous supply-chain constraints disrupted industrial production. But we, as an organisation ensured all our employees were safe and our active response in tackling the challenges enabled our customers to continue building vehicles.

The beginning of the year 2022 marks the third year of the COVID-19 pandemic for India and the world, ushering newer challenges for healthcare systems as well as channelling economic growth; however, business continuity coupled with rapid vaccination coverage led to a strong resilience pointing towards the GDP growth of 8.7% FY 2021-22, the highest among the world's large economies.

In tandem with the Indian economy, auto industry also made a smart recovery with all major vehicles segment i.e. Passenger Vehicles, Commercial Vehicles and 3-wheelers registered a remarkable growth of around 20% in FY 2021-22. The only exception was 2-wheelers' segment where demand remained subdued amidst higher fuel prices, and a steep increase in the acquisition cost of the vehicle driven by higher commodity prices and insurance costs.

Having built a strong foundation in FY 2021-22, the auto industry would now be targeting to breach the pre-pandemic levels in the coming year supported by easing supply chain challenges and commodity inflation. Besides volume-led growth, premiumisation of vehicles and focus on localisation will translate into healthy growth for the auto component industry as well.

The Government of India has also been taking various policy initiatives to boost demand, and encourage the production and export of clean technology vehicles. Favourable Government policies such as the recently announced ₹ 76,000 Crores for semiconductor manufacturing scheme, the extension of the FAME-II scheme till 2024, the production-linked incentive (PLI) scheme for the auto and auto component sector for ₹ 26,000 Crores, PLI for advanced chemistry cell for ₹ 18,000 Crores and the vehicle scrappage policy will provide enormous support to the sector as they will implement innovative technologies.

The PLI scheme introduced by the Government saw an overwhelming response from the industry with a total of around 115 companies applying for the scheme and more than 70 getting approvals for Government support. Uno Minda has also been granted approval under the PLI Scheme. Multiple advanced technology products from Uno Minda's portfolio are eligible for advanced technology products, and more.

On the Company front, we have also been impacted by disturbances in the industry supply chain but with a strong alliance with suppliers and customers, we were able to quickly adapt to the new normal. Our teams worked very hard and went the extra mile to support our customers in these challenging situations and ensured continuous supply for smooth operations.

We, at Uno Minda, have been at the forefront of technology trends in the automotive industry. Our relentless focus on innovation has continued to differentiate Uno Minda from the rest. This has helped us design products with prime importance and relevance with respect to the future.

We take pride in having a strong local presence and propelling the Make in India campaign to greater heights in this sector. We've developed infrastructure for R&D expansion and this, combined with local manufacturing, has also proved to be an advantage for us as a technology leader.

We are also progressing from just being a component supplier to a system supplier with robust software capabilities. The majority of the components today have embedded software for the ability to communicate with various systems and diagnostic purposes. With the right capabilities and strategies, we are fully aligned with the megatrends that will shape our markets and drive future growth.

Driving The New

While transforming the industry, we have also been transforming ourselves. Last year, we embarked on our organisation and business transformation that has reimagined, redesigned and realigned our businesses, processes, systems and structures to be a future-ready and Sustainable Organisation. The results of the exercise have started to reap benefits with increasing efficiency, sharpened customer focus, and increased exports, among others.

Uno Minda is known for the many firsts in the domain we are in, playing the vanguard. We are in the driving seat, when it comes to breaking moulds and finding new ways to solve things. Driven by innovation, we are at the cutting edge of things, ushering in what is new, what is next.

In continuation to this transformational journey, we are also repositioning Uno Minda and unveiling our new tagline which is 'Driving The New'.

Uno Minda is known for the many firsts in the domain we are in, playing the vanguard. We are in the driving seat, when it comes to breaking moulds and finding new ways to solve things. Driven by innovation, we are at the cutting edge of things, ushering in what is new and what is next.

We allow ourselves to be driven by this notion, in everything that we do, including our engagement with our stakeholders — internal and external — and the society at large; we usher in progressive global practices, rehash our way of doing things on the shop floor, and in our engagement with our partners, to be current, progressive, refreshingly new and best in class.

We do it because we see ourselves as pioneers in what we do, driving the new, at every opportunity that presents itself.

ESG

The climate challenge is an important change driver. We see clear business opportunities by being part of the forces driving the world's transformation into a low-carbon society and by enabling new technologies and continuing to develop products used in the manufacturing of ICE vehicles as well as EVs. Our products allow our OEM customers to build vehicles that help them achieve their sustainability targets, but as we move forward, we also know that our operations must be as sustainable as the products that we create. The materials we use and the manufacturing facilities that we operate have a direct impact on our collective sustainability goals.

ESG has gained prominence recently. However, we have already been working on these areas for the last few years. We have installed rooftop solar panels across our plants, meeting 20% of the energy requirement of these plants. We have also invested in 2 entities, i.e., CSE Dakshina and Strongsun, recently, which are developing solar power plants and will be supplying power to us on completion. We target to achieve 40% of our energy requirements through solar energy. We have also been working on reducing water consumption, carbon emission, and waste reduction. During the year, a green belt plantation drive across our plants in India was organised. This drive aims to convert 40% of open landscapes into green areas in all our plants. We are also working with both suppliers and customers to reduce the environmental impact of the resources used to manufacture our products, including exploring the use of renewables and recycled materials.

We have set up a very robust corporate governance framework with a well diversified board to oversee the same. We are constantly improving our governance framework and policies by benchmarking with best practices. We also received Amrop ET Best Board Award for Corporate Governance and Board leadership, such recognitions encourage us to continuously raise the bar of best practices, transparency and corporate governance.

People

Of course, none of these efforts, from product development to sustainable operations, would have been achievable without the right people. Uno Minda's culture of diversity and inclusion fosters innovation, allowing us to draw from our employees' wide range of capabilities, experiences, and backgrounds. We are proud to have been certified as a Great Place to Work 2022 by the Great Place to Work Institute India. We are listed on the Great Place to Work Institute's Wall of Fame as one of the top 30 best work places for manufacturing companies in India. We have also been recognised as India's Best Workplaces in Auto and Auto Components 2022. These awards are testimony to building and sustaining a high trust and high-performance culture of our Company.

Focus Area

Going ahead, our main priority is to ensure that we create an enhanced value for all our stakeholders. We are also working towards increasing energy efficiency while decreasing our impact on the environment and working towards sustainability. We assist in every way possible to ensure all our employees grow by being an inclusive company where they feel encouraged, challenged, engaged and empowered.

We aim to consistently generate returns for our business partners and society in general. We are working towards bringing innovative technologies and solutions that drive our future. We also want to be part of the solution to the climate challenge, by developing energy-efficient products and treading towards a green world.

Best regards,

Nirmal K. Minda
Chairman & Managing Director

CFO's Perspective

Dear Shareholders,

India's economy has scripted a robust recovery in FY 2021-22 where India's GDP grew by 8.7% at its fastest pace in nearly 22 years. To put the numbers in context, the 8.7% expansion comes against the backdrop of a very low base as the economy contracted by 6.6% in the previous period due to one of the strictest lockdowns in the world to prevent the spread of the COVID-19 pandemic. Recovery is broad based with pre-pandemic levels of activity captured in several sectors.

India is on track to become the fastest-growing major economy, driven by robust exports, reviving consumer demand, and supportive fiscal and monetary policies once again. This has been further catalysed by a rebound in the Service sector, Mining sector, and a complete recovery of the Manufacturing sector.

Industry

The overall automobile domestic production volumes in FY 2021-22 registered only 1% growth YoY basis. However, except 2-wheeler category, the other three major categories i.e. Passenger vehicles, Commercial vehicles and 3-wheelers have registered a remarkable growth of 19%, 29% and 23%, respectively on the low base of FY 2020-21. Despite this growth, production of all four major vehicle segments is even below the FY 2018-19 level marred by several headwinds like supply chain bottlenecks and semiconductor shortages. The increased cost of ownership, driven by higher commodity prices (both raw material prices and oil prices), insurance costs and geopolitical tensions, further disrupted the momentum. The impact caused by the successive waves of the COVID-19 pandemic and the consequent lockdown restrictions by various states across the country, adversely affected the rural and urban markets.

The Indian automotive industry is driving into FY 2022-23 with a positive mindset in its quest to reach the pre-pandemic level in terms of volume as semiconductor supply constraints have eased up with pick up in private consumption and rising discretionary spends. Domestic auto industry is poised for strong growth in the coming years.

Financials

Showcasing great resilience and strength, we navigated successfully through the challenges during the financial year. Further, we seized better opportunities during the year's second half, backed by strong revival of the industry. The second wave of the pandemic did bring a new set of challenges but we continued to move ahead with the same vigour as last year.

During the year, we continued to strengthen our balance sheet and recorded a sales growth of 30% at ₹ 8,313 Crores as compared to FY 2020-21. Our Switches business has been the largest contributor with 28%, followed by the Lighting business at 22% of revenue this year. We recorded an EBITDA of ₹ 885 Crores, higher by 22% YoY from ₹ 725 Crores in FY 2020-21. Our EBITDA margins were seen at 10.7%, while PAT margins improved by 104 bps, reaching 4.3%. These margins were achieved by the continuous backing from business enhancement and higher capacity utilisation. We believe that these margin levels are sustainable, and hence we continue to focus on managing the costs while ensuring profitable growth.

Segmental Highlights

Switching Systems

This segment generated a top line of ₹ 2,324 Crores in FY 2021-22, led by strong growth in export of 2-wheelers switches and an increase in content per vehicle consequent to an increase in the number of switches in both 2-wheelers and 4-wheelers. It further, won multiple orders for the generation switches — sunroof, cruise control, paddle switches and vehicle stability switches, among others. Building on our growing export momentum, we started supplies to marquee American 2-wheeler OEM and won a key order from an Italian 2-wheeler OEM. Over the years, switches have become a lot smarter, with an ability to communicate with other parts, such as in-built diagnostics, connectors, and boot loaders. The continuing incremental orders for these next generation switches validate our ability to innovate and stay ahead of the technology curve.

Lighting Systems

Our Lighting business contributed ₹ 1,847 Crores to the total revenue, thereby, contributing 22% of our consolidated revenue. The Lighting segment has become one of the most exciting segments with very promising growth outlook. With the augmented lighting technologies and capabilities added

through the Delvis GmbH acquisition, Uno Minda has secured several key order wins in LED head lamps and tail lamps over the last few quarters aggregating to ~₹ 400 Crores which will ramp up over the next two to three years.

Acoustic

Our Acoustic business achieved a revenue of ₹ 656 Crores for FY 2021-22, contributing 8% of our consolidated revenue. The performance of our European subsidiary Clarton Horn, which contributes majority of the Acoustics revenue, remained subdued as it was significantly impacted due to shortage of

Showcasing great resilience and strength, we navigated successfully through the challenges during the financial year. Further, we seized better opportunities during the year's second half, backed by strong revival of the industry.

semiconductors that resulted in dropping the volume of the European auto industry. While there was a little recovery in FY 2021-22 Q4 but it still isn't out of the woods. The Russia-Ukraine conflict may further dent the revived hopes.

Casting business

Our Casting business continues to grow exponentially with expanding capacities. Castings Division achieved a revenue of ₹ 1,467 Crores in FY 2021-22, as compared to ₹ 748 Crores in FY 2021-21, registering a staggering growth of 96%. Casting division now contributes 18% of our total turnover as against 12% in FY 2020-21. The Casting division achieved an outstanding growth with the commissioning of the 2-wheeler Alloy Wheel plant and increasing penetration of the 4-wheeler Alloy Wheel business resulting in large orders for us.

We are very optimistic with increasing demand for both 2-wheeler and 4-wheeler Alloy Wheel. We are also enhancing our 2-wheeler and 4-wheeler Alloy Wheel capacities by almost 50% to serve these increasing demand. The expansion is expected to be commissioned in a phased manner over the next two years.

Seating business

Our Seating business revenues stood at ₹ 902 Crores for FY 2021-22 contributing 11% of our total turnover. Seating division registered YoY growth of around 19% on account of further diversification of customers and increase in exports. Revival of CV segment and better volumes from 2-wheeler has supported the growth of the Seating business. We are pleased to inform you that we have added 3 (three) new age EV 2-wheeler OEM and one EV Bus OEM as our customers for seating business during the years

The growth of our aftermarket business continued in FY 2021-22, with a revenue of ₹ 826 Crores, upto 11% growth YoY. We continued to strengthen our aftermarket presence with the launch of new products as well as new branding and marketing initiatives.

We reported the highest ever share of profits of associates and joint ventures at ₹ 65.2 Crores in FY 2021-22 backed by good performance from our infotainment joint venture with Denso Ten, our safety system joint venture with Toyoda Gosei, our CNG product joint venture with Westport and our filter product joint venture with Roki.

Electrification

Electrification will play an important role in the transformational journey of the Mobility industry and will present major opportunities for the entire ecosystem. While almost all of our existing products can be fitted in EV vehicles, we still have been developing EV specific components to capture this fast-growing market. During the year, in our pursuit towards becoming a technology leader in EV components as well, we entered into a joint venture agreement with FRIWO AG Germany – a global manufacturer of innovative power supply units and e-drive solutions – to manufacture and supply various electric vehicle components for 2-wheelers and 3-wheelers in the Indian Subcontinent. The joint venture now has one of the most formidable EV-specific production portfolio in the entire industry. Our potential kit value for EV 2-wheelers has increased from ₹ 7,300 for ICE engine to ₹ 25,000+ with our in-house developed products and further improved to ₹ 50,000+ with FRIWO joint venture.

> We are delighted to partner with FRIWO to expand our product capabilities and to serve the rising EV opportunities. By combining our technologies and production capabilities, we can become a true leader in the rapidly growing e-vehicles market.

We target to achieve annual revenues of around ₹ 1,500 Crores plus from FRIWO joint venture in the next 5-6 years.

Besides EV-specific products, we have also been actively engaged by the top six to seven new age 2-wheeler EV OEMs for supply of EV and our traditional products. During the year, we secured orders of more than ₹ 400 Crores of peak annual sales value from these new age OEMs. The peak sale is expected in the FY 2024-25, as our Company ramps up the production with an increased adoption of 2-wheeler EVs.

Strategic Business Update

During the year, we enhanced our stake in one of our most profitable subsidiary, Minda Kosei Aluminium, from 70% to 77.35% by subscribing to rights issued at a face value of ₹ 10 per share, in total getting an investment of ₹ 61.2 Crores. Minda Kosei Aluminium has significant growth opportunities with increasing penetration of 4-wheeler Alloy Wheel coupled with import substitution opportunities.

Uno Minda has also completed the acquisition-cum-consolidation of four partnership firms by acquiring remaining stakes of the promoters. In line with the commitment, the transaction is being done at book value by the promoters. The move will further simplify the holding structure and improve transparency with significant reduction of related party transactions. This concludes our consolidation exercise, initiated five years back, by bringing all group companies and all auto components under a listed entity now.

ESG

Uno Minda is committed towards creating a value for all our stakeholders in a sustainable manner. We endeavour to empower the communities we live and work within. We run more than 15 centres across India which provide support to underprivileged communities through means of education and vocational trainings.

In our journey towards being a global sustainable organisation, we have recognised the importance of minimising the negative environmental impact of our operations. To this end, we have adopted new technologies and best practice initiatives that have enabled us to improve our performance with respect to energy and water consumption and waste generation. We have installed roof top solar power plants at almost all our plants and have now also set up solar parks for captive use. We meet around 20% of our power requirements through renewable energy source and intend to increase the same to 40% by 2024-25.

Effective corporate governance is the foundation upon which our organisation is built. It has been our constant endeavour to incorporate, demonstrate and live up to the highest standards of corporate ethos and governance in all our policies and practices for an inclusive growth.

People

Our employees are an integral part of our growth journey. We consistently strive to create an inclusive and safe work environment where all employees have an equal opportunity to grow. To this end, we have developed a comprehensive training and diversity strategy for our organisation. We are pleased to announce that as a testament of our efforts, we have been featured in the Wall of Fame of the Great Place to Work Institute's Top 30 Best Workplaces amongst manufacturing companies in India.

Looking Ahead

Uno Minda will continue its transformational journey to be global technology leader in Auto component industry. We are well positioned for a consistent and sustainable growth in the coming years on the back of expected recovery in Auto industry. We are continuously expanding our product and technological capacities and capabilities to enable us to outperform the industry.

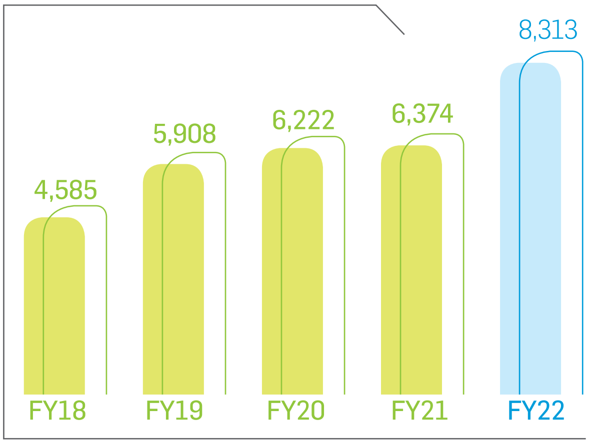
We are thankful for the support of all our stakeholders, and our management is optimistic about retaining leadership across the business segments, with the objective of enhancing shareholders' value sustainably.

Best regards,

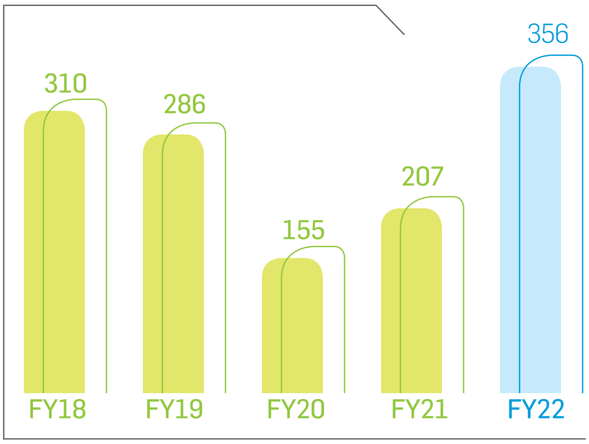
Mr. Sunil Bohra
Group Chief Financial Officer

Driving The New by Increasing Business Value and Optimal Utilisation

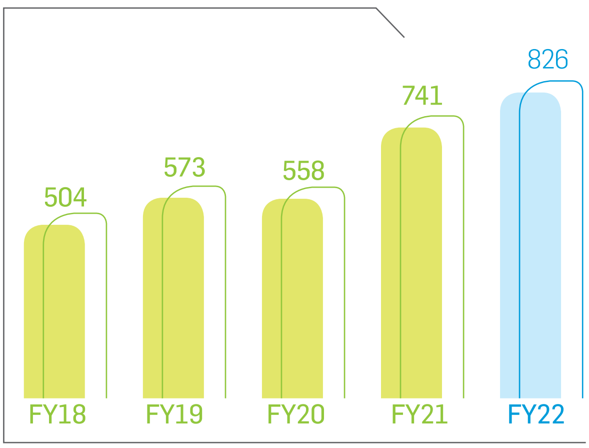
Revenue (₹ Crores)



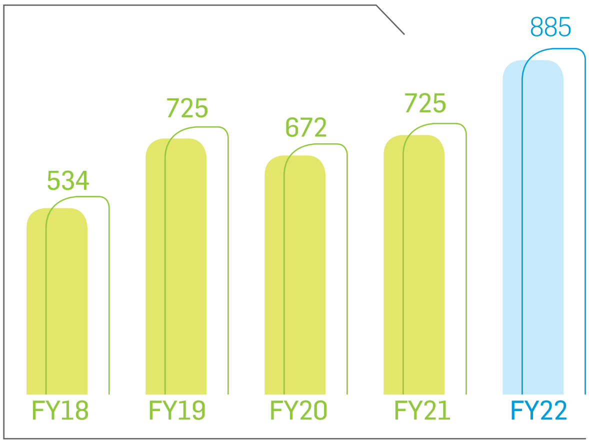
PAT (₹ Crores)



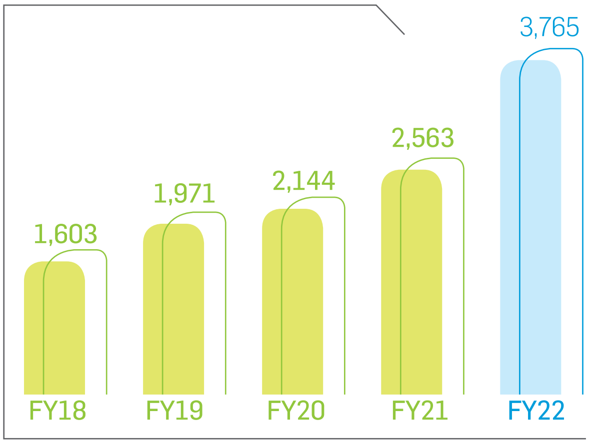
Aftermarket Revenue (₹ Crores)



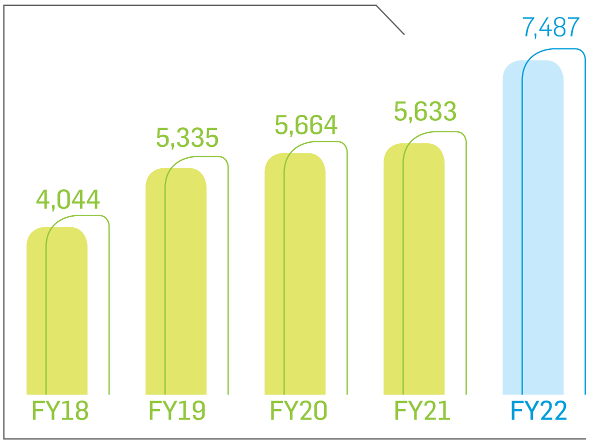
EBITDA (₹ Crores)



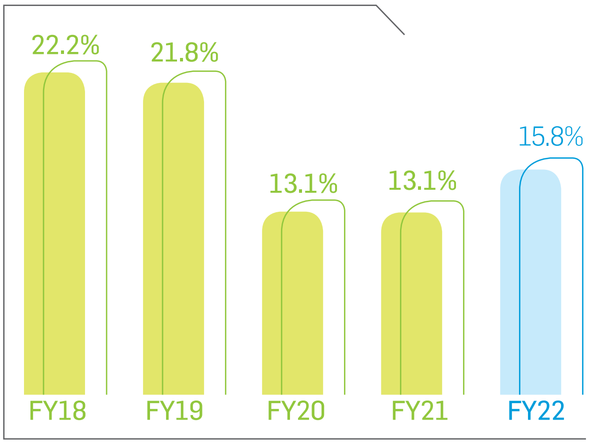
Net Worth (₹ Crores)



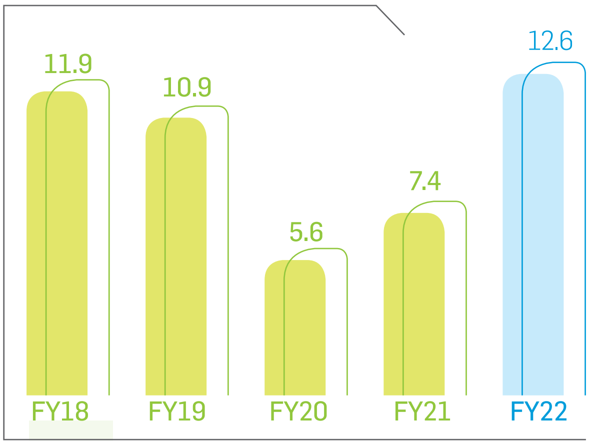
OEM Revenue (₹ Crores)



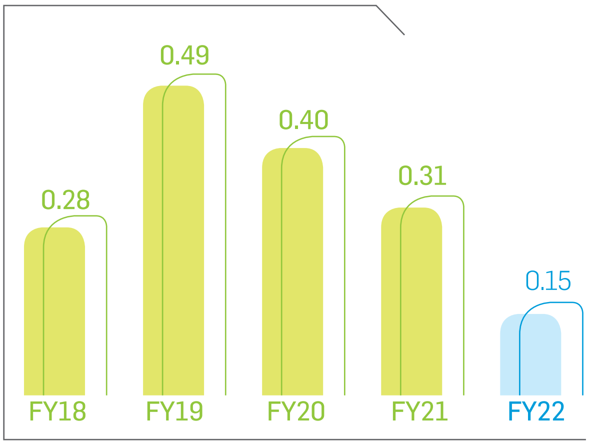
ROCE



EPS (₹ Crores)



Net Debt-Equity



*EPS: Earnings Per Share | *ROCE: Return on Capital Employed

Our Approach to Value Creation

Business Model

Uno Minda is one of the leading suppliers of proprietary automotive solutions to OEMs. Our business model reiterates our commitment towards creating value for all our stakeholders in a sustainable manner. Based on our robust policies and processes, we focus on optimising our financial and non-financial resources in the best interest of those associated with us.

OUR RESOURCES

Financial Capital

₹ 4,581 Crores Capital Employed

₹ 595 Crores Investment

Manufacturing Capital

20+ Products Manufactured

20 Research and Design Centres

Intellectual Capital

3% Spend on R&D

350+ Patents Filed

320+ Designs Registered

Social and Relationship Capital

₹ 7 Crores CSR Investment

1,000+ Vendors

60+ Customers

16 Partners

Human Capital

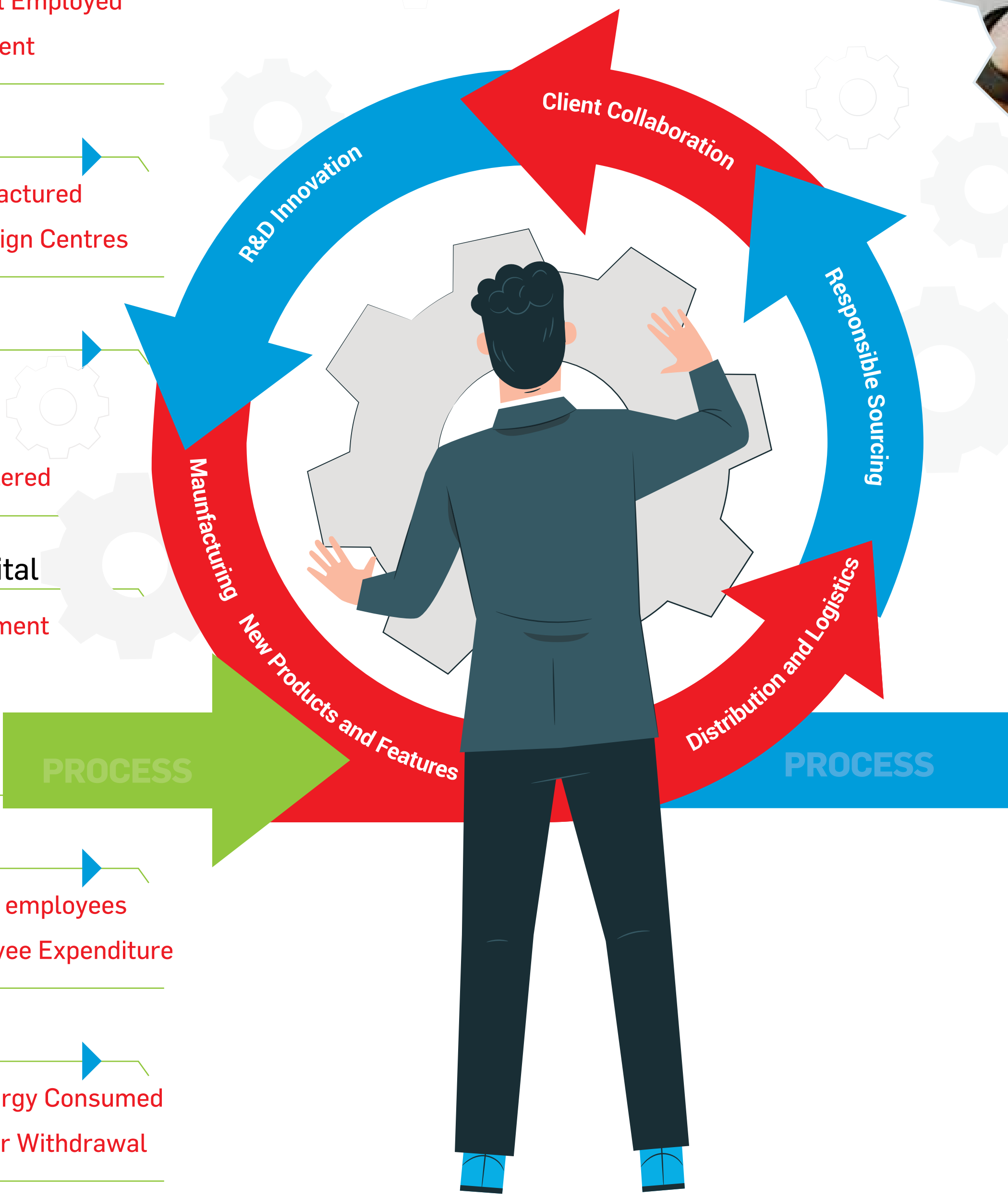
23,000+ Number of employees

₹1,207 Crores Employee Expenditure

Natural Capital

24,54,095 GJ Energy Consumed

6,55,641 KL Water Withdrawal



Financial Capital

₹ 8,313 Crores Revenue
10.7% EBDITA Margins
₹ 356 Crores PAT

Manufacturing Capital

6,45,42,492 Products Produced

Intellectual Capital

350+ Patents Granted
320 Designs Approved

Social and Relationship Capital

12,000+ Beneficiaries Affected

Human Capital

1:9 Gender Ratio
0.36 LTFIR
13.3 Attrition Rate

Natural Capital

62.21.333 KWH Energy Saved
126,60,455 KWH Renewable Energy Generated
1,04,585 tCO2e Emissions
70,159 Tons Waste Produced

Growth Strategy

Our strong financial recovery since the beginning of the pandemic along with the directions of the Board, has resulted in sustained growth which is backed by demand from domestic OEMs, replacement markets and exports. Banking on our core competencies and number of years in business, we look forward to delivering the best.

To be recognised as the industry leader, we are in process of transforming the way we work, the way we do business, and the way we provide value to all our stakeholders. The exercise encompasses Streamlining Structures and Processes, Work Simplification, Digitisation leading to Agility and Customer Centricity.

The automotive industry in India is the fourth largest in the world and is expected to expand at a 12.7% CAGR to reach US$ 512 Billion by 2026 after the testing times of the last few years. The Automotive Mission Plan 2016-26 (AMP 2026) of the Indian Government also envisages the same trend and expects the industry to grow 3.5-4 times its value with an average GDP growth rate of 5.8%. To keep up with this exponential growth, we are investing ₹ 91 Crores in establishing a lighting plant in Gujarat which is expected to be completed by September 2022. Moreover, our 4-wheeler Alloy Wheel capacity expansion of 60,000 and 30,000 wheels per month at Bawal and Gujarat plants, respectively, has a total capex outlay of ₹ 240 Crores and our 2-wheeler Alloy Wheel capacity expansion of 2 Million wheels per annum at the Supa plant has a capex outlay of ₹ 190 Crores. We are also incurring a capex of ₹ 81 Crores in setting up a blow moulding plant in Bengaluru as part of a Joint Venture with Minda Kyoraku Limited.

In recent years, we have also seen a rapid growth in emerging technologies such as Artificial Intelligence, Internet of Things and Machine Learning being leveraged to enhance product development, manufacturing, and delivery capabilities and the concept of mobility. One of the most prominent trends has been the electrification of vehicles to ensure emissions-free mobility as required under various emerging regulations all over the world. The Government of India has also launched the Faster Adoption and Manufacturing of Hybrid and EVs – II (FAME - II) scheme in 2019, aiming to promote EVs and fund related infrastructure development which has enabled us to take formative actions towards the development of EV components which includes brake-pedal sensors, accelerator position sensor, EV battery temperature sensor, and vacuum sensor for brake system.

Another emerging digital trend is autonomous driving and connected cars, which, although in the early stages of adoption in India, have been expanding fast. Development of such type of vehicles and technologies in the country has been spearheaded by local manufacturers and one such example has been Minda Iconnect under Uno Minda Group, which has also won the 2020 Indian Commercial Vehicle Fleet Telematics Solutions Enabling Technology Leadership Award.

Last year, the Government of India launched 'Production Linked Incentive (PLI) Scheme' for the Automobile and Auto Component Industry in India to enhance India's manufacturing capabilities with a budgetary outlay of ₹ 259.38 Billion (US$ 3.50 Billion) to boost domestic manufacturing capacity and attract investments to the automotive manufacturing value chain. It also intends to promote high-tech green manufacturing and aligns with our focus area of localisation. Minda Industries Limited was one of the approved applicants to be part of this scheme.

We are also taking steps towards a more socially and environmentally conscious future in alignment with emerging environmental compliances all over the world. Our vision which encompasses the whole organisation, identifies its intention in clear, concise terms.

Risk Management

Risk management is an important business driver and is integral to the achievement of the Group's long-term business plan. We take an integrated approach to risk management, where risk and opportunity assessment are at the core of the leadership team agenda. Our success as an organisation depends on our ability to identify and capitalise on the opportunities generated by our business and the markets in which we compete. By managing the associated risks, we strive to achieve a balance between our goals of growth and return and the related risks.

We have established a robust risk management framework that enables us to successfully manage existing and emerging risks and capitalise on opportunities. Our risk governance framework is headed by the Risk Management Committee (RMC) which periodically reviews our risk identification and management strategy. Each department within our organisation partakes in this process by identifying the risks that are most relevant and proposing a corresponding mitigation strategy. Each identified risk is assigned a probability and impact score which enables us to categorise each risk based on its sensitivity and the time horizon within which it is expected to be realised. On the basis of risk potential of each risk, the effectiveness of each mitigation strategy is periodically reviewed.

Risk Head Economic Situation

Description
Our financial condition and results of operations may be influenced by macroeconomic factors within the various countries in which we operate, including changes in gross domestic product, the level of consumer and business confidence, changes in interest rates for, or availability of, consumer and business credit, the rate of unemployment, foreign currency controls and changes in exchange rates. Any disruption in such macroeconomic development over which we have little, or no control can potentially impact our profitability.

Capitals Impacted: Financial, Manufactured, Human and Social

Mitigation
The social, economic, political risks are mitigated with continuous observations of the developments in business environment. The Company takes appropriate actions in terms of changes in strategies to protect the interest of the Company. Several cost rationalisation measures were identified and implemented in material, employees and process cost to overcome the loss.

Risk Head Geopolitical

Description
Geopolitical risks such as war outbreaks, government instability, social unrest, the rise of nationalism and populism and disputes between sovereign states may result in acute supply chain disruption and impact the production levels of the Company.

Capitals Impacted: Financial, Manufactured

Mitigation
The Company keeps on exploring options for sourcing products from multiple vendors strategically located in different geographies. Further, regular efforts are made towards localisation as well.

Risk Head Pandemic

Description
The pandemic-induced lockdown resulted in the shutting down of production at all the OEMs. It also led to the disruption of the entire value chain of major industries in India, and therefore negatively affected the production of auto components as well

Repeated stance of pandemic induced waves may force the Government to introduce strict lockdown-like measures. These may have an adverse impact on the regular operations and sales of your Company.

Capitals Impacted: Social and Human

Mitigation
The Company is continuously and closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimise the impact of this unprecedented situation.

Risk Head Competition

Description
The markets for auto components are rapidly evolving and highly competitive, and it is expected that competition will continue to intensify. The Company faces competition in all business fields it operates in. As a result, the Company is exposed to the dual risk of either getting displaced by existing or new competitors or having its products replaced by product innovations or by new technological features. Customer dissatisfaction with price, quality, delivery performance and design could lead to a loss of market share.

Capitals Impacted: Financial and Social

Mitigation
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. The Company is also developing products that will help it to step up the value chain while building a robust product portfolio.

Risk Head Procurement

Description

Procurement risks arise mainly due to raw materials price fluctuations, and an insufficient supply of raw material, among others. This could itself be a result of various factors like the economic cycle, and political instability. Adverse fluctuations in market prices and/or a supplier's financial distress could have an impact on the Company's financial position and earnings.

Capital Impacted: Financial

Mitigation

The Company's purchasing function ensures optimal supply of goods and services to the Company, focusing on quality, cost, and delivery performance. Options for multiple product sourcing and localisation are continuously explored. By negotiating prices and utilising economic synergies, the Company is largely able to obtain competitive prices.

Risk Head Production

Description

As the Company's manufacturing facility is capital-intensive, a large proportion of its costs are fixed. As a result, a decrease in the utilisation of plant capacity leads to under absorption of costs and thereby adversely impacts its earnings. Moreover, the influence of force majeure could result in delays or interruptions of production and supply chain, leading to non-fulfillment of market demand.

Capitals Impacted: Manufactured, Intellectual and Financial

Mitigation

The Company regularly reviews market conditions and aligns its production plan accordingly. The Company's good relations with its customers and suppliers further help it to estimate and pile up inventory levels at both side procurement and manufacturing.

Risk Head Information Technology

Description

The importance of the IT systems utilised across various functions in the Company is growing. The operability of business processes and, therefore, the continuity of operations depend on the availability of IT systems. Three protection targets – confidentiality, integrity and availability – steer the Company's IT security management and protection of data and IT systems. Unauthorised access to IT systems, modification and misappropriation of sensitive business data could have an impact on the Company's net assets, financial position and earnings.

Capitals Impacted: Manufactured, Intellectual, Social and Financial

Mitigation

The Company has the highest standards of IT security systems and constantly upgrades the IT security infrastructure. It educates or trains its employees about IT security and what precautions the users should take, to ensure that the IT infrastructure, business data are adequately protected against any possible IT risks.

Embedding Sustainability

Stakeholder Engagement

We engage with all our internal and external stakeholders frequently. Our Stakeholder Relationship Committee regularly updates the list of issues raised by specific stakeholder groups and strives to establish effective feedback channels through which their concerns and issues are factored into our business planning and execution strategy.

We interact with the following six stakeholders groups who are either impacted by our organisation or whose actions can be expected to affect our strategy. Through varied engagement channels, we maintain frequent contact with our stakeholders, and these vital exchanges aid in the continuous improvement of our products and operations.

STAKEHOLDER GROUPS	ENGAGEMENT PLATFORMS	HOW WE CREATE VALUE
Customers	Conferences Customer Meets Plant Visits Surveys	We continuously strive to improve our products and services by understanding our customers' preferences via feedback at periodic intervals.
Employees	Conferences Engagements Surveys Workshops Employees' Involvement in Organisations CSR Activities	We developed a learning and development framework which allows our employees to widen their skills set and also prepare them for future leadership roles.
Suppliers	Vendors Meets Audits IT-enabled Portal to Monitor Performance	We support our suppliers in overcoming the challenges they face by engaging in periodic dialogue with them.
Technical Collaborators	Steering Committee Meetings Plant Visits	We combine their technological strength and our manufacturing prowess along with our strong customer relationship to offer world-class products and solutions.
Community	Community Visits Interaction with Local Bodies in Areas of Operation CSR Activities	We conduct need assessment studies to identify the needs of the surrounding communities and develop CSR programmes accordingly.
Shareholders	Annual Report Press Releases Investor Presentation Corporate Website Quarterly and Annual Results Corporate Announcement on Stock Exchanges	We focus on managing our financial capital prudently to drive sustained economic value generation, operate a business model that is viable for the long term and satisfy the expectations of our shareholders.

Our sustainability strategy is grounded in our vision to have a business model that is dynamic, responsive, responsible, self-evolving and resilient over time. As an organisation, we are committed to incorporating environmental, social, financial, and technological risks, opportunities and obligations in our decision making.

Materiality Assessment

To align our sustainability strategy with aspects that are of most relevance to us, we conducted our first materiality assessment this year. For our assessment, we adopted the Global Reporting Initiative's (GRI) definition of material aspects as being those that reflect the organisation's significant economic, environmental and social impacts and influence on stakeholders' assessments and decisions.

To identify these aspects, we conducted in-depth consultations with internal stakeholders and supplemented their ratings with industry research and peer analysis. Additionally, we also referred to the Sustainability Accounting Standards Board's (SASB) materiality matrix to identify the aspects that would be most financially material to our business. Moving forward, we will consistently evaluate these aspects to ensure that these aspects remain aligned with our strategy and relevant in an ever-changing external environment.

To further guide our sustainability strategy and to focus on key impact areas we have developed an ESG framework that highlights the pillars of our approach. Each material aspect has been grouped under these four thematic pillars i.e., Operational Impact, Employee and Community Well-being, Responsible Product Offering, and Ethical Business Conduct. Underpinned by our vision and governance structure, we will use these pillars to communicate our progress and identify improvement areas. We have also aligned each material aspect to the United Nations Sustainable Development Goals (UNSDG's) to communicate how we contribute to the larger sustainability agenda.

1 Identification of Issues and Compatibility with Peers

The material issues were identified from global standards such as Global Reporting Initiative (GRI) and Sustainability Accounting Standards (SASB) on ESG criteria and peer analysis.

2 Stakeholder Reviews

All issues identified were reviewed by relevant internal shareholders to determine their alignment with business strategy and future prospects.

3 Validation of Issues

A list of issues was developed based on their impact on business and relevancy and was presented to senior management for final validation.

4 Finalisation of Material Topics

The issues were then categorised under broader thematic areas.

Thematic Pillars	Material	Relevant GRI/ SASB Topic	IR Capital	Relevant SDGs
Operational impact	Energy	302: Energy	Natural Capital	
	Emissions	305: Emissions	Natural capital	
	Water management	303: Water	Natural Capital	
	Waste management	306: Waste	Natural Capital	
Employee and community well-being	Employment	401: Employement	Human Capital	
	Occupation, health and safety	403: Occupation, health and safety	Human Capital	
	Training and education	404: Training and education	Human Capital	
	Diversity and equal opportunity	405: Diversity and equal opportunity	Human Capital	
	Local communities	413: Local communities	Social and Relationship Capital	
Responsible product offering	Product quality and safety	416: Customer health and safety SASB: Number of recalls issued Customer satisfaction	Social and Relationship Capital	
	Product design and lifecycle management	SASB: Revenue from products designed to increase fuel efficiency	Natural Capital Intellectual Capital	
	Supply chain management	308: Supplier environmental assessment 414: Supplier social assessment	Social and Relationship Capital	
Ethical business conduct	Economic value creation	201: Economic performance	Financial Capital	
	Regulatory compliance	205: Anti-corruption 206: Anti-competitive behaviour 307: Environmental compliance 419: Socioeconomic compliance	Financial Capital Social and Relationship Capital	

Ethical Business Conduct

Ethical Business Conduct

Our Governance

Effective corporate governance is the foundation upon which successful enterprises are built. The Corporate Governance at our organisation channels this belief through strong oversight of business strategies, ensuring fiscal accountability, ethical corporate behaviour, and sustainable business practices.

Our Board

The Board plays a pivotal role in ensuring good governance within the organisation. It periodically reviews the business strategy of the Company to ensure that it is responsive to the ever-changing external environment and in alignment with the Company's mission and long-term aspirations. Our board has a balanced mix of executive, non-executive and independent directors with relevant skills and expertise. As a company, we acknowledge the benefits of a diverse workforce and are also committed to diversity at the highest levels of management. Our commitment is operationalised through our Board Diversity Policy.

9
Members

5
Independent Directors

22%
Women Directors

22%
Directors Elected Annually

64
Years Average Age

3
Years Average Tenure

The functioning of our Board is further complimented by certain committees that have been instituted to enable effective decision-making on certain areas of focus.

Committees at Minda Industries Limited

- Audit Committee
- Stakeholders Relationships Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Investment Committee

Mr. Nirmal Kumar Minda - Chairman and Managing Director

- An industrialist with over three decades of rich business experience in the Auto Components & Ancillary sector
- Instrumental in forming new alliances and joint ventures with reputable global players
- Helped the Group grow manifold under his dynamic leadership
- Established footprints globally and received numerous awards and recognitions

Mr. Ravi Mehra - Deputy Managing Director

- With 32 years in the industry, Mr. Mehra has a rich management experience and has handled roles in strategy, finance, marketing, manufacturing, materials, HR, and product/technology development
- Mr. Mehra's association with Minda dates back to 1995, when he joined the Group as General Manager (Finance). He has held various leadership positions at Uno Minda
- Under his leadership, the Group's 2-wheeler/3-wheeler switch business has expanded globally, catering to ASEAN countries, Europe, and Japan, besides being No. 1 in India

Mr. Anand K. Minda - Non-Executive Director

- Over 41 years of hands-on experience in financial control, reviews, manufacturing, and project management
- Appointed Board Member since 2011
- Plays pivotal role in new projects and strategy formulation
- Member of the Company's Nomination and Remuneration Committee, Stakeholders Relationship Committee, and CSR Committee

Ms. Paridhi Minda - Whole-time Director

- Joined Uno Minda Group in 2001
- Initially, spent extensive time on the shop floor, getting insights into best practices in manufacturing. Also worked closely with all 6M functional heads, understanding the nuances of running a successful business
- Subsequently, got associated with the Lamp business of Uno Minda Group and worked closely in diverse functions over the next seven-eight years
- Instrumental in driving process efficiency and leading some de-bottlenecking assignments

Mr. K. K. Jalan - Independent Director

- Service experience of over 40 years, including Secretary to the Government of India (Jan 2016-Jun 2017) for the Ministry of Micro, Small & Medium Enterprises (MSME)
- A seasoned officer with a repute of good governance, spearheaded significant changes at the Employee Provident Fund Organisation as the Central Provident Fund Officer

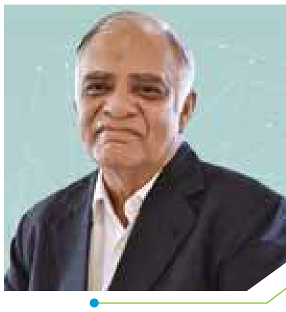
Ms. Pravin Tripathi - Independent Director

- Former Indian Audit & Accounts Services (IAAS) Officer of the 1973 Batch with more than four decades of experience in the field of Audit & Accounts
- Held various senior positions, including that of Deputy Comptroller & Auditor General of India and Chairperson Audit Board, Member of the Competition Appellate Tribunal, Member of the Economic Regulatory Authority Appellate Tribunal and Chief Auditor, and Municipal Corporation of Delhi, among others

Mr. Rakesh Batra - Independent Director

- Mr. Rakesh Batra, as an industry expert, brings significant management and consulting experience of 40 years in India, the US and Australia in the Automotive, Industrial Equipment and Manufacturing industries with deep corporate strategy and business transformation experience
- He did his B-Tech in Agricultural Engineering from IIT Kharagpur. He did his Master of Business and Technology at the University of New South Wales, Sydney, Australia. He did a Post Graduate Diploma in Management (SPA) Indian Institute of Management, Ahmedabad
- Until recently, he served as Partner and Automotive Sector Leader with EY India. Currently he is also a Strategic Advisor to two start-ups in the Indian EV ecosystem

Mr. Rajiv Batra - Independent Director



- Mr. Rajiv Batra is Chartered Accountant from ICAI and Economics Honors Graduate from Shriram College of Commerce Delhi. He is a seasoned professional with over four decades of experience in Finance and Accounting across India and the US.
- He is a passionate business leader helping businesses with their plans to scale up, guiding them with strategic business inputs, as well as providing them with timely interventions and support, including cost effective sources of funding.
- He was one of first founding employees of the finance function at Xerox in India and rose to being the Chief Financial Officer. He later joined Xerox Inc., based in Stamford, Connecticut, USA, as Head of Controls for Developing Markets, and was promoted to CFO for Developing Markets in less than 18 months.

Mr. Satish Balkrishna Borwankar - Independent Director

- Mr. Satish Balkrishna Borwankar is a B-Tech (Hons.) Mechanical Engineer, of 1974 batch of IIT Kanpur. He started his career with Tata Motors from 1974 as a Graduate Engineer Trainee. He acquired wide experience of working in the automobile industry, particularly in manufacturing and quality functions of commercial vehicles & passenger vehicles at Tata Motors.
- Mr. Borwankar worked in various executive positions, for overseeing and implementing product development, manufacturing operations and quality assurance of commercial & passenger vehicle business at Tata Motors.
- He played a significant role in setting up some of the green field projects at Tata Motors. He superannuated as Executive Director & Chief Operating Officer after serving the organisation for 45 years. He has also served as a Board member for various companies such as Jaguar Land Rover India Private Ltd. and Tata Cummins Private Ltd.

Sustainability Oversight

As the auto industry continues to grow, sustainability considerations have become increasingly important for players in the auto sector and all other stakeholders. In response to the same we have instituted a governance framework that monitors the Environmental, Social and Governance (ESG) performance of the Company and the major risks and opportunities associated with it. The Steering Committee, comprising key management executives, is responsible for the sustainability strategy of the Company. The Committee is supported by an advisory committee which includes functional leads from EHS, HR, CSR, and Finance. The Steering Committee convenes every month to review the sustainability strategy and performance of the Company and engages with the Board every quarter to apprise them of the same.

We have built a strong Corporate Governance framework, not just to boost long-term shareholder value, but also to respect minority rights. We ensure timely and accurate disclosure of information to our stakeholders regarding its operations and performance, as well as the leadership and governance of the Company. We have also received the prestigious Amrop-Economic Times India's Best Board 2021 Award for our Corporate Governance practices and exemplary Board leadership.

CMMC

Reports to

MIL Steering Committee

- Mr. Ravi Mehra (CEO)
- Mr. Rajiv Kapoor
- Mr. Sunil Bohra
- Mr. Amit Gupta

Monthly Review Meetings

Reports to

Sustainability Officer

Inputs from Sustainability Champions

Reports to

Sustainability Champions

Plant-Wise/Division-Wise

Inputs from Functional Leads

MIL Advisory Committee

(Functional Leads)

- Mr. Sachchidanand Pande
- Mr. Gaurav Kumar
- Mr. Sandeep Bansal
- Mr. Praveen Bhasin
- Mr. Vaibhav Panwar

The Top Management Team

Mr. Nirmal K. Minda
Chairman & Managing Director

Mr. Sunil Bohra
Chief Financial Officer & Chief Strategy Officer

Mr. Naveesh Garg
Group Chief Marketing & Chief Purchase Officer

Mr. Ravi Mehra
Dy MD, CEO, ECS*, SCS**

Mr. Kundan K. Jha
CEO - Light Metal and Powertrain Systems

Mr. Rajiv Kapoor
Group Chief Human Resource Officer

Mr. Amit Jain
Chief Technology Officer

Mr. Rajeev Gandotra
CEO - Lighting & Acoustics Systems

Mr. Rakesh Kher
CEO - Aftermarket

Mr. Vivek Jindal
Deputy CEO, Lighting and Acoustics Systems (LAS) Domain

*Electronics & Control Systems Domain /**Safety and Comfort System Domain

Policies Governing our Business

Our corporate governance policies ensure transparency in operations, timely disclosures, and adherence to regulatory compliances. These policies are regularly updated on the basis of feedback received from stakeholders, emerging workplace trends, and global good practices. Our codes and policies are available to all our stakeholders including our employees on internal and external communication portals. Familiarity with the codes and policies is provided as a part of the induction and refersher training is driven through the learning and development framework.

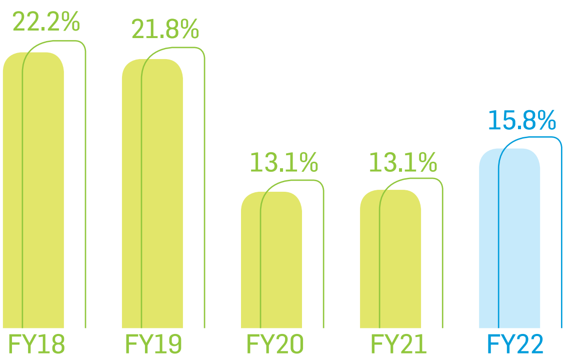
- Policy on Director's Familiarisation & Continuing Education Programme
- EHS Policy
- Dividend Policy
- Directors Diversity Policy
- Policy on POSH
- CSR Policy
- Whistle Blower Policy
- Code of Fair Practice
- Related Party Transaction Policy
- Code of Conduct
- Policy Determining Materiality
- Supplier Code of Conduct
- Policy of Legitimate Purpose
- Documents Retention Policy
- Risk Management Policy
- Material Subsidiaries Policy
- Nomination and Renumeration Policy
- MIL Insider Trading Code

Economic Value Creation

Strong economic performance is essential for us to operate a business model that is viable in the long term. It not only makes it possible to operate a profitable business, but also enables us to satisfy the expectations of our stakeholders and to be accountable for our shareholders' growth.

We focus on managing our financial capital prudently to drive sustained economic value generation. Despite the challenges posed by the pandemic, our strong balance sheet, cash flow from operations and access to funding options, including debt and equity financing, have enabled us to explore growth opportunities in an evolving operating environment. Moving forward, we aim to achieve at least a 20% return on capital employed (ROCE) in our business ventures and a minimum market share of 30% in the product markets that we enter.

ADJUSTED ROCE



THE COMPANY'S ECONOMIC

Economic Value Distributed ₹ 7,985 Crores

Operating Cost — ₹ 6,534 Crores

Wages and Benefits — ₹ 1,207 Crores

Payments to providers Capitals — ₹ 91 Crores

Community Investments — ₹ 7 Crores

Revenue ₹ 8,313 Crores

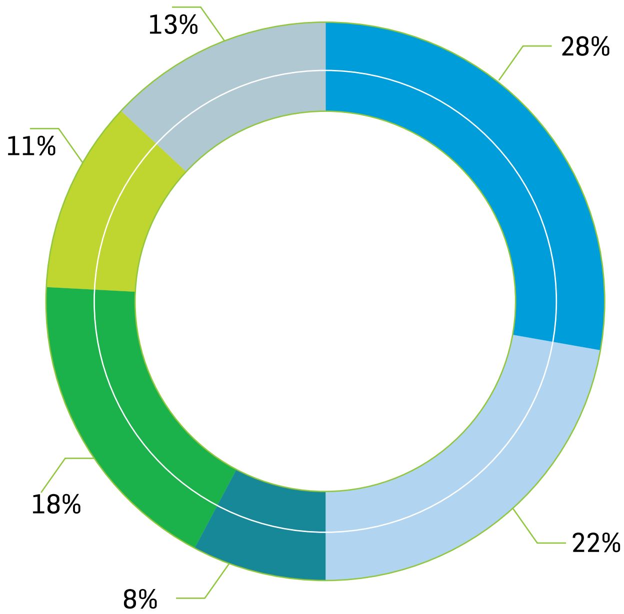
Payment to Providers of Government — ₹ 147 Crores

Economic Value Retained — ₹ 327 Crores

VALUE RETAINED OF ₹

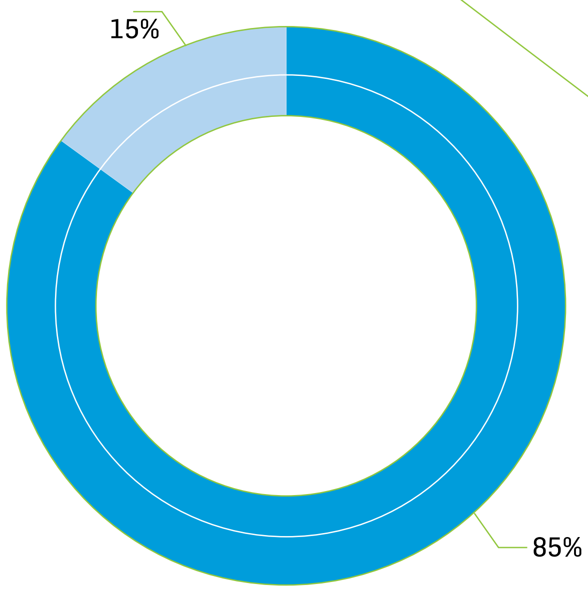
The Company's economic value retained of ₹ 327 Crores is the direct economic value generated of ₹ 8,313 Crores by the activities of our business and employees, less economic value distributed of ₹ 7,985 Crores to stakeholders through operating costs, employee wages, and benefits, payments to providers of capital, payments to governments and community investments.

Responsible Product Offering



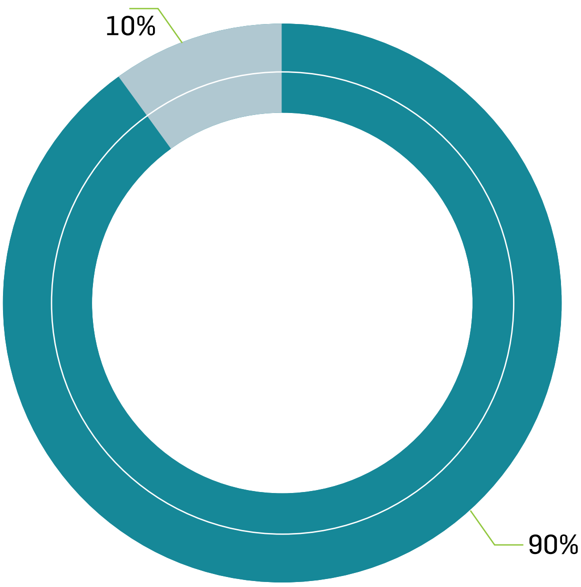
REVENUE BY DIVISION (%)

Switches Lighting Acoustics
Castings Seatings Others



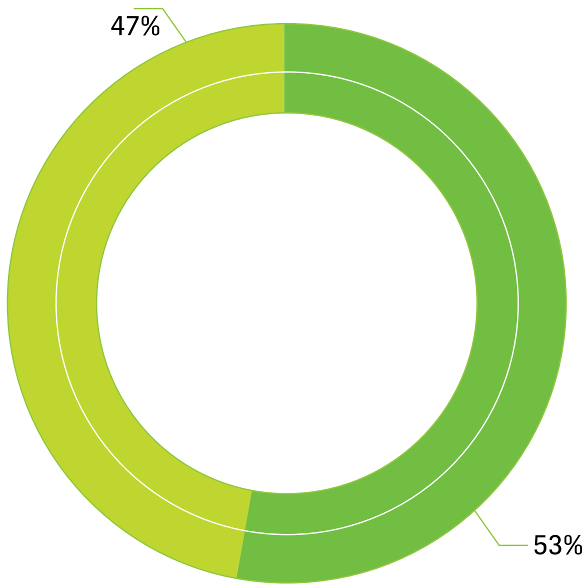
REVENUE BY GEOGRAPHY (%)

International Domestic



REVENUE BY CHANNEL (%)

Replacement OEM



REVENUE BY VEHICLE (%)

2-wheeler 4-wheeler

Driving The New Through Responsible Product Offering

Product Quality and Safety

We recognise customers as one of our key stakeholders and strive to include their expectations into our decision-making process. We endeavour to deliver products that not only excite our clients and customers but also meet the legally required safety and quality standards. We have a quality policy in place that emphasizes zero defect supplies to customers.

Product Design and Life Cycle Management

Minda Industries is taking steps toward a more socially and environmentally conscious future, and has committed to LED lighting projects for various automotive applications.

We are building a range of EV Chargers such as smart plugs and on-board chargers by investing, developing and manufacturing a world-class portfolio of EV charging solutions across every vertical.

- EV's
- Light Weighted
- Competency Building
- Material Management

Industry 4.0

Our recently established 2-wheeler Alloy plant is based on Industry 4.0 and uses the Internet of Things concept to connect a complex foundry, a machine shop, and a paint shop. Integration of IoT has helped in the following manner:

- Improving productivity by analysing real-time OEE data: Real-time data collection entails connecting individual machines to the server, which aids in calculating real-time OEE and obtaining real-time downtime reports with MTTR and MTBF alerts.
- Improving productivity with real-time process parameter data: Each machine is connected to an IoT platform and process parameters like temperature, pressure, current, voltage, and humidity, among others, are captured digitally, which has reduced overheads by eliminating non-value added activities.

Supply Chain Management

We have an extensive network of suppliers and we believe that we can only truly be sustainable when we leverage our business relationships to foster sustainability in our value chain. We have a supplier code of conduct that requires our suppliers to exhibit the highest standard of ethical business conduct. Additionally, we demand that our suppliers submit statements addressing a number of environmental and social standards, including the availability of ISO 14001, ISO 18001, and ISO 16949:2016 Certification, the use of restricted hazardous materials, and adherence to ELV/ROHs/REACH requirements.

We maintain a fair process for selecting suppliers without any internal or external influence and have the necessary systems and processes in place to evaluate and mitigate risks across the supply chain.

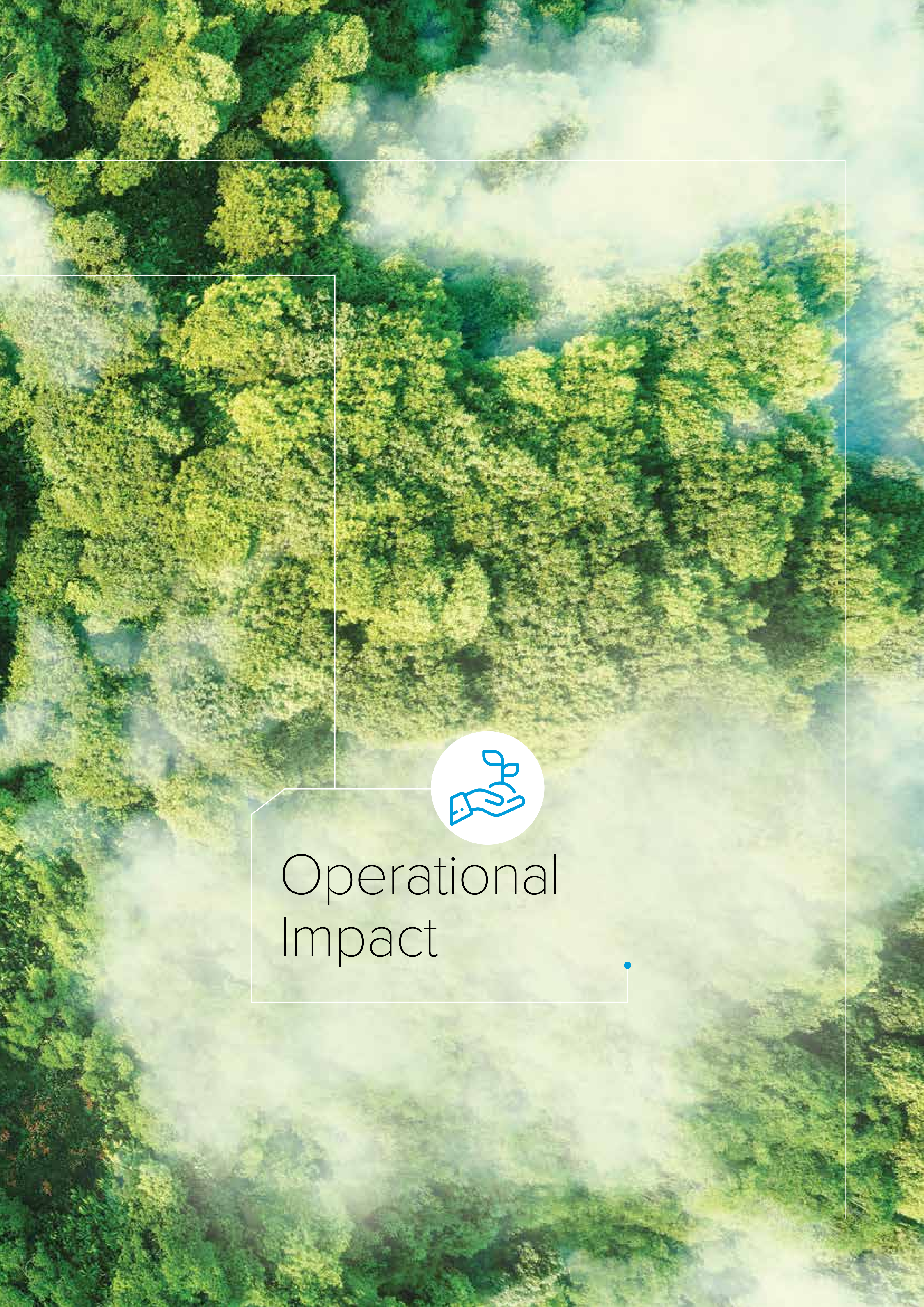
Over the years, Uno Minda has created a great place to work for all our employees by excelling in the 5 dimensions of a high-trust, high-performance culture – Credibility, Respect, Fairness, Pride and Camaraderie. We are now also certified as a Great Place to Work 2022 by the Great Place to Work Institute India and are featured on the Wall of Fame of the Great Place to Work Institute as one of the Best Top 30 Workplaces.

Ethics and Compliance

We consistently adhere to the highest principles of conduct and have earned our reputation as an accountable organisation that operates with integrity. Our Code of Conduct is a testament to our commitment to conducting business with the utmost honesty and responsibility. It lays down the expectations that we hold with respect to ethical professional behaviour form our internal and external stakeholders. The Code of Conduct is applicable to all Directors, Independent Directors, Senior Management, and all employees of Minda Industries Limited. All governance body members and employees receive regular training on our Code of Conduct and anti-corruption policies and procedures.

We also have in place an Ethics helpline for all our stakeholders to report any ethical violations observed in the organisation.

Category	No. of complaints filed during FY FY 2021-22	No. of complaints pending as on end of the FY FY 2021-22
Environmental and social non-compliance	Nil	Nil
Corruption	Nil	Nil
Anti-competitive behaviour	Nil	Nil



Operational Impact

Driving The New by Being Conscious and Through Preservation

Climate change is one of the greatest challenges of our time and we as an organisation are cognizant of the role we have to play in mitigating Green House Gas (GHG) emissions. Energy conservation and optimisation are of the utmost importance to us. However, in addition to adopting various energy efficiency measures, we have significantly increased our uptake of renewable energy as a key aspect of our decarbonisation strategy.

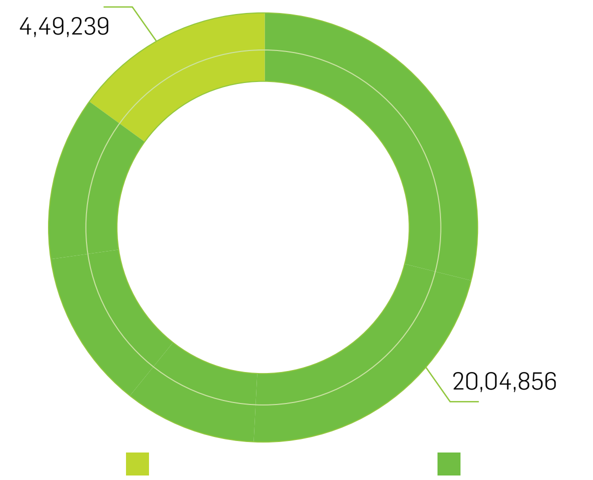
In our journey towards being a global sustainable organisation, we recognise the importance of minimising the negative environmental impact of our operations. To this end, we have adopted new technologies and best practice initiatives so that almost all of our plants have an ISO 14001 Certified Environmental Management System (EMS), making it possible for us to consistently evaluate our performance and progress against our environmental goals. Across the organisation, our efforts are directed by our EHS policy.

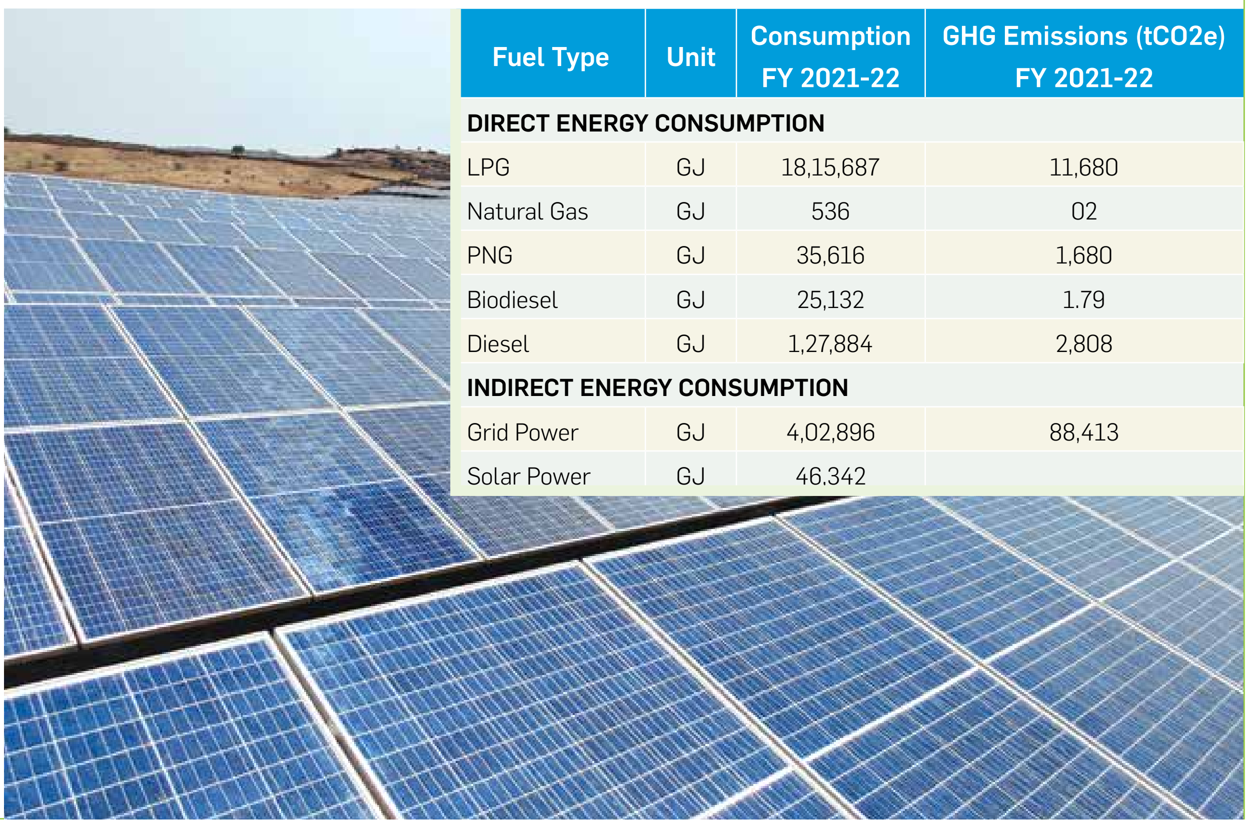
Energy and Emissions

Climate change is one of the greatest challenges of our time and we as an organisation are cognizant of the role we have to play in mitigating Green House Gas (GHG) emissions. Energy conservation and optimisation is of the utmost importance to us. However, in addition to adopting various energy efficiency measures, we have significantly increased our uptake of renewable energy as a key aspect of our decarbonisation strategy. In the last year itself, we have installed rooftop solar panels at various plants increasing our renewable energy share from 2% to 10%.

A testament to our commitment to decarbonising our operations, we have also set ourselves an ambitious target of meeting 40% of our energy needs from renewable energy by 2025.

We meet our energy demand through LPG, LNG, Natural Gas, PNG, Biodiesel, Wood, Diesel and Grid-Electricity. Since a large share of energy requirements are met through purchased electricity, our renewable energy strategy would enable us to significantly reduce our emissions moving forward.





Fuel Type	Unit	Consumption FY 2021-22	GHG Emissions (tCO2e) FY 2021-22
DIRECT ENERGY CONSUMPTION			
LPG	GJ	18,15,687	11,680
Natural Gas	GJ	536	02
PNG	GJ	35,616	1,680
Biodiesel	GJ	25,132	1.79
Diesel	GJ	1,27,884	2,808
INDIRECT ENERGY CONSUMPTION			
Grid Power	GJ	4,02,896	88,413
Solar Power	GJ	46,342	

Energy Saving Initiatives

Location	Initiatives	Savings Per Annum (Kwh)
Lighting - Chennai	Provide energy savers in Ac's to save power	25,000
Lighting - Pune	Fan automation to start & stop with timer/occupancy sensor/ RF card	9,000
	Changed V belt to cogged belt for better gripping	16,250
	Old motors changed with IE-3 energy efficient motors	12,000
	Decikent Air dryer replaced with refrigerated air dryer reducing air purge losses 5-7%	1,12,375
Lighting - Manesar	Insulation repairing done at injection moulding machines on hooper	16,589
	In place of existing chillers, provided one 85 TR energy efficient screw chiller with VFD	75,600
Rinder - Bhadurgarh	Replacement of AHU from AC	1,23,529
	Process optimisation of cooling tower	38,651
Rinder - Hosur	Energy saving by redesigning the cooling tower pipelines	52,462
	Thyristor installation instead of SSR	62,400
Rinder - Pune	Installation of heater jackets on injection moulding machines	46,800
	Installation of VFD on base coat ovens	32,400
Rinder - Sonipat	Insulation repairing done at injection molding machines on hooper, heaters & ovens	35,388
Acoustic DTA & EOU-Manesar	EOU Auto High Energy Consuming SD7 line converted into Manual Less Energy Consuming SD7 horn assembly line	62,840
METL- Manesar	VFD installation on low pressure compressor	24,480
Minda Onkyo - Bawal	Energy saving by improving power factor at main feeder	36,500
	Saving by integrating the exhaust blowers	39,600
MIL - Switch Manesar	Insulation repairing done in furnaces, hopper & heaters	48,938
	Provided VFD to save the power	38,568
MIL - Switch Pantnagar	Use of PNG in powder coating plant instead of LPG	71,760
MRPL - Chennai	11 KW pump replaced by 7.5 KW motor on circulation pump from cooling tower to process	31,200

Water Management

We recognise that water is a scarce resource that needs to be conserved for not only the benefit of enterprise but also the community at large. From our inception, we have been judicious in our use of water, adhering to all local permissible water withdrawal limits in our areas of operation.

We have taken several initiatives across our business to conserve water. We have installed Sewage Treatment Plants (STP) and Effluent Treatment Plants (ETP) in most of our facilities to treat waste water, which can be reused for domestic purposes like gardening.

Moving forward, we intend to implement a digital water management system that would enable us to monitor and optimize water consumption across various processes in our plants.

Water Withdrawal by Source	Quantity (FY 2021-22)	Unit
Groundwater	3,84,562	KL
Municipal Supply Water	23,774	KL
Third Party Water	2,47,305	KL

Water Minimisation

We firmly believe that waste is just another 'valuable resource', which can be reused to yield positive environmental and economic impact. Moreover, we also believe that effective waste management is important for the health of the environment, our employees and surrounding communities. Therefore, we strive to minimise our waste across all waste streams.

We manage all the waste that we generate in compliance with local regulations and by processing it through authorised vendors and recyclers.

Waste Generated	Quantity (FY 2021-22)	Unit
HAZARDOUS WASTE		
Used Oil	937	Tons
Coolant	892	Tons
Sludge	382	Tons
Oily Socked Clothes	201	Tons
Empty Container	3,337	Tons
Others	471	Tons
NON-HAZARDOUS WASTE		
Metal Waste	1,086	Tons
Plastic Waste	4,529	Tons
STP Sludge	56,030	Tons
Others	2,294	Tons

Employee and Community Well-Being


UNO MINDA

Employee Well Being

Driving The New by Creating Employee Well-being for Best Performance

Our employees are one of our most valuable assets. Nurturing and empowering our employees is critical to our success as an organisation. We are committed to providing all our employees with a collaborative, inclusive, non-discriminatory, and safe working environment where all have an equal opportunity to grow.

As a part of our endeavour to foster a conducive working environment for our employees, we provide certain benefits such as healthcare, disability and invalidity coverage, parental leave and retirement provisions. In FY 2021-22, 3,745 employees and in FY 2020-21, 3,510 employees were entitled to parental leave. Out of which 56 employees in FY 2021-22 and 58 employees in FY 2020-21 took the parental leave.

Our constant endeavour is to cultivate a 'listen to act' culture in our organisation. We believe that constant employee engagement is a pre-requisite to fostering an employee management system that is responsive and hence, effective. In addition, to our regular town halls and other employee engagement platforms, we also engage with our employees through an annual survey, wherein we attempt to gauge their satisfaction with their work, the opportunities that they are being accorded and their general concerns, to identify areas of improvement. We quantitatively evaluate the results of this survey through our culture and trust index. Employees also have access to an ethics helpline to raise any concerns or grievances.

Category Gender	Male	Female
Board of Directors	7	2
Permanent Employees		
Management	561	11
Other Employees	2,817	177
Permanent Workmen	5,472	843
Temporary Workforce		
Contract Workers	8,198	1,662
Others	3,318	1,052
Total	**20,366**	**3,745**

Minda Energize

It is an annual wellness programme covering all aspects of well-being like mental, physical, social and emotional. Under this programme, monthly virtual meetings are organised for educating and sensitizing employees related to their well-being.

UNO MINDA Tele OPD

The purpose of this programme is to provide healthcare services to employees in the age group of 45 and above. A dedicated helpline number available 24/7 answers all the medical queries and introduces a specialist, if needed. It also provides healthcare plan for chronic diseases for a year with timely reminders for follow ups.

UNO MINDA FIT

An online application that provides special discounts to employees on the purchase of Medicines, Lab Tests, OTC Drugs, and Food Supplements. Under this programme, monthly wellness webinar sessions are also facilitated by specialists.

Talent Attraction and Retention

We seek to attract, train, and retain the brightest talent. We follow a robust recruitment strategy that enables us to select the right talent for our Company. This includes, both campus hiring and lateral hiring programmes.

In addition to the existing system where top performing employees are rewarded with bonuses and promotions, we plan to build a comprehensive and suitable Rewards & Recognition programme and implement a continuous performance management system. We are also working on developing a structured performance improvement plan (PIP) policy that will outline our commitment to fostering a performance-driven culture.

Total Employees Hired by Age Group (FY 2021-22)

<30
1,031 Staff | 423 Associates

30-50
283 Staff | 480 Associates

>50
3 Staff | 6 Associates

Total Employees Hired by Gender (FY 2021-22)

Male
1,183 Staff | 853 Associates

Female
134 Staff | 56 Associates

Total Employees Separated by Age Group (FY 2021-22)

<30
643 Staff | 186 Associates

30-50
143 Staff | 320 Associates

>50
16 Staff | 9 Associates

Total employees separated by gender (FY22)

Male
590 Staff | 212 Associates

Female
474 Staff | 41 Associates

Diversity and Equal Opportunity

We are an equal opportunity employer and as an organisation, we fully recognise the benefits of having a diverse workforce. We are committed to creating a work environment that enables employees to work without the fear of prejudice, gender bias or harassment.

#1 Recruitment Strategy

- Lateral hiring-target % based
- Campus hiring plan
- Gender-specific replacement hiring
- Equal opportunity employer
- Hiring at leadership level
- Brand building (video of lady ambassador)

#2 Workplace Strategy

- Policy work-life balance
- Hygienic facilities
- Grievance resolutions/POSH
- Equal opportunity
- Special female-centric policies
- Progression to strategic role

We implement stringent measures to prevent child labour, forced/compulsory labour, and sexual harassment in our operations. Our Prevention of Sexual Harassment (POSH) policy covers every employee and is publicly available. We have also set up a dedicated Internal Complaints Committee (ICC) at all locations to redress complaints of sexual harassment.

To bolster diversity in our workforce we have developed our gender diversity strategy through which we aim to increase the share of female employees in our workforce to 20% by 2025.

Our Gender Diversity Target Timeline

2019	2020	2021	2022	2023	2024	2025
6%	8%	10%	12%	15%	18%	20%

Training and Development

Through requisite learning and development programmes, we aim to enhance the performance of our employees and equip them with the skills necessary for today and tomorrow. Our vision is to transform ourselves into a world-class learning organisation. We aim to do this through our comprehensive learning and development framework-a key part of which is our in-house platform, 'The Learning Hub'.

Our learning framework has three pillars viz. high potential leadership development, trainings and learnings for solid citizens and functional trainings. Basis feedback from managers and performance appraisals, we formulate a learning calendar for each employee inclusive of trainings under these categories.

Programmes under high potential leadership development pillar are categorised according to the organisation's hierarchal structure where employees identified based on performance criteria mentioned in these programmes are given specific trainings. For employees above the level of GM, we have M-Leap which strives to develop leaders and a succession pipeline of business/group function heads, where they receive leadership trainings and external coaching. We aim to create a pool of 2 successors for each of the CMD-1 and CMD-2 positions while limiting the external hiring for Manager & above positions to less than 5% of the vacancies. Employees falling under the category of managers and DGMs, have Transform-M, whose purpose is to create a robust talent pipeline of function/ sub-function heads by imparting behavioural and functional training to enhance knowledge, leadership skills and growth mindset. For employees becoming first time managers, we provide mentoring for their smooth transition. We have also formulated an associate development programme that identifies high potential associates and facilitates their promotion to become staff members, thus reducing the focus on lateral hiring. In FY 2020-21, 60 associates and in FY 2021-22, 80 associates were promoted to staff positions. In addition to our dedicated learning platform named 'The Learning Hub', we consistently provide effective skill development opportunities for our employees through a comprehensively designed learning and development framework.

Training and development programme for 'Solid citizens' employees are identified through their bi-annual performance appraisal process. Reporting managers identify the training needs of these employees and recommend them two programmes from the competency frameworks developed according to the organisation's hierarchal structure. The employees are also consulted during the recommendation process.

Lastly, for each department/function, a single point of contact (SPOC) has been identified who assesses employees on the competencies and hires subject matter experts to provide skill training relevant to their specific department. We have created 50 E-learning modules in line with defined competency frameworks. We have also formed associations with universities for the provision of specialised training and offer to partially sponsor the higher education of our employees.

Every recruit is required to undergo an extensive 7-day programme which encompasses aspects such as about the organisation and its culture, and dos and don'ts, among others. We have also developed a culture training programme named Uno Minda way which is required to be mandatorily attended by every employee. Our talent pool is also subject to periodic job rotation programmes to infuse versatility into their skill set.

EHS Policy

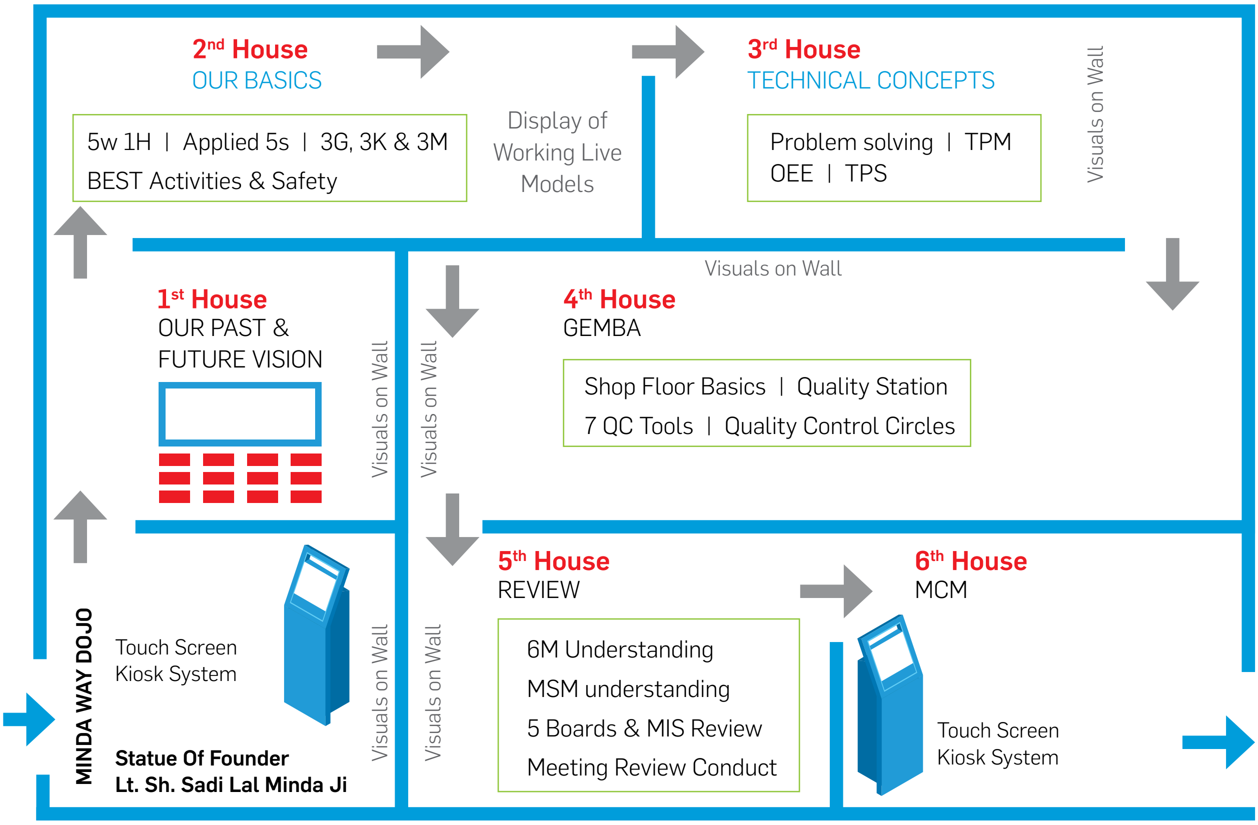
We are committed to providing a safe work environment for our employees and other stakeholders. Our organisational commitment to ensuring the health and safety of our stakeholders, is documented in our EHS policy which is publicly available. The majority of our facilities have been certified for requirements under ISO 45001 (Environment Health Safety). Periodic safety risk assessments and audits are carried out at our plants for hazard identification and risk analysis. As a governance measure, monthly safety committee meetings are conducted to review the performance of each plant and devise corrective actions. To foster a safer working environment, safety training is imparted to all employees on a regular basis.

At the onset of the pandemic, we had established a COVID-19 care centre to assist our employees. The pandemic has highlighted the importance of mental health and, in acknowledgement of the same, we are currently working on developing an employee Health and Wellness programme and documenting an organisational policy on work-life balance.

We **featured** on **Wall of Fame** of the **Great Place** to Work Institute amongst the **Top 30 Best** Work Places

Uno Minda WAY DOJO

This will be a facility which shall provide access to self-learning and training regarding the organisations policies and procedures. The learning components shall be comprising all three styles in which people process and learn new information that is visual, auditory and kinaesthetic. This will also help new hires to settle down quickly in the new work environment and give them a sense of belonging.



Occupational Health and Safety

We are committed to providing a safe work environment for our employees and other stakeholders. Our organisational commitment to ensuring the health and safety of our stakeholders, is documented in our EHS policy which is publicly available. Majority of our facilities have been certified for requirements under ISO 45001 (Occupational Health and Safety System). Periodic safety risk assessments and audits are carried out at our plants for hazard identification and risk analysis. As a governance measure, monthly safety committee meetings are conducted to review the performance of each plant and devise corrective actions. To foster a safer working environment, safety training is imparted to all employees on a regular basis

At the onset of the pandemic, we had established a COVID-19 care centre to assist our employees. The pandemic in general highlighted the importance of mental health. In acknowledgement of the same, we are currently working on developing an employee Health and Wellness programme and documenting an organisational policy on work-life balance.

Safety Statistics

KPI	FY 2021-22
Fatalities	0
Lost time incidents	36
First aid cases	60
Near misses	2,871
Unsafe acts captured	18,264
Unsafe conditions captured	29,150
LTIFR	0.36
Safety training hours	40,021

Community Engagement

Driving The New with Responsibility to Build the Community

We believe it is our responsibility to address some of society's most urgent needs and to ensure balanced and inclusive growth in the communities where we operate. We are committed to enhancing relationships with key stakeholders and creating a positive impact on society through our corporate social responsibility (CSR) initiatives. Our CSR policy enshrines the framework for the implementation of these initiatives. As we grow, our employees are also voluntarily using their talents, expertise, and strengths to contribute to the betterment of our communities.

How we Execute our CSR Activities

Need Assessment: A need assessment precedes the implementation of all our CSR programmes. The assessment makes it possible for us to analyse areas where we can truly make a difference and what our programmes must accomplish.

We engage local leaders in a dialogue on community needs and explain to them the benefits of each project. This ensures that we have community support in the implementation of our projects.

Monitor: The successful implementation of any CSR project is subject to appropriate Monitoring and Evaluation (M&E). In alignment with this belief, we have developed a comprehensive M&E framework with programme-specific tools. We rely on SMART (Specific, Measurable, Accurate, Realistic & Time-Bound) indicators to monitor our programmes. We have also developed an annual plan which includes a RASI (Responsible, Accountable, Support, Information) indicators sheet. This sheet is periodically reviewed by our management team, regional hub heads and the centre in charge.

Impact Assessment: We conduct impact assessments and social return on investment (SROI) studies of our CSR programmes. The inferences drawn from these studies are substantiated with views, opinions, perceptions of all relevant stakeholders. We use our learnings from these studies to incorporate real-time changes/course corrections on the ground or in better planning or design of future projects.

Feedback: We have created an annual feedback calendar wherein we invite members of the local community and all relevant stakeholders to discuss their concerns/grievances with the regional heads and our local teams. After an initial discussion regarding the grievances faced by our stakeholders, we plan a subsequent meeting to ideate a redressal approach for each issue. In addition to these scheduled sessions, we frequently interact with community members at our CSR project offices, which are located within the local communities where we operate.

Our CSR programmes and activities are performed under our two CSR arms namely, Suman Nirmal Minda Charitable Trust and Moga Devi Charitable Trust. Our interventions are Focused on the following five thematic areas.

SNMCT

SUMAN NIRMAL MINDA CHARITABLE TRUST is registered under the Societies Registration Act 1860. The Trust provides facilities to society in fields such as education, skill development, health and nutrition in rural and semi-urban communities, thus enabling people to live a life of dignity.

MDMCT

MOGA DEVI MINDA CHARITABLE TRUST is a joint CSR initiative of Uno Minda Group of Companies to conduct CSR activities in a structured manner in compliance with the CSR Provisions of the Companies Act, 2013.

Our focus area

SKILL DEVELOPMENT
Provide skill development though different vocational programmes

PREVENTIVE HEALTHCARE
Build capacity through healthcare programmes and curative need-based support

EDUCATION
Provide quality education to underprivileged children

COVID-19 SUPPORT
Provide support to COVID-19 patients via COVID-19 facilities, food support and financial assistance via NGOs

COMMUNITY AND WELL-BEING DEVELOPMENT
Provide support for social, environment and cultural well-being


Cutting & Tailoring-Samarth-Jyoti, Naharpur


Inauguration of CTG Chennai

Moga Devi Minda Memorial School


National Sports' Day Celebration - Samarth-Jyoti, Naharpur

Skill Development

240
Students certified in cutting & tailoring

114
Students certified in beauty & culture

386
Students certified through IT literacy programmes

At Uno Minda, we provide opportunities for disadvantaged or marginalised communities to build relevant skills and foster financial independence. We provide short term courses to women and youth in Beautician, IT literacy programmes and Cutting and Tailoring through our vocational training centres spread across the country. These centres are equipped with the latest technology and machines and the courses taught are designed by experienced and dedicated instructors, with practical training modules and assessments.

Education

We believe that education is a means through which socio-economic disparities can be reduced. We have implemented several initiatives to make learning and education accessible to all. We have established community schools in our areas of operation to provide access to education to children from underprivileged families.

At Samarth-Jyoti Community School, we strive to provide children from underprivileged backgrounds with a holistic education through innovative learning methods. We strive to combine quality knowledge, community support, particularly trained teachers, and digital skills with proper child education.

Key features of the school are:

- Community school with an interactive smart classroom for the digital learning experience
- Experienced teachers who can provide children with high-quality education
- Teachers' Training Programme which aims to help them hone their skills and knowledge so that they can be well-prepared to address evolving learning needs
- Parent-teacher meetings to share and monitor the progress of children

847
Students benefitted through Samarth-Jyoti Community school in FY 2021-22

We have also established The Suman Nirmal Minda school in Hathipura village of Ahmedabad, Gujarat, which aims to provide high-quality education to every student. The school focusses on collaborative learning and personalised attention to address the diverse educational needs of the children. It also presents opportunities for students to indulge in various extra-curricular activities such as organic farming, thus helping in their overall development. We have also set up remedial programmes to help children with their critical thinking.

We aspire to establish one school (1,500 seats) for the underprivileged in geographies exceeding 3,000 employees by 2025.



COVID-19 Support

The ongoing pandemic has affected many lives straining medical infrastructure across the country. Through our COVID-19 support programmes we have tried to address this predicament by building COVID-19 facilities and our food support programmes.

We distributed medical kits containing oxygen metres and necessary medications to all of our workers during the second wave. We also set up our own COVID-19 Care Centre to address the shortage of hospital beds. We opened an exclusive helpline in collaboration with Medibuddy for our employees and their families for medical assistance.

Preventive Healthcare

We have developed programmes that focus on preventive healthcare and foster an environment of awareness in the areas surrounding our operations. Under these programmes we conduct frequent health check-ups and blood donation drives.

Menstrual Hygiene Management (MHM) Programme

We strive to create awareness and break stereotypes and myths associated with mensuration among adolescent girls and women in the communities where we operate. We organise workshops conducted by specialists and our in-house MHM trainer. We also organise regular gynaecologist visits to address health issues faced by women in these communities.

Community and Well-being Development

Through our need assessment studies, we have recognised the importance of infrastructural development in our local communities. We have supported the development of government schools and aaganwadis. Moreover, we have periodically supported local governments during natural calamities.

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BOARD'S REPORT

To the Members of

Minda Industries Limited

The Board of Directors hereby submit its 30th report along with the audited financial statements of the Company for the financial year ended on 31 March 2022. The standalone and consolidated performance of the Company is summarised below:

Financial Results

(Amount ₹ in Crores, unless otherwise stated)

Particulars	Standalone		Consolidated	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Revenue from Operations	4,959.73	3,700.64	8,313.00	6,373.74
Other Income	79.92	54.62	62.94	47.03
Profit Before Tax	287.26	177.44	494.26	323.07
Add: Exceptional item	(24.98)	(10.00)	-	1.73
Less: Tax Expense	66.25	48.46	146.78	100.53
Profit before share of profit in associates and joint ventures	196.03	118.98	347.48	224.27
Add: Share of net profit in associates and joint ventures	-	-	65.16	24.17
Less: Non-controlling interest	-	-	56.84	41.81
Profit for the year attributable to the Owners of the Company	196.03	118.98	355.80	206.63
Add: Other Comprehensive income for the year attributable to the Owners of the Company	(0.80)	2.66	22.19	14.31
Total Comprehensive income for the year attributable to the Owners of the Company	195.23	121.64	377.99	220.94
Earnings per share (EPS):				
Basic (in ₹)	6.97	4.45	12.64	7.73
Diluted (in ₹)	6.94	4.27	12.59	7.41
Other Equity attributable to the Owners of the Company	2,598.98	1,593.46	3,381.33	2,202.18

Company's Performance

Standalone

The standalone revenue from Operations for the FY 2021- 22 was ₹ 4,959.73 Crores as against ₹ 3,700.64 Crores in previous year. The profit after tax for the FY 2021-22 was ₹ 196.03 Crores as against ₹ 118.98 Crores in the previous year. Total comprehensive income for the FY 2021-22 was ₹ 195.23 Crores as against ₹121.64 Crores in the previous year.

Consolidated

The consolidated revenue from Operations for the FY 2021-22 was ₹ 8,313.00 Crores as against ₹ 6,373.74 Crores in previous year. The profit after tax attributed to the Owners for the FY 2021-22 was ₹ 355.80 Crores, as against ₹ 206.63 Crores in the previous year. Total comprehensive income attributed to the Owners of the Company for the FY 2021-22 was ₹ 377.99 Crores as against ₹ 220.94 Crores in the previous year.

Consolidated Financial Statements

Pursuant to Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company and its subsidiaries, associates and joint ventures, prepared in accordance with the relevant Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, forms part of this Annual Report.

Performance and Outlook

Your Company has delivered yet another sparkling performance despite the lockdown related restrictions due to 2nd wave of COVID-19 in first quarter, challenges posed by semi-conductor shortages leading to production disruptions and commodity pricing pressures. With the demand remaining buoyant, easing off of the COVID-19 and semi-conductor situation globally, the management of your Company expects that the uptrend in the growth trajectory of the Company will continue. Uno Minda group is well positioned to capitalize on these developments and offer the best-in-class indigenous products to our existing and potential partners for sustained performance.

Dividends

The Board at its meeting held on 7 February 2022, declared an interim dividend of ₹ 0.50 per equity share i.e. 25.00% on 28,56,20,441 equity shares of ₹ 2 each. Further, the Board at its Meeting held on 24 May 2022 has recommended a final dividend of ₹ 1 per equity share for the financial year ended on 31 March 2022 and ₹ 0.01 dividend on 9,660 numbers of 0.01% Non-Convertible Redeemable Preference Shares of ₹ 100 each, subject to the approval of shareholders at the ensuing Annual General Meeting of the Company. The total dividend for the financial year ended on 31 March 2022 aggregates to ₹ 1.50 per equity shares of ₹ 2 each i.e.75%

BOARD'S REPORT (Contd.)

and ₹ 0.01 dividend per 0.01% Non-Covertible Redeemable Preference Shares of ₹ 100 each.

The Company has complied with the dividend distribution policy of the Company, the copy of which is available on the website of the Company at https://www.unominda.com/images/Corporate_governance/Corporate_Governance_Policies/Dividend-Policy.pdf

Transfer to Reserve

The Company has not proposed any amount to be transferred to the General Reserve.

Share Capital

Authorised Share Capital

The Authorised share capital of the Company is ₹ 5,11,69,20,500 as on 31 March 2022 comprising of 73,62,13,000 equity shares of ₹ 2 each and 275,00,000 8% Non-Cumulative Redeemable Preference Shares of ₹ 10 each and 3,36,94,945 0.01% Non-Cumulative Redeemable Preference Shares of ₹ 100 each.

Issue of Non-Convertible Redeemable Preference Shares and Equity Shares pursuant to the scheme of amalgamation of Harita Limited, Harita Venu Private Limited, Harita Cheema Private Limited, Harita Financial Services Limited and Harita Seating Systems Limited with the Company

During the period under review, the Company issued total 1,88,84,662 0.01% Non-Convertible Redeemable Preference Shares of face value of ₹ 100 each (NCRPS) and 39,69,737 equity shares of face value of ₹ 2 each to the eligible shareholders of 1) Harita Limited, 2) Harita Venu Private Limited, 3) Harita Cheema Private Limited and 4) Harita Seating Systems Limited in the ratio as mentioned in scheme of amalgamation.

No shares were allotted to the shareholders of Harita Financial Services Private Limited (HFSL) as entire share capital of HFSL was held by Harita Limited.

Redemption of 0.01% Non-Convertible Redeemable Preference Shares (NCRPS)

In terms of Scheme of Amalgamation of Harita Limited, Harita Venu Private Limited, Harita Cheema Private Limited, Harita Financial Services Limited and Harita Seating Systems Limited with the Company, the Company had allotted 1,88,84,662 0.01% Non-Convertible Redeemable Preference Shares of face value of ₹ 100 each (NCRPS) to the shareholders of Harita Limited, Harita Venu Private Limited, Harita Cheema Private Limited and Harita Seating Systems Limited with an option to opt an early redemption for NCRPS. No shares were allotted to the shareholders of Harita Financial Services Limited as the entire shares of Harita Financial Services Limited was held by Harita Limited.

Out of total 1,88,84,662 NCRPS, the holder of 1,88,75,002 NCRPS elected the option for early redemption. Accordingly, the Company redeemed 1,88,75,002 NCRPS at a price of ₹ 112.50 per NCRPS.

Issue of equity shares pursuant to a Qualified Institutional Placement Issue

During the year, pursuant to a Qualified Institutional Placement Issue, in accordance with the relevant provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Section 42 of the Companies Act, 2013 and the relevant Rules made thereunder, the Company issued 97,22,000 equity shares of face value of ₹ 2/- each at a price of ₹ 720.00 per Equity Share (including Securities Premium of ₹ 718.00 per Equity Share) on 05 August 2021.

Issued, Subscribed and Paid-up Share Capital

The issued, subscribed and paid-up equity share capital of the Company as on 31 March 2021 was ₹ 54,38,57,408/- comprising of 27,19,28,704 equity shares of ₹ 2 each. During the year, the Company, issued total 1,36,91,737 equity shares of ₹ 2 each and 1,88,84,662 NCRPS. Further, the Company also redeemed 1,88,75,002 NCRPS. As a result of these, the Issued, Subscribed and Paid-up share capital of the Company as on 31 March 2022 remains ₹ 57,22,06,882 comprising of 28,56,20,441 equity shares of ₹ 2 each and 9,660 NCRPS.

Utilisation of funds raised through Qualified Institutional Placement

The utilisation of funds raised through Qualified Institutional Placement (QIP) as on 31 March 2022 is as under:

Particulars	₹ in Crores
Funds from QIP	699.98
Amount utilised for the object mentioned in the placement document dated 05 August,2021	699.98

Key Business developments during the year under review

I. Update on Merger of Minda I Connect Private Limited

The Board of Directors of your Company had, at its meeting held on 6 February 2020, approved the merger of Minda I Connect Private Limited ("Transferor Company" or "Minda I Connect") with Minda Industries Limited ("Transferee Company") by way of Scheme of Amalgamation under Section 230-232 of the Companies Act, 2013.

Members may note that Minda I Connect is inter alia engaged in telematics business and development of related software, hardware, designing, programming in automotive mobility and information technology segment. Transferor Company Brands - I-Connect and Carot have been established as a leading telematics brand in India (Hardware and software).

Your 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. The Transferor Company's products like software, hardware, designing, programming in automotive mobility and information technology segment will synergise well with the product groups of the Company. In consideration for amalgamation the shareholders of the Minda I Connect, shall receive 10 (Ten) fully paid up equity shares of the Company of ₹ 2 each for every 179 (One Hundred Seventy-Nine) fully paid up equity shares of Minda I Connect of ₹ 10 each.

Pursuant to orders of the Hon'ble National Company Law Tribunal (NCLT) Delhi, having jurisdiction on Minda I Connect Private Limited (Transferor Company) and Minda Industries Limited (Transferee Company) in the Company Application filed before Hon'ble NCLT with respect to the scheme of amalgamation of Transferor Company with Transferee Company, the equity shareholders and unsecured creditors of the Transferee Company at their respective Hon'ble NCLT convened meetings held on 16 February 2022 approved the scheme of amalgamation of Transferor Company with Transferee Company with requisite majority. This matter is pending for approval of the scheme by the Hon'ble NCLT.

The Scheme is available on the website of the Company at https://www.unominda.com/uploads/ Investor/ June_ 2020/scheme-of-amalgamation.pdf

II. Merger of Harita Limited, Harita Venu Private Limited, Harita Cheema Private Limited, Harita Financial Services Limited, and Harita Seating Systems Limited with the Company

During the period under review, the Company issued total 1,88,84,662 0.01% Non-Convertible Redeemable Preference Shares of face value of ₹ 100 each (NCRPS) and 39,69,737 equity shares of face value of ₹ 2 each to the eligible shareholders of 1) Harita Limited, 2) Harita Venu Private Limited, 3) Harita Cheema Private Limited, 4) Harita Financial Services Private Limited and 5) Harita Seating Systems Limited in the ratio as mentioned in scheme of amalgamation.

Out of total 1,88,84,662 NCRPS, 1,88,75,002 NCRPS have been redeemed as NCRPS holders opted for early redemption option in terms of election notice sent to the eligible shareholders in compliance with provisions of the Scheme. As on date total 9,660 NCRPS are outstanding for redemption.

III. Investment in CSE Dakshina Solar Private Limited and Strongsun Renewables Private Limited, the Special Purpose Vehicle ('the SPV') Companies

In order to avail captive solar power, your Company made investments, in two tranches, in two special purpose vehicles companies namely CSE Dakshina Solar Private Limited (SPV-I) and Strongsun Renewables Private Limited (SPV-2). In SPV-I the Company has made a total investment of ₹ 1.70 Crores (approx. in two tranches) and in SPV-II the Company has made a total investment of ₹ 2.73 Crores (approx. in two tranches). As on 31 March 2022, the Company holds 27.71% equity shares in SPV-I and 28.10% equity shares in SPV-II.

SPV-I and SPV-II shall provide captive solar power to the Company's units in Tamil Nadu and Maharshtra respectively.

IV. Acquisition of shares of Harita Fehrer Limited

Harita Fehrer Limited (HFRL) was a 51:49 joint venture of erstwhile Harita Seating Systems Limited and F.S. Fehrer Automotive GmbH (Fehrer). Upon merger of Harita Seating Systems Limited into Minda Industries Limited ("the Company") (effective from 01 April 2021), the Company became the shareholder of HFRL (51% stake). Post-merger, Fehrer expressed its intension to exit from joint Venture. Accordingly, the Board of Directors of the Company, at its meeting held on 13 June 2021, approved to acquisition of remaining 49% stake in HFRL by acquiring 98,48,040 equity shares of HFRL from Fehrer. The said acquisition has been completed on 24 March 2022 and now the Company holds 100% stake in HFRL.

V. Corporate restructuring of Europe entities

The Board of Directors of your Company approved the corporate restructuring amongst Minda Delvis GmbH ("Minda Delvis"), Delvis Solution GmbH ("Delvis Solution"), Delvis Products GmbH ("Delvis Product") and iSYS RTS GmbH ("iSYS"), step down subsidiaries in Europe.

Earlier, Minda Industries Limited ("MIL") was holding 100% shares of Minda Delvis through its SPV namely Sam Global PTE Limited ("SAM"). SAM is 100% subsidiary of MIL. Delvis Solution and Delvis Products were 100% subsidiaries of Minda Delvis. Further, MIL was holding 80% stake in iSYS and balance 20% stake was held by an individual shareholder Mr. Georg Hutter, Managing Director of iSYS. Delvis Solution was an engineering service Company. iSYS was also has an engineering division.

As a part of corporate restructuring, engineering companies has been brought into one umbrella and product companies in one umbrella for better synergies. Further, Delvis and iSYS merged and then de-merged into two entities for engineering and product supplies. Post-restructuring a holding Company, namely UNO Minda Europe GmbH, in Germany has been created which holds 100% stake of both engineering and product companies, namely UNO Minda Systems GmbH and CREAT GmbH. Now, post corporate restructuring MIL holds directly & indirectly about 96.5% stake in German holding Company and Mr. Georg Hutter holds minority stake about 3.5% in said holding Company.

BOARD'S REPORT (Contd.)

VI. Transfer of business of Minda TTE Daps Private Limited (Joint Venture Company) to Minda Industries Limited and cessation of Joint Venture

The Company and Tung Thih Electronic Co. Limited (TTE), Taiwan entered into a Joint Venture Agreement in April 2017 to manufacture "Rear Parking Assist System" in India and formed a joint venture Company in the name of Minda TTE DAPS Private Limited ("JV Company").

In order to provide cost effective solution to the customers and to remain competitive, it was planned to localise manufacturing of products in India. However, TTE did not see enough volume in India to justify new investments. Therefore, it has been mutually decided by Minda Industries Limited (MIL) and TTE to transfer the business of JV Company to MIL and consequently cease the joint venture agreement and the JV Company subject to regulatory and other approvals.

VII. Formation of Joint Venture in India with FRIWO Group for EV products

The Board of Directors of your Company, at its meeting held on 10 December 2021, approved to enter into Joint Venture with FRIWO AG, Germany and its affiliates ("FRIWO"). The Company and FRIWO will through a Joint venture Company to combine their manufacturing process and technical expertise to manufacture and supply various electric vehicle components for two and three wheelers in Indian Subcontinent. Additionally, the Joint Venture entity also plans to enter into a master contract manufacturing agreement with FRIWO to manufacture the agreed products not only for Indian markets, but for ASEAN and European markets as well. The Company will hold a majority stake of 50.1% in the said joint venture entity.

Further, as a part of the transaction, the Board has also approved to invest Euro 15 Million in FRIWO AG via capital increase in order to strengthen the partnership between the two groups. The Company has received the approval of Reserve Bank of India, under Overseas Direct Investment ("ODI") guidelines, for the investment in FRIWO AG.

VIII. Expansion of the 2 Wheel-Alloy Wheel plant of the Company situated at Supa Maharashtra

The Company has proposed the expansion of the existing plant of 2 Wheel-Alloy wheel at Supa, Maharashtra by setting up 2 additional lines with liquid line paint shop and tool room facility. The estimated cost of the project is ₹ 190 Crores. The project is expected to commence in Quarter 4 of 2022-23.

IX. Expansion in Minda Kosei Aluminum Wheel Private Limited, a material subsidiary of the Company

Minda Kosei Aluminum Wheel Private Limited ("Minda Kosei") is a material subsidiary of the Company and manufactures aluminum alloy wheels mainly for OEMs. It has two Plants in India, 1st Plant is located in Bawal, Haryana and the 2nd Plant in Dekavada, Gujarat.

Minda Kosei has proposed to increase capacity of its Gujarat Plant from 90,000 wheels per month to 1,20,000 wheels per month at an estimated investment of ₹ 74 Crores. The expanded production is expected to start from Quarter 1 of 2023-24.

Change in Nature of Business

There is no change in the nature of business of your Company during the year.

Material Changes and Commitments

There were no material changes and commitments occurred between the end of the financial year as on 31 March 2022 and the date of this report which affects financial position of the Company.

Employee Stock Option Scheme

Your Company has implemented UNOMINDA Employee Stock Option Scheme 2019 or UNOMINDA ESOS 2019 (hereinafter referred to as the "Scheme"). The maximum number of options to be granted under the ESOS 2019 shall not exceed 78,66,500 options, convertible into equity shares of the Company, which is approximate 3% of the paid-up share capital of the Company as on the date of approval of the scheme i.e. 25 March 2019. One option shall entitle the eligible employee to one equity share. The Nomination and Remuneration Committee of the Board ("NRC") is empowered to administer this scheme including to determine the eligible employees, the vesting period and exercise price of the options.

NRC, on 13 June 2021, has granted 1,62,333 number of options convertible into equal no. of equity shares having face value of ₹ 2 each to the eligible employees of the Company and its subsidiaries at a price of ₹ 325 per option.

Pursuant to the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, disclosure with respect to the Scheme of the Company as on 31 March 2022 is enclosed as **Annexure-A** to this Report. The ESOS 2019 has also been uploaded on the Company's website at www.unominda.com.

The Scheme is in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('Employee Benefits Regulations') and there has been no change in the Scheme during the financial year.

BOARD'S REPORT (Contd.)

Issuance of Commercial Paper and its Listing

During the year, Company has issued Commercial Paper (CP) once to meet its short term funds requirement resulting into the savings in finance cost of the Company.

The following CPs were issued during FY 2021-22:-

S. No.	Date of allotment	Date of maturity	CP Issue Value	Whether Listed
1	17 June 2021	11 August 2021	₹ 50 Crores	Unlisted

Corporate Social Responsibility Initiatives

At UNO MINDA group, we firmly believe and are committed to our values of inclusive growth of people and collectively continued to work for the welfare of people and communities over two and a half decades. We develop and maintain our business as a responsible corporate citizen and believe in holistically addressing all issues related to People, Planet and Profit for a sustainable business and committed to achieve inclusive growth of the marginalised and disadvantaged sections of the society through our CSR initiatives. Along with this, we fulfil all our social responsibility towards the communities we operate in, which fulfil our responsibility by providing the highest quality of service to our customers, stakeholders, and business partners. Our CSR initiatives are driven by the Suman Nirmal Minda Charitable Trust (SNMCT)- as an implementing partner of UNO MINDA Group, which operates CSR programs at various locations across India and has touched lives of 14,714 people through a flag initiative; Samarth – Jyoti and covered 7 states which includes Haryana, Uttrakhand, Rajasthan, Gujarat, Maharashtra, Karnataka & Tamil Nadu.

Projects carry a strategic approach to addressing the needs of local communities by implementing CSR initiatives in partnership with various stakeholders across various thematic areas aligned with the Sustainable Development Goals (SDGs). Our socio-economic interventions are focused on underprivileged communities around our plant locations and other local areas of operations so that the weaker and marginalised sections of the society have a sustainable higher income and a better standard of living. Our CSR interventions follow principles of accountability to stress the long-term sustainability of results. Samarth-Jyoti identifies CSR projects needs through mapping community needs by conducting baseline surveys and benchmarking exercises.

Our initiatives aim to promote skill development which will lead to making the youth self-reliant by training them with in-demand skills. With the focus on creating an inclusive world and providing a life of dignity and confidence, we are continuously working in the area of education and skill development for children, women, and youth respectively. We are working continuously towards providing the community, especially women and young people, with appropriate options for grooming and enhancing their skills in various vocational courses. Also, we are working tirelessly to develop young minds by facilitating and increasing the quality of education for children belonging to less advantaged and backward communities through initiatives such as establishing formal schools and remedial programs.

Our Key projects under Samarth-Jyoti are:

1. Skill Development, wherein we are imparting vocational training for Beauty Culture Learning, Cutting & Tailoring and Computer Basic, Hardware, and Professional courses.
2. Education programs, imparting formal education with establishing and operating CBSE affiliated Senior Secondary School, community school and remedial program for facilitating the children with required educational support.
3. Community Well-Being and Development where we are liaising with local government and stakeholder members to provide required infrastructural development, waste management set-ups, food stall for providing nutritional food, etc.
4. Preventive & Curative Healthcare where we are organising and supporting community members by organising various blood donation and medical/health check-up camps, conducting menstrual health and hygiene management workshops, extending support for various alignment to the deprived and lesser privileged member of the society.

Our CSR perspective is to contribute to the society through our programs which are sustainable, impactful and with a future-generation development-centric approach. So far through our programs, we have made a difference in the life of 51,460 direct and indirect beneficiaries.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company as adopted by the Board and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure B** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on https://www.unominda.com/uploads/Investor/March_2021/mil-new-csr-policy.pdf

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule-8 of the Companies (Accounts) Rules, 2014, is enclosed as **Annexure-C** to the Board's Report.

BOARD'S REPORT (Contd.)

Corporate Governance

The Company has complied with the Corporate Governance requirements as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the report on the same as stipulated in Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **Annexure-D** to the Board's Report.

The Certificate issued by M/s. Sanjay Grover & Associates, Company Secretaries in practice confirming the Compliance of conditions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **Annexure-E** to the Board's Report.

Risk Management Policy

The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and its effectiveness. The Company has Risk Management Policy which can be accessed on Company's website www.unominda.com. The Company has also laid down the procedures to inform Board members about risk assessment and minimisation procedures.

Regular meetings of the Risk Management Committee are held to review and further improve the risk management systems of the Company to ensure a consistent, efficient and effective assessment and management of risk in the achievement of the organisation's objectives. During the year under review, the Committee re-assessed top 10 risks and its mitigation plan. Risk management is an ongoing activity considering the dynamic business environment in which Company operates. Continuous re-assessment of risks and mitigation plan has helped the Company to mitigate new evolving risks and minimise adverse effect of such risk in the interest and for the benefit of all the stakeholders.

Internal Financial Control and its adequacy

The Board has adopted policies and procedures for governance of orderly and efficient conduct of its business including adherence to Company's policies, 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 and its disclosures. The Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations.

The internal control and governance process are duly reviewed for the adequacy and effectiveness through regular testing of key controls by management and independent internal auditors.

Human Resource Management

The Company as an employee-centric organisation always puts its people at the heart of whatever it does. The Company believes that the success of the organisation and its people go hand-in-hand.

To further strengthen people practices, UNO Minda HR Team partnered with BIG 4 consulting firms to relook at the HR Strategy and Re-frame a HR Roadmap, to design a Future Ready People Function. As part of this HR Roadmap 2.0, HR has planned to roll out renewed initiatives with an intent to positively impact the employee journey at UNO Minda. These initiatives revolve around health and wellness of employees, learning and development, mentoring and coaching, building an appreciation culture, flexible work hours etc. The aim is to rebrand the UNO Minda employee value proposition. Some of these initiatives have already been implemented while others will be rolled out in a phased manner over the course of next 2 years across the entire HR lifecycle.

Employee health and well-being has always remained the top most priority of UNO Minda Group. The Company focuses on building a culture of holistic well-being including physical, emotional, financial, social, career, community. Under the program named UNO Minda Energize, the Company is conducting number of webinars on mindfulness, yoga, emotional intelligence, mental health, eye health, financial planning and more. UNO Minda Energize brings the right dose of everything that can help employees sustain, grow and manage their health and harmony of life. The Company has also partnered with leading online health tech platform to provide host of health and wellness benefits to its employees and their family which include preventive healthcare & wellness services, special privileges on medicine, lab test, doctor online consultation and wellness counselling.

The Company launched spot recognition program UNO Minda Bravo to acknowledge and appreciate an employee's effort. The program is aimed at not only to offer timely rewards and recognition also to build appreciation as a natural part of Company culture.

From the beginning of the FY 2022-23, we have moved to a re-designed role based organisation from Hierarchical designations as part of overall Organisational Business Transformation (OBT) exercise. Redesigned Organisation structure has brought in more clarity, transparency and better accountability with focused purpose. We will continue to reap benefit of various HR initiatives taken at the beginning of the FY 2022-23 as part of Organisation business transformation.

The Company has also built a robust skill development program that is enabling overall skill development of the functional employees and ensuring the right skills are available based on future competencies. The Company has developed institutionalised coaching and mentoring program for employees to take up the more significant role and challenges. These initiatives have helped the Company in succession planning for all critical roles in the organisation.

Over the years, UNO Minda has created a great place to work for all its employees by excelling on the 5 dimensions of a high-trust, high-performance culture – Credibility, Respect, Fairness, Pride and Camaraderie. The Company is proud to state that it is now certified as "Great Place to Work 2022" by Great Place to Work Institute India. The Company featured in "Wall of fame" of Great Place to Work Institute amongst the top 30 Best Work places in manufacturing companies in India. The Company has also been awarded Economic Times Human Capital award for Excellence in HR Digital Transformation.

Particulars of Employees

The ratio of remuneration of each director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure-F.**

In accordance with the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees are available with the Company. In terms of provisions of Section 136(1) of the Act, any member intends to obtain a copy of the said details may write to the Company Secretary.

Vigil Mechanism

Your Company is deeply committed to highest standards of ethical, moral and legal business conduct. It ensures that it provide a respectful work environment, not only for all our employees, but for all our external partners too. Accordingly, the Board of Directors have formulated Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has an Ethics Helpline for the employees (both permanent and contractual), directors, vendors, suppliers and other stakeholders, collectively known as the "Reporters" of Minda Industries Limited. The helpline will serve as an avenue for the Reporters to 'blow the whistle' in case they come across any unethical or fraudulent activity happening in the organisation.

The Company has taken a special attention and greater emphasis on whistle blower activities where initiatives such as campaigns, posters at prominent locations, awareness sessions etc. were taken to encourage the employees to speak-up about any wrong doing activities and bring the same to the notice of the Management through whistle blower activities.

The complaints under whistle blower are processed by professionals to assure collection of accurate information and protection of the information confidentiality. The reportable matters are disclosed to Audit Committee. No personnel have been denied access to the Audit Committee.

Directors and Key Managerial Personnel

As on 31 March 2022, there were Eight (8) Directors on the Board of your Company, consisting of four (4) Independent Directors, one (1) Non-Executive Director, two (2) Executive Director and one (1) Chairman & Managing Director (CMD).

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31 March 2022 are:

i. Mr. Nirmal K. Minda, Chairman and Managing Director;

ii. Mr. Ravi Mehra- Wholetime Director, designated as Deputy Managing Director;

iii. Ms. Paridhi Minda-Wholetime Director;

iv. Mr. Sunil Bohra-Chief Financial Officer; and

v. Mr. Tarun Kumar Srivastava- Company Secretary & Compliance Officer of the Company.

During the year under review, following changes have taken place in the Board of Directors of the Company:

- Mr. Ravi Mehra was appointed as Whole-time director designated as Deputy Managing Director of the Company for a period of three years w.e.f 1 April 2021 to 31 March 2024.
- Mr. Krishan Kumar Jalan, Non-Executive Independent Director of the Company was re-appointed for a Second term of two years w.e.f. 16 May 2021.
- Mr. Rakesh Batra was appointed as Non-Executive Independent Director of the Company for a term of three consecutive years w.e.f. 19 July 2021.
- Dr. Chandan Chowdhury, completed his tenure of two years, in the capacity of Non-Executive Independent Director of the Company and accordingly ceased to be a Director on the Board of the Company w.e.f. 06 August 2021.
- Mr. Satish Sekhri completed his term in the capacity of Non-Executive Independent Director of the Company and he ceased to be a Director on the Board of the Company w.e.f. 01 April 2022.

After the closure of financial year 2021-22, the following directors have been appointed on the Board of the Company:

- Mr. Rajiv Batra (DIN-00082866) as an Additional Director in the category of Non-Executive Independent Director on the Board of the Company for a term of two years w.e.f. 1 April 2022 to 31 March 2024.
- Mr. Satish Balkrishna Borwankar (DIN-01793948) as an Additional Director in the Category of Non-Executive Independent Director on the Board of the Company for a term of three years w.e.f. 12 April 2022 to 11 April 2025.

BOARD'S REPORT (Contd.)

The appointment of Mr. Rajiv Batra and Mr. Satish Balkrishna Borwankar is subject to approval of the shareholders of the Company, which is being sought through Postal Ballot.

Declaration by Independent Directors

In compliance with Section 149(7) of the Companies Act, 2013 ("the act") read with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Independent Directors of the Company have submitted the declaration(s) that each of them meet the criteria of independence as provided in Section 149(6) of the Act read with sub-rule (1) and sub-rule (2) of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and there has been no change in the circumstances which may affect their status as independent director during the year.

In the Board's opinion, the Independent Directors are persons of high repute, integrity and possess the relevant proficiency, expertise and experience in their respective fields.

Directors retiring by rotation

In accordance with the provisions of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mr. Anand Kumar Minda and Ms. Paridhi Minda, are liable to retire by rotation and being eligible, offer themselves for re-appointment. The details of Mr. Anand Kumar Minda and Ms. Paridhi Minda being recommended for re-appointment are included in the notice of the ensuing Annual General Meeting of the Company.

Board Evaluation

The evaluation of the Board, Board Committees and directors were carried out in accordance with the provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidance note issued by SEBI in this regard. Questionnaire forms were circulated to all the directors for their feedback on Board, Board Committees and director evaluation. A meeting of the independent directors was held on 07 February 2022 where they reviewed and discussed the feedback on the functioning of the Board, Board Committees, Chairman and other directors. The Nomination and Remuneration Committee (NRC) at its meeting held on 07 February 2022 also reviewed the feedback on the evaluation of the functioning of the Board, Board Committees, Chairman and other directors. The Board reviewed and discussed the feedback of the evaluations. The area of improvements as highlighted by the evaluation exercise has been implemented to further strengthen the corporate governance of the organisation.

Familiarisation programme for Board Members

The Company has in place a structured induction and familiarisation programme for all its Directors including the Independent Directors. They are updated on all business related issues and new initiatives. They are invited in management level business review meetings so as to step back and assist the executive management. They are facilitated to visit the various plants of the Company to familaries them with the manufacturing facilities, process, product etc. of the Company. They are also informed of the important policies of the Company including the 'Code of Conduct for Directors and Senior Management Personnel' and the 'Code of Conduct for Prevention of Insider Trading' as available on the Company's website https://www.unominda.com/investor/corporate-governance.

Policy on Directors' appointment and remuneration

The Board Diversity Policy read with Nomination and Remuneration Policy aims to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the board, and separate its functions of governance and management. On 31 March 2022, the Board consists of eight members, out of which, three are executive directors, one is non-executive director and remaining four are independent directors. The aforesaid policies of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, are available on the Company's website https://www.unominda.com/images/Corporate_governance/Corporate_Governance_Policies/Nomination--Remuneration-Policy.pdf

There has been no change in the said policies during the year under review.

Meetings of Board and Audit Committee

During the year, eight (8) Board Meetings and seven (7) Audit Committee meetings were convened and held, the details of which are given in the Corporate Governance Report forming part of this Annual Report. The intervening gap between two consecutive meetings was not exceeding the period prescribed under the Companies Act, 2013.

Committees of the Board

The Company has the following committees, which have been established as a part of the corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

The details with respect to the compositions, powers, roles, terms of reference and number of meetings held during the year of relevant committees are given in detail in the Corporate Governance Report of the Company, which forms part of this Board's Report.

Directors' Responsibility Statement

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability, confirm:

a. that in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

b. that they have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2022 and of the profit of the Company for the year ended on that date;

c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that they have prepared the annual accounts on a 'going concern basis';

e. that they have laid down proper internal financial controls and such internal financial controls are adequate and operating effectively; and

f. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory, cost and secretarial auditors, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2021-22.

Related Party Transactions

All the related party transactions during the financial year were in the ordinary course of business and on arm's length basis and hence a disclosure in Form AOC-2 in terms of clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is not required.

The details of the transactions with related parties during the year under review are provided in the accompanying financial statements.

Prior omnibus approval of the Audit Committee was obtained for the transactions, which were of a foreseen and repetitive nature. The Related Party Transactions are placed before the Audit Committee and also before the Board for approval. During the year under review, there were no material related party transactions in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees and reimbursement of expenses, as applicable.

In accordance with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has also adopted the Policy on Related Party Transactions and the same is available on the website of the Company at https://www.unominda.com/uploads/Investor/2022/rpt-policy.pdf

Subsidiaries, Joint Ventures and Associates

The Company has 12 direct subsidiaries, 10 step down subsidiaries, 12 joint ventures and 3 associates as on 31 March 2022 as defined under the Companies Act, 2013. Besides this, the Company has control over 4 partnership firms and significant influence over 1 partnership firm as on 31 March 2022.

During the year under review:

- Company acquired 27.71% stake of CSE Dakshina Solar Private Limited and 28.10% stake of Strongsun Renewables Private Limited. Now, CSE Dakshina Solar Private Limited and Strongsun Renewables Private Limited are associate Company of the Company.
- Pursuant to the Merger of Harita Seating Systems Limited (HSSL) with Minda Industries Limited (MIL), Harita Fehrer Limited (HFRL) in which HSSL held 51% stake, became the subsidiary of the Company. Later, the Company acquired remaining 49% stake of HFRL from the other JV Partner and now HFRL is wholly owned subsidiary of the Company.
- The Company formed two wholly owned subsidiaries namely UNO Minda EV Systems Private Limited and UNO Minda Auto Systems Private Limited.
- The Company made further investment of ₹ 6.80 Crores in equity shares of Minda Onkyo India Private Limited under Right issue. The Company's stake in Minda Onkyo after subscription remained same i.e. 50%.
- The Company raised its stake in Minda Kosei Aluminum Wheel Private Limited from 70% to 77.35% by way of subscription of Equity shares under Right Issue and further renunciation of right by other two shareholders of Kosei International Trade & Investment Company Limited and Minda Investments Limited.
- Two (2) overseas step down subsidiaries of the Company, namely CH-Signalakustics GmbH and Clarton Hom-Morocco SARL were under process of dissolution. The business of these companies are being carried out by Clarton Horn-Spain.

BOARD'S REPORT (Contd.)

- Your Company did a corporate re-structuring of its five subsidiary companies (including step down subsidiaries) in Europe. Under the corporate re-structuring, the engineering divisions and products divisions of Minda Delvis GmbH and iSYS were merged into two different entities incorporated with new names of UNO Minda Europe GmbH and UNO Minda Systems GmbH. Beside this the R&D business transferred from Delvis Solution GmbH to CREAT GmbH. Due to this restructuring, two companies ceased to be a subsidiary Company (including step down subsidiary) of the Company.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries, joint ventures and associates in Form AOC-1 is attached to the financial statements of the Company. Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at https://www.unominda.com/investor/subsidiaries-annual-accounts

Awards and Recognition

- **Amrop Economic Times Best Board Award**

  Your Company won the Amrop Economic Times-India's Best Board Award 2020 in Small-Cap Company category.

- **Great Place to Work Certificate**

  During the year under review, your Company also got certificate of "Great Place to Work" from Great Place to Work® Institute India.

Apart from above the Company has received various recognitions and awards from its esteemed customers.

Deposits from Public

The Company has not accepted any deposits from the public under section 73 of the Companies Act, 2013 during the year under review and as such no amount of principal or interest was outstanding as on 31 March 2022.

Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 forms part of the Notes to the Standalone Financial Statements provided in this Annual Report.

Statutory Auditors Report

At the 29th Annual General Meeting (AGM), the Members approved appointment of M/s. S. R. Batliboi & Co., LLP, Chartered Accountants (ICAI Registration no. 301003E/E300005) as Statutory Auditors of the Company to hold office for a period of Five (5) years commencing from the conclusion of that AGM till the conclusion of the 34th AGM of the Company to be held in the year 2026.

The Statutory Auditors' Report for FY 2021-22, does not contain any qualification, reservation or adverse remark or disclaimer, the same forms part of this Annual Report.

The Statutory Auditors of the Company have not reported any matter under Section 143(12) of the Companies Act, 2013.

Cost Accounts and Cost Auditors

The cost accounts and records as required to be maintained under Section 148 (1) of the Companies Act, 2013 are duly made and maintained by the Company.

The Board of Directors upon recommendation of the Audit Committee has appointed M/s. Jitender Navneet & Co., Cost Accountants (Firm Registration No. 000119), as the Cost Auditors for FY 2022-23. A resolution seeking approval of the members for ratifying the remuneration payable to the Cost Auditors for FY 2022-23 is provided in the Notice to the ensuing Annual General Meeting.

Secretarial Auditors`

The Board appointed M/s. Sanjay Grover & Associates, Practicing Company Secretaries (Firm Registration No. P2001DE052900), to conduct secretarial audit for FY 2021-22. The Secretarial Audit Report for the financial year ended 31 March 2022 is enclosed as **Annexure-G**. The Secretarial audit report does not contain any qualification, reservation or adverse remark or disclaimer.

Further as per the requirement of Regulation 24A of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Secretarial Audit report of the material subsidiaries namely Mindarika Private Limited and Minda Kosei Aluminum Wheel Private Limited is also attached with the main Secretarial Report.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company strives to ensure that all employees are treated with dignity and respect. The Company is committed towards making efforts to maintain a workplace with physical and mental comfort, free of prejudice and bias based on sex, gender, race, caste, culture, nationality etc.

The Company is an Equal Employment Opportunity Company (EEOC) and is committed to create a healthy working environment that enables employees to work without fear or prejudice, gender bias and a harassment free workplace to all employees without regard to race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin or disability.

The Company has in place a robust policy and framework for prevention of sexual harassment at workplace. The policy is formulated for the purpose of prevention, prohibition and redressal mechanisms of any wrongs with "sexual intent" defined under sexual harassment at the workplace and Principle of Natural Justice.

The Company also believes that all employees of the Company have the right to be treated with dignity. Sexual harassment at the work place or other than work place if involving an employee or employees is a grave offence and is therefore, punishable.

There is an Internal Committee which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy. The Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, two complaints were received under the Act and enquiry was conducted by the Internal Complaint Committee and action has been taken.

Significant and Material Orders

No significant or material orders were passed by the Regulators or Courts or Tribunals which will impact the going concern status and Company's operations in future.

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company is available on the Company's website on www.unominda.com

Management Discussion & Analysis Report

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion & Analysis is enclosed as **Annexure -H**.

Compliance of Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

Suspension of Securities of the Company

The securities of the Company have not been suspended from trading in any of the stock exchanges.

Financial Year

The Company follows the financial year commence from 01 April and ends on 31 March of subsequent year.

Report on deviation(s) or variation(s), if any, in the use of amount raised from public

During the year under review, Company issued securities on the basis of Qualified Institutional Placement. There are no deviation or variation in the use of proceeds from the objects stated in the Placement document.

Business Responsibility Report

A detailed Business Responsibility Report in terms of the provisions of Regulation 34 of the Listing Regulations is enclosed as **Annexure-I**.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) and their status

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

Details of difference between amount of the Valuation done at the time of One Time Settlement and the Valuation done while taking loans from the Banks or Financial Institution alongwith the reasons thereof

There are no such events occurred during the period from 01 April 2021 to 31 March 2022, thus no valuation is carried out for the one-time settlement with the Banks or Financial Institutions.

Acknowledgements

Your Directors thank the various Central and State Government Departments, organisations and agencies for the continued help and co-operation extended by them.

Your Directors also gratefully acknowledge all stakeholders of the Company viz. shareholders, customers, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board of Directors
For Minda Industries Limited

Nirmal K Minda
Chairman & Managing Director
DIN: 00014942

Place: Gurugram
Date: 24 May 2022

ANNEXURE-A

Disclosures for the financial year 2021-22, pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

Sl . No.	Particulars	UNOMINDA Employee Stock Options Scheme 2019
A	Disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.	Refer to Notes No. 32 of Standalone Financial Statement for FY 2021-22
B	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations is disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as prescribed from time to time	₹ 6.78
C	Details related to Employee Stock Option Scheme (ESOS)	
	i. A description of each ESOS that existed at any time during the year, including general terms and conditions of each ESOS	Details are provided in Annexure A-1
	ii. Method used to account for ESOS – Intrinsic or Fair Value.	Refer to Notes No. 32 of Standalone Financial Statements for FY 2021-22
	iii. Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Not applicable
	iv. Option movement during the year (for each ESOS)	Annexure A-2
	v. Weighted-average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Refer to Notes No. 32 of Standalone Financial Statements for FY 2021-22
	vi. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	Refer to Notes No. 32 of Standalone Financial Statements for FY 2021-22
	a) the weighted-average values of share price on NSE at the time of grant	₹ 322.43
	b) exercise price	Re. 325
	c) Expected volatility	44.70%
	d) Expected option life	4 Years
	e) Expected dividends	0.32%
	f) Risk-free interest rate	5.19%
	g) any other inputs to the model	
	h) Methods used and assumptions made to incorporate effects of expected early exercise	Not applicable
	i) How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The calculation of expected volatility is based on historical stock prices. Volatility was calculated using standard deviation of daily change in stock price.
	j) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	The expected life of share option is based on historical data. Further the vesting conditions under the Scheme incude the Company achieving the target market capitalisation.
	vii. Employee wise details of options granted to-	
	a) Senior Managerial Personnel	Details are provided in Annexure A-3
	b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year; and	Nil
	c) Identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
D	Relevant disclosures in terms of the 'Guidance note on accounting for employees share based payments' issued by ICAI or any other relevant accounting standards, from time to time.	Refer to Notes No. 32 of Standalone Financial Statement for FY 2021-22

ANNEXURE-A (Contd.)

Description of ESOS

Annexure A1

S. No.	Particulars	UNOMINDA Employee Stock Options Scheme 2019
1	Date of shareholders' approval	25 March 2019
2	Total number of options approved under ESOS	78,66,500 options
3	Vesting requirements	Achieving target of market capitalisation of the Company on or before 31 May 2022
4	Exercise price or pricing formula	₹ 325/-
5	Maximum term of option granted	7 (seven) years from Grant Date
6	Source of shares (primary, secondary or combination)	Primary market
7	Variation in terms of options	Modification in the vesting conditions for achieving the market capitalisation

Option movement during the year

Annexure A2

S. No.	Particular	UNOMINDA Employee Stock Options Scheme 2019
1	Number of Options outstanding at the beginning of the year	10,75,312
2	Number of Options granted during the year	1,62,333
3	Number of Options forfeited/lapsed during the year	1,83,246
4	Number of Options vested during the year	Nil
5	Number of Options exercised during the year	Nil
6	Number of shares arising as a result of exercise of option	Nil
7	Money realised by exercise of options(₹), if scheme is implemented directly by the Company	Nil
8	Loan repaid by the Trust during the year from exercise price received	NA
9	Number of options outstanding at the end of the year	10,54,406
10	Number of options exercisable at the end of the year	Nil

ANNEXURE A-3

A. Employee wise details of options granted to Senior Managerial Personnel of the Company and its Subsidiaries

Sl No	Name of Employee	Designation	Number of options granted	Exercise Price (in ₹)
1	Sunil Bohra	Executive Director	35,250	325
2	Kundan Jha	Executive Director	35,250	325
3	Naveesh Garg	Executive Director	35,250	325
4	Rajiv Kapoor	Executive Director	35,250	325
5	Amit Jain	Executive Director	35,250	325
6	Ajit Wankhede	General Manager	9,360	325
7	Amit Gupta	General Manager	9,360	325
8	C S Singh	General Manager	9,360	325
9	Puneet Kohli	General Manager	9,360	325
10	Rajarshi Sengupta	General Manager	9,360	325
11	Rajiv S Rathore	General Manager	9,360	325
12	Sanjay Narang	General Manager	9,360	325
13	Sumit Oberai	General Manager	9,360	325
14	Gulshan Gandhi	General Manager	9,360	325
15	Jitendra Saini	General Manager	9,360	325
16	Naveen Sethi	General Manager	9,360	325
17	Rajeev Aggarwal	General Manager	9,360	325

ANNEXURE-A (Contd.)

Sl No	Name of Employee	Designation	Number of options granted	Exercise Price (in ₹)
18	Rajesh Tiwari	General Manager	9,360	325
19	V.K. Rathi	General Manager	9,360	325
20	Bhaskar Rao	General Manager	9,360	325
21	T S Srikanth	General Manager	9,360	325
22	Nitesh Minda	General Manager	9,360	325
23	Anuj Agarwal	General Manager	6,552	325
24	Bimal Bedi	General Manager	6,552	325
25	Jayanti Padaya	General Manager	6,552	325
26	Kulbhushan Mehta	General Manager	6,552	325
27	Mukesh Pathak	General Manager	9,360	325
28	Narender Kaushik	General Manager	9,360	325
29	Parveen Kumar	General Manager	6,552	325
30	Prashant Saxena	General Manager	6,552	325
31	R S Balhara	General Manager	9,360	325
32	Sachidanand Pande	General Manager	6,552	325
33	Sunil Bhat	General Manager	9,360	325
34	Rajiv Arora	President	23,400	325
35	Amit Gupta	President	23,400	325
36	Anadi N Sinha	President	23,400	325
37	Anil Singh Makhloga	President	23,400	325
38	V. J. Rao	President	23,400	325
39	Xabier Eskibel	President	23,400	325
40	A B Baddar	Vice President	14,725	325
41	Alok Sharma	Vice President	14,725	325
42	Amit Mehta	Vice President	14,725	325
43	Arun Arora	Vice President	14,725	325
44	Pawan Agarwal	Vice President	14,725	325
45	Sanjay Aggarwal	Vice President	14,725	325
46	Sanjay Jain	Vice President	14,725	325
47	Vikas Jain	Vice President	14,725	325
48	Ganesh Beura	Vice President	14,725	325
49	M N Srikanth	Vice President	14,725	325
50	Piyush Jain	Vice President	14,725	325
51	Rajendra Belsare	Vice President	14,725	325
52	V P Singh	Vice President	10,307	325
53	Kartikeya Joshi	Vice President	14,725	325
54	Murli Menon	Vice President	14,725	325
55	Parna Ghosh	Vice President	14,725	325
56	S L Gupta	Vice President	14,725	325
57	Sunil Srivastava	Vice President	14,725	325
58	Mahesh Dang	Vice President	14,725	325
59	Manoj Chauhan	Vice President	14,725	325
60	Kishor Dukare	Vice President	14,725	325
61	Jatinder Kumar	General Manager	8,366	325
62	Yeshwant Kumar Pillarisetty Venkata	President	23,400	325
63	Deepak Madan	General Manager	3,581	325
64	Pawan Agarwal	General Manager	3,581	325

ANNEXURE-A (Contd.)

Sl No	Name of Employee	Designation	Number of options granted	Exercise Price (in ₹)
65	Santosh Kumar Tiwari	General Manager	3,581	325
66	Rajesh Rustagi	General Manager	3,581	325
67	Laxmikant Mishra	General Manager	3,581	325
68	Gaurav Vats	General Manager	3,581	325
69	Mohan Murari Soni	General Manager	3,581	325
70	Satya Narayan Tiwari	General Manager	3,581	325
71	Rajneesh Chaudhary	General Manager	3,581	325
72	Naveen Agarwal	General Manager	3,581	325
73	Annu Sethi	General Manager	3,581	325
74	Mudit Mathur	General Manager	3,581	325
75	Aneesh Kakkar	General Manager	3,581	325
76	Rajendra G. Dhainje	General Manager	3,581	325
77	Rajeev Gandotra	CEO	35,250	325
78	Ravi Mehra	CEO	35,250	325
79	Rakesh Kher	President	23,400	325
80	L K Aggarwal	Vice president	14,725	325
		Total	10,54,406	

Notes:

i) Pursuant to approval of the Members on 25 March 2019, the Company adopted UNOMINDA Employee Stock Option Scheme 2019 or UNOMINDA ESOS 2019.

ii) The maximum number of options to be granted under the ESOS 2019 shall not exceed 78,66,500 options, convertible into equity shares of the Company, which is approximate 3% of the paid-up share capital of the Company as on the date of approval of the scheme i.e. 25 March 2019.

iii) Nomination and Remuneration Committee of the Board ("NRC"), on 16 May 2019, 28 January 2021 and 13 June 2021 has granted 12,62,924 options to 98 eligible employees of the Company out of which 2,08,518 options have lapsed as the employees have left the organisation. The Options granted under ESOS 2019 shall vest based on the achievement of defined performance parameters as determined by the NRC.

iv) During FY 2021-22, Nomination and Remuneration Committee of the Board ("NRC"), on 13 June 2021, granted total 1,62,333 options to 15 eligible employees of the Company. The Options granted under ESOS 2019 shall vest based on the achievement of defined performance parameters as determined by the NRC.

v) The vesting conditions based on market capitalisation of the Company has been met on 09 November 2021 where market capitalisation of the Company crossed ₹ 24,000 Crores on closing price basis. As the market capitalisation condition has been met, the options granted on 16 May 2019 and 28 January 2021 shall be vested on 31 May 2022 and the options granted on 13 June 2020 shall be vested on 13 June 2022.

ANNEXURE-B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

a. A brief outline on CSR Policy of the Company

At UNO MINDA group, we firmly believe and are committed to our values of inclusive growth of people and collectively continue to work for the welfare of people and communities over two and a half decades. We develop and maintain our business as a responsible corporate citizen and believes in holistically addressing all issues related to People, Planet and Profit for a sustainable business and committed to achieve inclusive growth of the marginalised and disadvantaged sections of the society through our CSR initiatives. Along with this, we fulfil all our social responsibility towards the communities we operate in, while fulfilling our responsibility by providing the highest quality of service to our customers, stakeholders, and business partners. Our CSR initiatives are driven by the Suman Nirmal Minda Charitable Trust (SNMCT)- as an implementing partner of UNO MINDA Group, which operates CSR programs at various location across India through a flag initiative; Samarth – Jyoti and covered 7 states which includes Haryana, Uttrakhand, Rajasthan, Gujarat, Maharashtra, Karnataka, & Tamil Nadu.

Projects carry a strategic approach to addressing the needs of local communities by implementing CSR initiatives in partnership with various stakeholders across various thematic areas aligned with the Sustainable Development Goals (SDGs). Our socio-economic interventions are focused on underprivileged communities around our plant locations and other local areas of operations so that the weaker and marginalised sections of the society have a sustainable higher income and a better standard of living. Our CSR interventions follow principles of accountability to stress the long-term sustainability of results. Samarth-Jyoti identifies CSR projects needs through mapping community needs by conducting baseline surveys and benchmarking exercises.

Our initiatives aim to promote skill development which will lead to making the youth self-reliant by training them with in-demand skills. With the focus on creating an inclusive world and providing a life of dignity and confidence, we are continuously working in the area of education and skill development for children, women, and youth respectively. We are working continuously towards providing the community, especially women and young people, with appropriate options for grooming and enhancing their skills in various vocational courses. Also, we are working tirelessly to develop young minds by facilitating and increasing the quality of education for children belonging to less advantaged and backward communities through initiatives such as establishing formal schools and remedial programs.

Key projects under Samarth-Jyoti are:

1. Skill Development, wherein we are imparting vocational training for Beauty Culture Learning, Cutting & Tailoring, and Computer Basic, Hardware, and Professional courses.
2. Education programs, imparting formal education with establishing and operating CBSE affiliated Senior Secondary School, community school and remedial program for facilitating the children with required educational support.
3. Community Well-Being and Development where we are liaising with local government and stakeholder members to provide required infrastructural development, food stall for providing nutritional food, etc.
4. Preventive & Curative Healthcare where we are organising and supporting community members by organising various blood donation and medical/health check-up camps, conducting menstrual health and hygiene management workshops, extending support for various alignment to the deprived and lesser privileged member of the society.
5. Our CSR perspective is to create a society that is developed with our programs being sustainable, impactful, and with a future-generation development-centric approach.

b. Composition of the CSR Committee

Sl. No.	Name of the Member	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Nirmal K Minda	Chairman, Executive Director	2	2
2	Mr. Satish Sekhri*	Member, Independent Non-Executive Director	2	2
3	Mr. Anand Kumar Minda	Member, Non- Independent Non- executive Director	2	2
4	Mr. Krishan Kumar Jalan	Member, Independent Non-Executive Director	2	2

* Mr. Satish Sekhri has completed his tenure in the capacity of Non-Executive Independent Director of the Company and he ceases to be a Director on the Board of the Company w.e.f. 01 April 2022.

c. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company**

Composition of the CSR committee shared above and is available on the Company's website on: https://www.unominda.com/investor/committees

CSR policy: https://www.unominda.com/uploads/Investor/March_2021/mil-new-csr-policy.pdf

CSR projects: https://www.unominda.com/corporate-social-responsibility

d. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). –** Impact assessment of CSR projects in terms of sub-rule (3) of Rule 8 of CSR is not applicable. However SNMCT has carried out Impact assessment voluntarily through an Independent Agency.

e. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** Not applicable

f. **Average net profit of the Company as per section 135(5) as at 31.03.2021.**: ₹ 16,188.30 Lakhs

g. (a) **2% of average net profit of the Company as per section 135(5) as at 31 March 2021:** ₹ 324 Lakhs

(b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years.** Nil

(c) **Amount required to be set off for the financial year, if any:** NIl

(d) **Total CSR obligation for the financial year (7a+7b-7c):** ₹ 326 Lakhs

h. (a) **CSR amount spent or unspent for the financial year:** FY 2021-22

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
189.00	137.00	29 April 2022	--	--	--

ANNEXURE-B (Contd.)

(b) Details of CSR amount spent against **ongoing projects** for the financial year 2021-22

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (₹ in Lakhs)	(8) Amount spent in the current financial Year (₹ in Lakhs)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Reg. No.
1	Samarth-Jyoti, Vocational training & Educational program	Promotion of Education including special education and employment enhancing vocational skills	Yes	Haryana	Gurugaon	Ongoing	30.00	30.00	0	No	The Suman Nirmal Minda Charitable Trust	CSR00000304
			Yes	Rajasthan	Alwar	Ongoing	07.00	07.00	0	No		
			Yes	Tamil Nadu	Chennai	Ongoing	11.00	11.00	0	No		
			Yes	Uttrakhand	Udham Singh Nagar	Ongoing	01.00	01.00	0	No		
2	The Suman Nirmal Minda School, Gujarat		Yes	Gujarat	Ahmedabad	Ongoing	73.00	0	73.00	No		
3	Samarth Jyoti Pune Land		Yes	Maharashtra	Pune	Ongoing	60.00	10.00	50.00	No		
4	Health care projects	Promoting health care including preventive health care	Yes	Haryana	Hisar	Ongoing	14.00	0	14.00	No		
	TOTAL						196.00	59.00	137.00			

ANNEXURE-B (Contd.)

(c) Details of CSR amount spent against **other than ongoing projects** for FY 2021-22:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount Spent for the project (₹ in Lakhs)	Mode of Implementation -Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Reg. No.
1	Community Development Activity	Promoting health care including preventive health care	Yes	Tamil Nadu	Chennai	5.00	No	The Suman Nirmal Minda Charitable Trust	CSR00000304
			No	Maharashtra	Mumbai	5.00	No		
		Disaster Management relief & rehabilitation	Yes	Uttarakhand	U.S. Nagar	16.00	No		
		Promotion of Education	Yes	Gujarat	Gandhinagar	3.00	No		
			Yes	Tamil Nadu	Hosur	101.00	No		
	TOTAL					**130.00**			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (4b+4c+4d+4e): ₹ 189 Lakhs

(g) Excess amount for set off, if any:- NIL

(₹ In Lakhs)

S. No.	Particular	Amount
1	2% of average net profit of the Company as per section 135(5)	326.00*
2	Total amount spent for the Financial Year	189.00
3	Excess amount spent for the financial year [(ii)-(i)]	Nil
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

* 2% of average net profit is ₹ 324 Lakhs, amount approved by Board is ₹ 326 Lakhs

i. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lakhs)	Amount spent in the reporting Financial Year (₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial year (₹ in Lakhs)
				Name of the Fund	Amount (₹ in Lakhs)	Date of Transfer	
1	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-

ANNEXURE-B (Contd.)

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in Lakhs)	Amount spent on the project in the reporting Financial Year (₹ in Lakhs)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lakhs)	Status of the project - Ongoing
1	-	-	-	-	-	-	-	-
	TOTAL							

j. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details):**

(a) Date of creation or acquisition of the capital asset(s) : NA

(b) Amount of CSR spent for creation or acquisition of capital asset : Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : NA

k. Specify the reason(s), if the Company has failed to spend two % of the average net profit as per section 135(5): The amount unspent is primarily for capital expenditure for sustainable ongoing CSR projects.

Programs are designed to reach, educate and provide vocational training to underprivileged families & children in continuous mode. It has been planned to utilise in an ongoing mode as guided in the amended Companies Act, 2013.

The unspent amount is towards ongoing projects and shall be utilised within a period of 3 years.

For **Minda Industries Limited**

Nirmal K Minda
Chairman & Managing Director and Chairman of CSR Committee
DIN: 00014942

Place: Gurugram
Date: 24 May 2022

ANNEXURE-C

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Particulars required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies Act (Accounts) Rules, 2014

A. **Conservation of energy**

(i) **The step taken or impact on conservation of energy:**

- High Energy (52KW) consuming Auto SD7 line convert into less energy (22Kw) consuming line
- Machine idle running load stop by providing interlocking by PLC Logic
- Installation of energy efficient lights & installation of almonard fan on shop floor to reduce chiller load
- For shop floor LED lighting install
- Install compressor with VFD Drive
- HVAC Timers are minimised/ Temperature set as per requirement
- GDC Hydraulic Pressure setting reduced as per requirements
- Automatic timer provided for Air washer, Street lights and shop lights
- Production equipment conventional motor converted into server motor
- Auto door system implemented to reduce the PDC furnace thermal conductivity loss
- All Furnace Recladding the brisk or recondition of the furnace & additional insulation has been provided with glass wool aluminum gladding to reduce thermal conductivity loss resulted saving of 5.67L P/A
- Thyristor controller introduced for pad printing oven and Buffing ovens resulted saving of 0.96L P/A
- PDC furnace design modification done to reduce the energy consumption and achived power saving of 10.78L P/A
- IE2 motors replace with IE3 motors resulted a saving of 4.86L P/A
- VFD installed at dust collector blower and achieved savings of 2.16L P/A
- 300 CFM compressor to 120 CFM compressor used at night shift
- LPG to PNG replaced for powder coating process burner
- All conventional type lamps have been replaced with LED lamp
- Powder Coating conveyor speed increase (45~50 Hz) resulted saving of 0.81L P/A
- Reduction in LPG consumption in CED plant by introduce Magnetic resonator for burners
- Reduction in assembly line unit consumption by Auto cut off system
- Reduce Compressors Power consumption by reducing running hours
- Increase Capacity of APFC panel / Implement RTFC panel
- Integration of Compressor across plant to plant
- Installation of VFD for optimisation of power consumption of variable requirement
- Installation of solar plant at roof area having capacity of 345kw
- Merging of Metalising cooling tower with molding cooling tower and shutting down all water process chillers.
- Implementation of Temperature Controller in Cooling Towers which reduces the usage of fan motors.
- Installation of level sensors which helped in the optimisation of running of Oil Skeamer as per the requirement indicated by the sensor.

(ii) **The steps taken by the Company for utilising alternate sources of energy:**

- Installation of solar system/ roof top solar plant.
- Using power generated from solar power plant.
- Third party Rooftop Solar panels installed for generation and use of Solar power as alternate source of energy.
- Usage of alternate light in first and second floor gangway.
- Open access renewable energy and total 2.05 Lakhs units saving per month and generation started from Apr-22 and current year its benefit maximum.
- Replacement of I3 motor 7.5 KW at hot water generation pump in place of normal 11 KW motor at HWGP- Paintshop

(iii) **The capital investment on energy conservation equipments:**

- Furnace design modification.
- Furnace Cover Synchronisation with Ladle.

ANNEXURE-C (Contd.)

- All Furnace Recladding or recondition & additional insulation with glass wool aluminum gladding.
- Air Conditioning.
- Fluorescent tube light.
- Installation of antifog system by considering EC motor new technology air handling units and resulted a 30% energy saving from existing induction motor air handling units.

B. Technology Absorption, Research and Development (R&D)

(i) The efforts made towards technology absorption:

- VGA (Video Graphics Array) camera line setup done for testing of camera from TUNG THIH ELECTRINIC CO., LIMITED which can be used for all future VGA camera project.
- The Company does not purchase any imported technology; all previously imported technology has been fully absorbed.
- Technical Personnel visits the Company from time to time to upgrade the knowledge of Company's employees with regular training of employees.
- Automated assembly line development of side stand switch assembly.
- New process established- Vibratory mass finishing process for aluminum parts.
- Heated grip developed for the first time for customer.
- IOT based Final testing machine in build software security and part traceability.
- Illuminated CAN/LIN based switches for Harley Davidson
- Recruitment of Domain Knowledge expert in R&D for technology absorption
- TRM & PRM prepared for technology absorption
- Execution through micro plan & weekly meetings with Technical Expert

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- Melting Furnace developed in India
- GDC Machine developed
- Developed Robotic Fettling cell
- The VGA (Video Graphics Array) Camera helps in the cost reduction because the same line is used for Multiple Models
- Improvement in process flow resulting in High quality of products
- Improvement in the technical skills of the employees of the Company
- Cost saving through automation of Side stand switch assembly process
- Software security added as a feature in final testing machine and inbuilt in products
- New product range added for Illuminated handle bar switches with CAN /LIN technology
- Localisation of testing equipment's

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

A	The details of technology imported	-
B	Year of Import	-
C	Whether the technology has been absorbed?	-
D	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof and	-

(iv) Expenditure incurred on Research and Development:

₹ in Crores

	Particulars	Year ended on 31 March 2022	Year ended on 31 March 2021
a)	Capital Expenditure	26.72	6.67
b)	Recurring Expenditure	84.76	50.57
	Total	**111.48**	**57.24**
c)	Total R&D expenditure as percentage of total turnover.	2.25%	1.55%

C. Foreign Exchange Earnings and Outgo during the year

₹ in Crores

	Particulars	FY 2021-22	FY 2020-21
1	CIF value of Imports		
	Raw Material	365.31	144.33
	Stores and Spares	20.72	11.89
	Capital Goods	31.73	53.96
	Total	**417.76**	**210.18**
2	Expenditure in Foreign Currency		
	Travel	1.51	0.37
	Royalty	6.59	Nil
	Technical Know-How Fee	21.17	20.13
	Others	15.41	4.70
	Total	44.68	25.20
3	Total Foreign Exchange earned	425.91	258.78

ANNEXURE-D

CORPORATE GOVERNANCE REPORT

1) **Our Corporate Governance Philosophy**

2) Your Company is committed to achieve and maintain the highest standards of Corporate Governance. Your Company believes in the concept of good Corporate Governance involving transparency, empowerment, accountability, equity and integrity with a view to enhance stakeholder's value in order to achieve its mission as stated below: -

"To continually enhance the stakeholders' value through global competitiveness while contributing to society."

Our Corporate Governance framework ensures effective engagement with our stakeholders and which help us to evolve with changing time.

Your Company believes that an active, well informed independent Board is necessary to ensure the highest standard of Corporate Governance. Your Company firmly believes that the Board's independence is essential to bring objectivity and transparency in the management and in the dealings of the Company.

3) **Board Composition**

Size and composition of Board

Your Company believes that our Board needs an appropriate mix of Executive Directors and Independent Directors to maintain its independence and separate its functions of governance and management. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") mandate that for a Company with an Executive Chairman, at least one-half of the Board should be Independent Directors.

On 31 March 2022, our Board consists of eight members, out of which three are Executive; one is Non-Executive, while the remaining four are Independent Directors.

The above composition comprises of two Women Directors out of which one is Independent Director.

The independent directors have confirmed that they meet the criteria of independence as required under the Companies Act, 2013 and Regulation 16 (1) (b) of Listing Regulations. The Board is of the opinion that the Independent Directors fulfill the conditions specified in Listing Regulations and are Independent of the Management.

No Independent Director of the Company serves as a whole-time director of a listed Company.

No Independent Director is a director in more than seven listed companies and as director of more than 10 public companies.

No director is a director of more than 20 Companies or director of more than 10 public companies.

No director is a member in more than 10 committees of public limited companies nor acts as a chairperson of more than 5 committees across all listed entities in terms of Regulation 26(1) of Listing Regulations.

The shareholders at their General Meeting/ Postal Ballot held from time to time have approved the appointment of Independent Directors for a fixed tenure not exceeding as prescribed under the Companies Act, 2013. The Company issued letter of appointment to all its Independent Directors as per Schedule IV to the Companies Act, 2013 and the terms and conditions of such appointment have been disclosed on the website of the Company at https://www.unominda.com/images/Corporate_governance/Corporate_Governance_Policies/Appointment-Letter-Independent-Director.pdf

The composition of the Board, category and particulars of attendance during the financial year 2021-22 is given below: -

i) The composition of the Board, category and particulars of attendance is given below:

Name of Director	Category of Directorship	Attendance Record Total Board Meeting held during FY 2021-22 = 8 Nos.		Number of other Directorships*	Committee Membership/ Chairmanships**	
		Board Meetings attended	Last AGM held on 12/08/2021 Attended Yes/No		Member	Chairman $
Mr. Nirmal Kumar Minda	Chairman & Managing Director Promoter	**7**	Yes	7	0	0
Mr. Ravi Mehra	Dy. Managing Director	**8**	Yes	4	2	0

ANNEXURE-D (Contd.)

Name of Director	Category of Directorship	Attendance Record Total Board Meeting held during FY 2021-22 = 8 Nos.		Number of other Directorships*	Committee Membership/ Chairmanships**	
		Board Meetings attended	Last AGM held on 12/08/2021 Attended Yes/No		Member	Chairman $
Mr. Anand Kumar Minda	Non- Executive Director Promoter Group	**8**	Yes	7	2	0
Ms. Paridhi Minda	Whole-time Director Promoter Group	**7**	Yes	6	0	0
Mr. Satish Sekhri***	Non- Executive Independent Director	8	Yes	6	6	1
Mrs. Pravin Tripathi	Non- Executive Independent Director	8	Yes	5	5	1
Mr. Krishan Kumar Jalan	Non- Executive Independent Director	8	Yes	8	8	0
Dr. Chandan Chowdhury****	Non- Executive Independent Director	3	Not Applicable	-	-	-
Mr. Rakesh Batra*****	Non- Executive Independent Director	6	Yes	2	1	0
Mr. Rajiv Batra******	Non- Executive Independent Director	NA	NA	2	-	-
Mr. Satish Balkrishna Borwankar*******	Non- Executive Independent Director	NA	NA	-	-	-

Note: There are no inter-se relationships between our Board members except Ms. Paridhi Minda. She is daughter of Mr. Nirmal K. Minda, Chairman & Managing Director.

* Includes directorship in Minda Industries Limited and excludes directorship in Private Companies, Foreign Companies, Companies incorporated under Section 8 of the Companies Act, 2013 and alternate directorships.

** For the purpose of considering the limit of Committee Memberships and Chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of Public Limited Companies have been considered. Also includes the Memberships & Chairmanships in Minda Industries Limited

$ Chairmanship of Audit Committee and Stakeholders Relationship Committee of listed companies only considered.

*** Mr. Satish Sekhri, Non-Executive Independent Director on the Board of the Company upon completion of his 2nd term ceased to be a Director on the Board w.e.f. 01 April 2022.

**** Dr. Chandan Chowdhury, Non-Executive Independent Director on the Board of the Company has completed his tenure and he ceased to be a Director on the Board w.e.f. 06 August 2021

***** Mr. Rakesh Batra, appointed as an Additional Director in the category of Non-Executive Independent Director on the Board of the Company for a period of three years w.e.f. 19 July 2021. The appointment of Mr. Batra was regularised as an Independent Director by the shareholders at their meeting held on 12 August 2021.

****** Mr. Rajiv Batra has been appointed as an Additional Director in the category of Non-Executive Independent Director on the Board of the Company with effect from 01 April 2022 for a term of two consecutive years, subject to approval by the shareholders which is being sought by way of Postal Ballot.

******* Mr. Satish Balkrishna Borwankar, has been appointed as an Additional Director in the category of Non-Executive Independent Director on the Board of the Company with effect from 12 April 2022 for a term of three consecutive years, subject to approval by the shareholders which is being sought by way of Postal Ballot.

Mr. Nirmal K. Minda, is a Promoter Director. Mr. Anand Kumar Minda and Ms. Paridhi Minda are part of Promoter Group.

ANNEXURE-D (Contd.)

Name of the other listed entities where such director is a director

S. No.	Name of the Director	CIN & Name of other Listed entity where he/she is a director		Category of the directorship
1	Mr. Nirmal K Minda		NIL	NIL
2	Mr. Ravi Mehra		NIL	NIL
3	Mr. Anand Kumar Minda		NIL	NIL
4	Ms. Paridhi Minda		NIL	NIL
5	Mr. Krishan Kumar Jalan		L45201DL1999PLC195937 PNC Infratech Limited	Independent Director
			L27320WB1997PLC084819 Titagarh Wagons Limited	Independent Director
6	Ms. Pravin Tripathi	1)	L29130DL1987PLC027342 Jai Bharat Maruti Limited	Independent Director
		2)	L51909MH2002PLC135594 Multi Commodity Exchange of India Limited	Independent Director
		4)	L74899DL1996PLC083073 JBM Auto Limited	Independent Director
7	Mr. Rakesh Batra		L29222DL1979PLC009668 Sterling Tools Limited	Independent Director
8	Mr. Satish Sekhri*		L34300HR1983PLC023187 Rico Auto Industries Limited	Independent Director

*ceased to be an Independent Director of the Company with effect from 1 April 2022

Board Meetings

Eight (8) Board Meetings were held during the financial year 2021-22. These meetings were held on 22 May 2021, 13 June 2021, 02 August 2021, 14 August 2021, 11 November 2021, 10 December 2021, 07 February 2022 and 25 March 2022

Availability of information to the Board members

The Board has unrestricted access to all Company related information including that of our employees. At Board Meeting, managers and representatives who can provide additional insights into the items being discussed are invited. Regular updates provided to the Board include Annual Budget, Technology Collaboration, Investments, Quarterly Results, Minutes of meeting of Subsidiary Companies, Minutes of Audit Committee and other committee of the Board of the Company, status of statutory compliances and other material information.

All the information relevant to the Company as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is also made available to the Board.

Skills/Experience/ Competence of the Board

The Board has members having skill/experience/ competence required for the business and affairs of the Company for it to function effectively. The Board has inter-alia the following attributes:

Nature of skill/ competence/ experience	Mr. Nirmal K Minda	Mr. Anand Minda	Ms. Paridhi Minda	Mr. Ravi Mehra	Mr. Krishan Kumar Jalan	Ms. Pravin Tripathi	Mr. Rakesh Batra	Mr. Satish Sekhri	Mr. Rajiv Batra*	Mr. Satish Balkrishna Borwankar**
Knowledge - understand the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates	√	√	√	√	√	√	√	√	√	√

ANNEXURE-D (Contd.)

Nature of skill/ competence/ experience	Mr. Nirmal K Minda	Mr. Anand Minda	Ms. Paridhi Minda	Mr. Ravi Mehra	Mr. Krishan Kumar Jalan	Ms. Pravin Tripathi	Mr. Rakesh Batra	Mr. Satish Sekhri	Mr. Rajiv Batra*	Mr. Satish Balkrishna Borwankar**
Behavioral Skills - attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders	√	√	√	√	√	√	√	√	√	√
Strategic thinking and decision making	√	√	√	√	√	√	√	√	√	√
Financial Skills	√	√	√	√	√	√	√	√	√	√
Professional skills and knowledge to assist the ongoing aspects of the business	√	√	√	√	√	√	√	√	√	√

* Mr. Rajiv Batra has been appointed as an Additional Director in the category of Non-Executive Independent Director on the Board of the Company with effect from 01 April 2022.

** Mr. Satish Balkrishna Borwankar, has been appointed as an Additional Director in the category of Non- Executive Independent Director on the Board of the Company with effect from 12 April 2022.

Code of Conduct

In compliance with Regulation 26(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted Code of Conduct ('the Code').

The code is applicable to all Directors, Independent Directors and Senior Management of the Company. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The code is available on our website https://www.unominda.com/images/Corporate_governance/Corporate_Governance_Policies/MIL_COC.PDF

All Members of the Board and Senior Management personnel have affirmed the compliance with the Code as on 31 March 2022.

A declaration to this effect, signed by the CEO in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 forms part of the Board's Report is appended as **Annexure-J.**

3. Board Committees

The Board has 5 (five) Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility (CSR) Committee, and Risk Management Committee.

The quorum for meetings is either two or one-third of the total number of members of the committee, whichever is higher.

a) Audit Committee

Audit Committee comprised of three Independent Directors as on 31 March 2022.

The Composition, Category and Attendance of Audit Committee is given below: -

Name of the member	Category	Attendance Record (No. of meetings held= 7) Meeting(s) attended	Date on which meeting held
Ms. Pravin Tripathi	Chairperson	7	22-05-2021 13-06-2021 14-08-2021 10-11-2021 10-12-2021 05-02-2022 25-03-2022
Mr. Satish Sekhri*	Member	7	
Mr. Krishan Kumar Jalan	Member	7	
Mr. Rakesh Batra**	Member	-	

*ceased to be a member of the committee w.e.f. 01 April 2022.

**appointed as a member of the committee w.e.f. 01 April 2022.

The Company Secretary acts as a Secretary the Committee.

ANNEXURE-D (Contd.)

Qualified and Independent Audit Committee

The Company complies with Section 177 of the Companies Act, 2013 as well as requirements under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 pertaining to the Audit Committee. Its functioning is as under:

i) The Audit Committee presently consists of the three Independent Directors.

ii) All members of the committee are financially literate and having the requisite financial management expertise.

iii) The Chairman of the Audit Committee is an Independent Director.

iv) The Chairman of the Audit Committee was present at the last Annual General Meeting held on 12 August 2021.

All the recommendations made by the Audit Committee during the year were accepted by the Board.

Powers of the Audit Committee

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of reference and role of the Audit Committee inter-alia includes matters specified under section 177(4) of the Companies Act, 2013 and Part-C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprised of three independent directors as on 31 March 2022.

The composition, category and attendance of Nomination and Remuneration Committee is given below:-

Name of the member	Category	Attendance Record (No. of meetings held= 4) Meeting(s) attended	Date on which meeting held
Ms. Pravin Tripathi	Chairperson	4	27-05-2021 13-06-2021 19-07-2021 07-02-2022
Mr. Satish Sekhri*	Member	4	
Mr. Krishan Kumar Jalan	Member	4	
Mr. Rakesh Batra**	Member	-	

*ceased to be a member of the committee w.e.f. 01 April 2022.

**appointed as a member of the committee w.e.f. 01 April 2022.

The Company Secretary acts as a Secretary the Committee.

Terms of reference

- To identify persons, who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment or removal
- To carry out evaluation of every Director's performance
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees
- To formulate the criteria for evaluation of Independent Directors and the Board
- To devise a policy on Board diversity
- To recommend / review remuneration of the Managing Director(s), Whole-time Director(s) and their relatives, Key Managerial Personnel and Senior Management based on their performance and defined assessment criteria
- To carry out any other functions as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable
- To perform such other functions as may be necessary or appropriate for the performance of its duties
- Such matters as stated in section 177(4) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

ANNEXURE-D (Contd.)

Performance evaluation criteria for Independent Directors

The performance evaluation for independent directors has been carried out on the basis of the criteria specified in a guidance note on board evauation issued by the Security and Exchange Board of India. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgement.

Remuneration Policy

The Remuneration policy of our Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company has a Remuneration Policy which is uploaded on the website of the Company at https://www.unominda.com/images/Corporate_governance/Corporate_Governance_Policies/Nomination--Remuneration-Policy.pdf

c) Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprised of three directors as on 31 March 2022.

The composition, category and attendance of Stakeholders Relationship Committee is given below:-

Name of the member	Category	Attendance Record (No. of meetings held= 4) Meeting(s) attended	Date on which meeting held
Mr. Satish Sekhri *	Chairman	4	13-06-2021 14-08-2021 11-11-2021 07-02-2022
Mr. Anand Kumar Minda	Member	4	
Mr. Krishan Kumar Jalan$	Member	4	
Ms.Pravin Tripathi**	Member	-	

*ceased to be a member of the committee w.e.f. 01 April 2022.

**appointed as a member of the committee w.e.f. 01 April 2022.

$ appointed as Chairman w.e.f. 01 April 2022

The Company Secretary acts as a Secretary the Committee.

Terms of Reference

- Oversee and review all matters connected with the transfer of the Company's securities
- Approve issue of the Company's duplicate share certificates
- Monitor redressal of investors' / shareholders' grievances
- Oversee the performance of the Company's Registrars and Transfer Agents
- Recommend methods to upgrade the standard of services to Investors
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other functions as may be referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable

Name, Designation and Address of the Compliance Officer

Mr. Tarun Kumar Srivastava
Company Secretary & Compliance Officer

Minda Industries Limited
B-64/1, Wazirpur Industrial Area,
Delhi-110052
E-mail: tksrivastava@mindagroup.com
Phone: 011-49373931, 0124-2291604, Fax: 0124-2290676

Investor Complaint:

Your Company has 1,12,457 shareholders as on 31 March 2022. The Company and share transfer agent has received 13 complaints during the year. All these complaints were resolved to the satisfaction of shareholders within a period of 15 days from its receipt.

Number of Complaints received during the year: 13

Number of Complaints not solved to the satisfaction of shareholders: Nil

Number of pending Complaints as at 31.03.2022: Nil

ANNEXURE-D (Contd.)

d) Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee comprised of four directors as on 31 March 2022.

The composition, category and attendance of Corporate Social Responsibility (CSR) Committee is given below: -

Name of the member	Category	Attendance Record (No. of meetings held = 2 Meeting(s) attended	Date on which meeting held
Mr. Nirmal K. Minda	Chairman	2	13-06-2021 11-11-2021
Mr. Anand Kumar Minda	Member	2	
Mr. Satish Sekhri *	Member	2	
Mr. Krishan Kumar Jalan	Member	2	

*ceases to be a member of the committee.

The Company Secretary acts as a Secretary the Committee.

Terms of Reference

The CSR committee is responsible to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013, to recommend the amount of expenditure to be incurred on CSR activities and to monitor the Corporate Social Responsibility Policy of the Company from time-to time.

The CSR Policy of the Company is available on our website at https://www.unominda.com/uploads/Investor/March_2021/mil-new-csr-policy.pdf

The CSR Report, as required under the Companies Act, 2013 for the year ended on 31 March 2022 is appended as Annexure B to the Board's report.

e) Risk Management Committee

The Risk Management Committee comprised of four members as on 31 March 2022.

The composition, category and attendance of Risk Management Committee is given below: -

Name of the member	Category	Attendance Record (No. of meetings held = 3 Meeting(s) attended	Date on which meeting held
Mr. Satish Sekhri*	Chairman	3	09-06-2021 20-10-2021 14-03-2022
Mr. Anand Kumar Minda	Member	3	
Mr. Sunil Bohra	Member	3	
Mr. Krishan Kumar Jalan	Member	3	
Ms. Pravin Tripathi**	Chairperson	NA	

*ceases to be a member of the committee w.e.f. 01 April 2022.

**appointed as a member & Chairperson of the committee w.e.f. 01 April 2022.

The Company Secretary acts as a Secretary the Committee.

Terms of Reference

Review of implementation of Risk Management Policy and Framework;

- Other functions as may be specified under Companies Act, 2013 and SEBI Listing Regulations; and
- Such other activities as may be specified by the Board from time to time.

4. General Body Meeting

Venue and Time of last three Annual General Meetings (AGM)

Year	Date of Meeting	Time	Venue
27th AGM, FY 2018-19	06 August 2019	3.30 p.m.	PHD House, Opposite Asian Games Village, New Delhi
28th AGM, FY 2019-20	19 September 2020	11.00 a.m.	Video Conference (VC)/Other Audio Visual Means (OAVM).
29th AGM, FY 2020-21	12 August 2021	10.30 a.m.	Video Conference (VC)/Other Audio Visual Means (OAVM).

ANNEXURE-D (Contd.)

The summary of the Special Resolutions passed at the previous 3 Annual General Meetings are reported below: -

29th Annual General Meeting

S.No.	Subject Matter of the Special Resolution
I	In the 29th Annual General Meeting, there was no Special Resolution in the AGM Notice.

28th Annual General Meeting

S.No.	Subject Matter of the Special Resolution
I	In the 28th Annual General Meeting, there was no Special Resolution in the AGM Notice.

27th Annual General Meeting

S.No.	Subject Matter of the Special Resolution
I	In the 27th Annual General Meeting, there was no Special Resolution in the AGM Notice.

Postal Ballot

During the financial year, one Postal Ballot was conducted, the details of which is as under: -

Date of Postal Ballot Notice : 13 June 2021

Voting period : 23 June 2021 to 22 July 2021

Date of Declaration of Results : 26 July 2021

1) **Appointment of Mr. Ravi Mehra (DIN: 01651911) as a Director of the Company, liable to Retire by rotation (Ordinary Resolution)**

Category	Mode of Voting	No. of shares held	No of Valid Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
		(1)	(2)	(3)=(2)/(1)*100	(4)	(5)	(6)=(4)/(2)*100	(7)=(5)/(2)*100
Promoters and Promoter Group	E-voting	19,27,20,308	19,26,78,808	99.9785	19,26,78,808	0	100.0000	0.0000
	Postal Ballot		41,500	0.0215	41,500	0	100.0000	0.0000
	Total		**19,27,20,308**	**100.0000**	19,27,20,308	**0**	**100.0000**	**0.0000**
Public-Institutions	E-voting	5,46,87,473	5,11,68,394	93.5651	3,54,58,316	1,57,10,078	69.2973	30.7027
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		**5,11,68,394**	**93.5651**	**3,54,58,316**	**1,57,10,078**	**69.2973**	**30.7027**
Public-Non Institutions	E-voting	2,45,20,923	81,05,932	33.0572	80,98,100	7,832	99.9034	0.09662
	Postal Ballot		5,480	0.0223	5,480	0	100.0000	0.0000
	Total		**81,11,412**	**33.0796**	**81,03,580**	**7,832**	**99.9034**	**0.0966**
Total		**27,19,28,704**	**25,20,00,114**	**92.6714**	**23,62,82,204**	**1,57,17,910**	**93.7627**	**6.2373**

2) **Appointment of Mr. Ravi Mehra (DIN: 01651911) as a Whole Time Director designated as Deputy Managing Director of the Company (Ordinary Resolution)**

Category	Mode of Voting	No. of shares held	No of Valid Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
		(1)	(2)	(3)=(2)/(1)*100	(4)	(5)	(6)=(4)/(2)*100	(7)=(5)/(2)*100
Promoters and Promoter Group	E-voting	19,27,20,308	19,26,78,808	99.9785	19,26,78,808	0	100.0000	0.0000
	Postal Ballot		41,500	0.0215	41,500	0	100.0000	0.0000
	Total		**19,27,20,308**	**100.0000**	19,27,20,308	**0**	**100.0000**	**0.0000**
Public-Institutions	E-voting	5,46,87,473	5,11,68,394	93.5651	3,13,11,806	1,98,56,588	61.1936	38.8064
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		**5,11,68,394**	**93.5651**	**3,13,11,806**	**1,98,56,588**	**61.1936**	**38.8064**

ANNEXURE-D (Contd.)

Public-Non Institutions	E-voting	2,45,20,923	**81,05,910**	**33.0571**	80,97,724	8,186	99.8990	0.1010
	Postal Ballot		5,480	0.0223	5,480	0	100.0000	0.0000
	Total		**81,11,390**	**33.0795**	**81,03,204**	**8,186**	**99.8991**	**0.1009**
Total		**27,19,28,704**	**25,20,00,092**	**92.6714**	**23,21,35,318**	**1,98,64,774**	**92.1172**	**7.8828**

3) **Re-Appointment of Ms. Pravin Tripathi (DIN: 06913463) as an Independent Director of the Company (Special Resolution)**

Category	Mode of Voting	No. of shares held	No of Valid Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
		(1)	(2)	(3)=(2)/(1)*100	(4)	(5)	(6)=(4)/(2)*100	(7)=(5)/(2)*100
Promoters and Promoter Group	E-voting	19,27,20,308	19,26,78,808	99.9785	19,26,78,808	0	100.0000	0.0000
	Postal Ballot		41,500	0.0215	41,500	0	100.0000	0.0000
	Total		**19,27,20,308**	**100.0000**	19,27,20,308	**0**	**100.0000**	**0.0000**
Public-Institutions	E-voting	5,46,87,473	5,11,68,394	93.5651	4,89,66,502	22,01,892	95.6968	4.3032
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		**5,11,68,394**	**93.5651**	**4,89,66,502**	**22,01,892**	**95.6968**	**4.3032**
Public-Non Institutions	E-voting	2,45,20,923	81,05,910	33.0571	80,97,529	8,381	99.8966	0.1034
	Postal Ballot		5,480	0.0223	5,480	0	100.0000	0.0000
	Total		**81,11,390**	**33.0795**	**81,03,009**	**8,381**	**99.8967**	**0.1033**
Total		**27,19,28,704**	**25,20,00,092**	**92.6714**	**24,97,89,819**	**22,10,273**	**99.1229**	**0.8771**

4) **Re-Appointment of Mr. Krishan Kumar Jalan (DIN: 01767702) as an Independent Director of the Company (Special Resolution)**

Category	Mode of Voting	No. of shares held	No of Valid Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
		(1)	(2)	(3)=(2)/(1)*100	(4)	(5)	(6)=(4)/(2)*100	(7)=(5)/(2)*100
Promoters and Promoter Group	E-voting	19,27,20,308	19,26,78,808	99.9785	19,26,78,808	0	100.0000	0.0000
	Postal Ballot		41,500	0.0215	41,500	0	100.0000	0.0000
	Total		**19,27,20,308**	**100.0000**	19,27,20,308	**0**	**100.0000**	**0.0000**
Public-Institutions	E-voting	5,46,87,473	5,11,68,394	93.5651	4,91,46,740	20,21,654	96.0490	3.9510
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		**5,11,68,394**	**93.5651**	**4,91,46,740**	**20,21,654**	**96.0490**	**3.9510**
Public-Non Institutions	E-voting	2,45,20,923	81,05,910	33.0571	80,97,411	8,499	99.8952	0.1048
	Postal Ballot		5,480	0.0223	5,480	0	100.0000	0.0000
	Total		**81,11,390**	**33.0795**	**81,02,891**	**8,499**	**99.8952**	**0.1048**
Total		**27,19,28,704**	**25,20,00,092**	**92.6714**	**24,99,69,939**	**20,30,153**	**99.1944**	**0.8056**

5) **Raising of Funds upto ₹700 Crores trough Issue of Securities (Special Resolution)**

Category	Mode of Voting	No. of shares held	No of Valid Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
		(1)	(2)	(3)=(2)/(1)*100	(4)	(5)	(6)=(4)/(2)*100	(7)=(5)/(2)*100
Promoters and Promoter Group	E-voting	19,27,20,308	19,26,78,808	99.9785	19,26,78,808	0	100.0000	0.0000
	Postal Ballot		41,500	0.0215	41,500	0	100.0000	0.0000
	Total		**19,27,20,308**	**100.0000**	19,27,20,308	**0**	**100.0000**	**0.0000**

ANNEXURE-D (Contd.)

Public-Institutions	E-voting	5,46,87,473	5,11,68,394	93.5651	5,11,68,394	0	100.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		**5,11,68,394**	**93.56510951**	**5,11,68,394**	**0**	**100.0000**	**0.0000**
Public-Non Institutions	E-voting	2,45,20,923	81,06,211	33.0583	80,97,808	8,403	99.8963	0.1037
	Postal Ballot		5,480	0.0223	5,480	0	100.0000	0.0000
	Total		**81,11,691**	**33.0807**	**81,03,288**	**8403**	**99.8964**	**0.1036**
Total		**27,19,28,704**	**25,20,00,393**	**92.6715**	**25,19,91,990**	**8403**	**99.9967**	**0.0033**

The Company successfully completed the process of obtaining approval of its shareholders for the resolutions on the items detailed above through the aforesaid Postal Ballot.

Mr. Devesh Kumar Vasisht (FCS No.: 8488, C.P. No.:13700), failing him, Ms. Priyanka (FCS No: 10898, C.P. No.: 16187), Partners of M/s. Sanjay Grover & Associates, Company Secretaries, were appointed as the Scrutinisers for carrying out the Postal Ballot process in a fair and transparent manner.

Procedure for Postal Ballot

In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013,("Act") read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations") read with applicable circulars under the Act and Listing Regulations, Postal Ballot Notice was sent by email to all the members, whose names appeared on the Register of Members, List of Beneficial Owners as received from National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') as on 11 June 2021 (the 'cut-off date') and who have registered their email addresses in respect of electronic holdings with the depository through the concerned depository participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited ("RTA"). Those members who have not registered their email address physical copy of the postal ballot notice was sent to them.

The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms were requested to return the forms, duly completed and signed to the Scrutiniser on or before the close of the voting period. Members desiring to exercise their votes by electronic mode were requested to vote on or before close of business hours on the last date of e-voting.

The Scrutiniser submitted his report after the completion of scrutiny, and the consolidated results of the voting by Postal Ballot were announced.

The results were also displayed on the Company website, www.unominda.com, besides being communicated to the Stock Exchanges. The last date for the receipt of duly completed Postal Ballot Forms or e-voting was the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

5. Holding/ Subsidiary Companies

In terms of clause (c) of sub-regulation (1) of Regulation 16 of Listing Regulations 'material subsidiary' means a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

In compliance with the said regulation, the Company has a policy on Determining Material Subsidiary, which has been approved by the Board and the same has been displayed on the Company's website at https://www.unominda.com/investor/corporate-governance.

For the year ended on 31 March 2022, there were two materials unlisted subsidiary of the Company i.e. Mindarika Private Limited and Minda Kosei Aluminum Wheel Private Limited.

The management of subsidiary companies is carried out by their separate Board of Directors who are empowered to exercise all the duties and rights for efficient monitoring and management of the companies.

The Company oversees and monitors the performance of subsidiary companies.

6. Disclosures

i) Related party Transactions

Related party transactions entered during the financial year were in the ordinary course of business and were on an arm's length basis. There were no materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions were placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee obtained for the transactions which were of a foreseen and repetitive nature.

A Statement giving details of all related party transactions placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

The Policy on Related Party Transactions as approved by the Board can be accessed on the Company's website at https://www.unominda.com/investor/corporate-governance

ii) **Disclosure of Accounting Treatment**

The financial statements have been prepared on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.

iii) **Risk Management**

The Management of the Company regularly reviews the risk management strategy of the Company to ensure the effectiveness of risk management policies and procedures.

iv) **Remuneration of Directors.**

Disclosure of Director's Interest in transactions with the Company.

None of the Non-Executive Director had pecuniary relationship or transaction with the Company. However, some commercial transactions have taken place where Company's directors hold directorship. Such transactions have taken place in the Ordinary Course of Business and on an Arm's Length basis and have been disclosed to the Board of Directors in accordance with the provisions of the Companies Act, 2013 and have been entered in the register of contracts and approved by the Board in accordance with the Section 189 of the Companies Act, 2013.

Remuneration paid to the Managing Director during FY 2021-22

(Rupees in Crores)

Name of the Director	Salary & Allowances	Commission	Rent Free Accommodation & Other Expenses	Contribution to Provident Fund etc.	Total
Mr. Nirmal K. Minda Chairman & Managing Director	3.12*	7.35	1.87	0.27	12.60
Ms. Paridhi Minda Wholetime Director	0.70	0	0	0.04	0.74
Mr. Ravi Mehra Wholetime Director, designated as Dy Managing Director	4.23	0	0	0.28	4.51

* includes ₹ 0.90 Crores received from Mindarika Private Limited where he is MD also.

Details of fixed component and performance linked incentives, along with the performance criteria:

Salary and Allowances are fixed component payable to Managing Director, Dy. Managing Director and Whole-time Director as per terms approved by the Board and Shareholders. Only Managing Director is eligible to receive commission upto 3 % of the net profit computed in accordance with Section 198 of the Companies Act, 2013.

Remuneration policy for Non-Executive Directors

The Non-Executive Independent Directors are paid remuneration by way of sitting fees. No stock options were issued to the Non-Executive Independent Directors during the year.

The sitting fees to Non-Executive Independent director(s) amounting to ₹ 34.50 Lakhs pertaining to FY 2021-22 is detailed below:

Mr. Satish Sekhri - ₹10.20 Lakhs, Ms. Pravin Tripathi- ₹8.85 Lakhs, Mr. Krishan Kumar Jalan - ₹10.80 Lakhs and Dr. Chandan Chowdhury - ₹ 1.65 Lakhs and Mr. Rakesh Batra - ₹3.00 Lakhs

Mr. Anand Minda, Non-Executive Director has waived off his sitting fee.

Criteria of making payment to Non-Executive Directors

Non-Executive Directors may be paid sitting fees for attending the Meetings of the Board and of Committees of which they may be members. They are eligible for commission within regulatory limits, as recommended by the Nomination & Remuneration Committee and approved by the Board. The remuneration payable shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the Nomination & Remuneration Committee is of the opinion that the Director possesses requisite qualification for the practice of the profession.

ANNEXURE-D (Contd.)

Tenure, Notice Period and severance fee

The tenure of office of the Mr. Nirmal Minda, Chairman & Managing Director, is for five years from the date of appointment, and can be terminated by either party by giving three months' notice in writing. There is no separate provision of severance fee.

The tenure of office of the Ms. Paridhi Minda, Whole-time Director, is for five years from the date of appointment, and can be terminated by either party by giving three months' notice in writing. There is no separate provision of severance fee.

The tenure of office of the Mr. Ravi Mehra, Deputy Managing Director, is for three years from the date of appointment, and can be terminated by either party by giving three months' notice in writing. There is no separate provision of severance fee.

Shareholding of Non-Executive Director

Name of the Director	No. of Shares held as at 31.03.2022
Mr. Anand Kumar Minda	12,06,500
Mr. Satish Sekhri*	2,177
Mr. Krishan Kumar Jalan	NIL
Ms. Pravin Tripathi	NIL
Mr. Rakesh Batra	NIL
Dr. Chandan Chowdhury***	NIL

*ceased to be a director on the Board w.e.f. 01 April 2022.

** ceased to be a director on the Board w.e.f. 06 August 2021.

v) Details of non-compliances by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority on any matter related to capital markets, during the last three years:

During the period October 1, 2018 to December 31, 2018 two designated persons had traded and not disclosed their trades in terms of Regulation 7 of SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") to the Company. SEBI issued show cause notice dated September 11, 2020, on the purported interpretation that the Company & Compliance Officer should have ascertained the trade done by the said designated persons basis weekly benpos and suo-moto disclosed the same. The Company and Compliance Officer without admitting or denying the facts and conclusion drawn by SEBI applied for Settlement in terms of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2018. The settlement order, dated May 13, 2022, has been passed by an appropriate authority of SEBI on payment of settlement amount of ₹ 5.47 Lakhs for Company and ₹ 10.63 Lakhs for Compliance Officer.

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority.

vi) Insider Trading Code in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015

The Company has adopted an Insider Trading Policy to regulate, monitor and to report the trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

This Policy also includes practices and procedures for fair disclosure of Unpublished Price Sensitive Information, initial and continual disclosure.

The code lays down guidelines, which covers procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning on consequences of non-compliances. The copy of the same is available on the website of the Company website www.unominda.com.

vii) Vigil Mechanism and Whistle Blower Policy

The Company has adopted a Whistle Blower policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No person has been denied access to the Chairman of Audit Committee. The whistle Blower Policy can be accessed on Company's website https://www.unominda.com/investor/corporate-governance.

viii) Commodity price risk or foreign exchange risk and hedging activities:

The Company has managed the foreign exchange risk and the transactions have been hedged to the extent considered necessary. The details of foreign currency exposure are disclosed in Note No. 37 to the Standalone Financial Statements.

ix) Disclosures in relation to the Sexual Harassment of Women at workplace:

a) No. of Complaints filed during the financial year : 2

b) No. of Complaints disposed of during the financial year : 2

c) No. of Complaints pending as at the end of the financial year : Nil

ANNEXURE-D (Contd.)

X) Details of familiarisation programs imparted to the Independent Directors:

The details of familiarisation programs imparted to the Independent Directors are available at www.unominda.com/investor/corporate-governance.

xi) Certificate from Company Secretary in Practice certifying that none of the Directors are debarred or disqualified as Directors

None of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. A certificate from a Company Secretary in practice has been attached herewith as **Annexure- K**.

xii) Details of compliance with mandatory requirements

The Company has complied with all the mandatory requirements of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

xiii) Details of compliance with Non-mandatory requirements

The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below: -

Modified opinion(s) in Audit report:

During the year under review, there was no audit qualification on your Company's financial statements.

Reporting of Internal Auditor:

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

7. CEO / CFO Certification

Chairman & Managing Director (CEO) and Chief Financial Officer (CFO) in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have furnished the requisite certificate to the Board of Directors. The copy of the same is appended as **Annexure - L.**

8. Means of Communication

Quarterly Results

The Company's quarterly results are published in Economic Times, Navbharat Times, Financial Express and Jansatta and are displayed on its website www.unominda.com

News Release and Presentations

Official news releases are sent to stock exchanges and simultaneously displayed on Company's website www.unominda.com

Presentations to Investors / Analysts

The presentations on the Company's unaudited quarterly as well as audited annual financial results are made to the investors and financial analysts and simultaneously uploaded on the Company's website www.unominda.com.

Website

The Company's website www.unominda.com contains a separate dedicated section "Investor Relations" which enables stakeholders to be informed and allows them to access information at their convenience. Up-to-date financial results, annual reports, shareholding patterns, official news releases, Notices and other general information about the Company.

Annual Report

The Annual Report containing Standalone Audited Financial Statement, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members. The Management's Discussion and Analysis Report forms part of the Annual report.

9. Detail of Compliance with the Corporate Governance Requirements specified in Regulations 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure requirements) Regulations 2015.

The Company has complied all the regulations mentioned above.

10. General Shareholders Information

Annual General Meeting

i) Date : 16 September 2022

Time : 11.00 a.m.

Venue : Video Conference (VC)/ Other Audio Visual Means (OAVM)

ii) Financial Year 1 April 2021 to 31 March 2022

For the year ended on 31.03.2022, the results were announced on

For quarter ending	Date
30 June 2021	14 August 2021
30 September 2021	11 November 2021
31 December 2021	7 February 2022
31 March 2022 (Audited)	24 May 2022

For the year ended on 31.03.2023, the results will be announced on following tentative dates

For quarter ending	On or before
30 June 2022	14 August 2022
30 September 2022	14 November 2022
31 December 2022	14 February 2023
31 March 2023 (Audited)	30 May 2023

ANNEXURE-D (Contd.)

iii) Date of Book closure: 10 September 2022 to 16 September 2022 (both days inclusive).

iv) Dividend payment date: Expected on or before 15 October 2022.

v) Listing on Stock Exchanges

The Company's shares are listed at following stock exchanges:

Name of Exchange	National Stock Exchange of India Limited	BSE Limited
Address	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001

The Company has paid listing fees to both the stock exchanges for FY 2022-23. The securities of the Company have not been suspended from trading during the year.

vi) Stock Code

BSE Limited. : 532539

National Stock Exchange of India Limited: MINDAIND

vii) Stock Prices FY 2021-22

The performance of the Company's scrip on BSE and NSE as compared to the SENSEX and NIFTY during FY 2021-22 are as under: -

Month(s)	SENSEX		MIL share price on BSE (Amount in ₹)	
	High	Low	High	Low
Apr 2021	20,150.78	18,982.96	562.00	460.00
May 2021	21,082.40	19,444.49	625.00	504.10
Jun 2021	21,715.10	20,951.07	677.40	568.90
July 2021	21,895.01	21,346.66	770.50	629.55
Aug 2021	23,198.73	21,844.65	832.60	687.60
Sep 2021	24,345.46	23,133.26	757.00	669.30
Oct 2021	25,454.92	23,746.52	833.60	715.00
Nov 2021	24,902.17	22,881.93	984.70	719.00
Dec 2021	24,257.45	22,428.02	1,260.00	850.05
Jan 2022	25,150.53	22,900.34	1,248.00	953.60
Feb 2022	24,315.95	21,857.13	1,172.40	876.50
Mar 2022	23,803.16	21,339.78	1,091.65	865.00

Month(s)	NIFTY		MIL share price on NSE (Amount in ₹)	
	High	Low	High	Low
Apr 2021	10,083.30	9,345.20	562.90	459.05
May 2021	10,573.95	9,485.50	625.00	503.80
Jun 2021	10,913.95	10,229.10	677.85	570.40
July 2021	10,816.85	9,945.80	771.00	629.15
Aug 2021	10,408.00	9,704.60	834.00	687.05
Sep 2021	10,842.35	9,981.30	755.75	669.00
Oct 2021	12,014.50	10,437.10	833.95	715.00
Nov 2021	12,139.75	10,448.15	985.00	770.65
Dec 2021	11,212.20	10,197.20	1,257.40	850.00
Jan 2022	11,914.95	11,058.25	1,244.70	953.35
Feb 2022	11,840.45	10,542.10	1,172.25	877.00
Mar 2022	10,723.65	9,226.95	1,092.00	874.00

viii) Registrar and Share Transfer Agent

Link Intime India Private Limited
44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR, Naraina, New Delhi-28.

ix) Share Transfer System

SEBI has mandated that, effective from 01 April 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgment of transfer of shares in physical form. The Company had sent communication to the shareholders encouraging them to dematerialise their holding in the Company. The communication, inter alia, contained procedure for getting the shares dematerialised. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.

During the year, the Company had obtained, on yearly basis, a certificate, from a Company Secretary in Practice, certifying that the Company has not received any request relating to registration of share transfer during FY 2021-22. The Company has also not received request for consolidation, sub-division, renewal, exchange or endorsement as required under Regulation 40(9) of the Listing Regulations and filed a copy of the said certificate with the Stock Exchanges. Trading in equity shares of the Company is permitted only in dematerialised form. Transfer of dematerialised shares is done through the depositories with no involvement of the Company.

x) Distribution Schedule and Shareholding Pattern as on 31 March 2022

Distribution Schedule

Category (shares)	No. of Shareholders	Shares
Upto 500	1,08,118	46,49,669
501 - 1000	2,042	14,60,831
1001 - 2000	971	13,83,103
2001 - 3000	338	8,55,662
3001 - 4000	166	5,78,607
4001 - 5000	104	4,69,125
5001 - 10000	310	22,05,113
10001 and above	408	27,40,18,331
TOTAL	1,12,457	28,56,20,441

ANNEXURE-D (Contd.)

Shareholding Pattern		
Category of Shareholders	No. of Shares	% of Total Shares
Promoters and Promoters Group	19,27,05,697	67.47
Mutual Funds/UTI	3,45,84,366	12.11
Banks, Financial Institutions	304	0.00
Foreign Portfolio Investors	2,79,03,577	9.77
Private Bodies Corporate	87,38,452	3.06
Indian Public	1,44,17,639	5.05
Non-resident Individuals / Overseas Corporate Bodies	7,01,158	0.25
Others	35,78,930	1.25
Total	28,56,20,441	100

xi) Dematerialisation of shares and liquidity as on 31 March 2022:

28,44,39,851 equity shares i.e. 99.59% of shares of the Company are in dematerialised form

xii) Credit Ratings: During the year the long-term rating of the Company was upgraded from ICRA AA(stable) to ICRA AA+(Stable). The Credit rating for Commercial Paper was reaffirmed ICRA A1+

xiii) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

The Company had raised funds through Qualified Institution Placement during the year. The funds raised has been utilised for the purposes mentioned in the placement documents. The details of utilisation are as under:

Particulars	₹ In Crores
Fund from QIP	699.98
Amount uitilised as on 31 March 2022 for the purpose received	699.98
Balance to be utilised as on 31 March 2022 for the object mentioned in the placement document dated 5 August 2021	Nil

xiv) Details of any recommendations of any committee of the Board (which is mandatorily required) not accepted by the Board: NIL

xv) Loans and Advances in the nature of loan by the Company and/or its subsidiaries to firms/companies in which directors are interested

Sl No	Name of Firm/Company to which loan given	Amount
1.	Minda Delvis GmbH	Euro 2.5 Million*
2.	Mitil Polymer Private Limited$	5 Crores

*Corporate Guarantee

$ loan given by MI Torica India Private Limited a subsidiary of the Company to its Step Down Subsidiary

xvi) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part:

₹ 180.26 Lakhs

xvii) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact of equity:

Not Applicable

xviii) Disclosures with respect to demat suspense account/ unclaimed suspense account

The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable:

a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: 7 Shareholders for 1370 Equity shares

b) aggregate number of shareholders and their shares transferred in the suspense account during the year: NIL

c) number of shareholders who approached listed entity for transfer of shares from suspense account during the year: 7 shareholders for 1370 Equity shares.

d) number of shareholders to whom shares were transferred from suspense account during the year: 7 shareholders for 1370 Equity shares

e) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: NIL

f) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

xix) **Plant Location(s)**

- Village Nawada Fatehpur, P.O. Sikanderpur Badda, Distt. Gurgaon (Haryana)
- Village Naharpur Kasan P.O. Nakhrola Distt. Gurgaon (Haryana)
- Plot No. ME-I, Sector-2A, IMT Manesar, Gurgaon (Haryana)
- Plot No. ME-II, Sector-2A, IMT Manesar, Gurgaon (Haryana)
- Plot No. 5, Sector-10, IIE, Pant Nagar, Udham Singh Nagar, Uttrakhand
- Plot No. 5A, Sector-10, IIE, Pant Nagar, Udham Singh Nagar, Uttrakhand
- B-6, Chakan Industrial Area, Village-Mahalunge, Taluka-khed Distt. Pune, Maharashtra

ANNEXURE-D (Contd.)

- B-1/5, Chakan Industrial Area, Village-Mahalunge, Taluka-khed Distt. Pune, Maharashtra
- B-1/4/2, MIDC, Chakan Industrial Area, Village Nigoje, Taluka Khed, Distt. Pune, Maharashtra
- C-41, MIDC, Chakan Industrial Area, Village Mahalunge (Ingle), Taluka Khed, Distt. Pune, Maharashtra
- Gat No. 427/5, 427/10,Chakan Talegaon Road, Mahalunge Tal Khed, Pune, Maharastra
- CREAT, Om Chambers, Bhosari Telco Rd, Balaji Nagar, MIDC, Bhosari, Pune, Maharashtra
- B-35, Portion-I, MIDC Waluj, Aurangabad, Maharashtra
- Survey No. 209, Upparapalli Village, Periya Mathagondapally (Post) Hosur, Thally Road, Denkanikottai(Taluk), Krishanagiri District, Tamilnadu
- Plot No. B-3, SIPCOT Industrial Park at Pillaipakam Vengadu Taluk, Sriperumpudur, Chennai
- JV Gate No.1, Plot No.07, SMG Vendor Park, Hansalpur, Bechragi, Ahmedabad, Gujarat
- Plot No. 280, Udyog Kendra, Ext-2, Greater Noida
- Plot No. 01-02, Parth Industrial and Logistic Park, Kadli, Mehsana, Gujrat 382715
- 624/384-624/385, Dadhi Bhola 146, Tehsil-Nalagarh, Solan, Himachal Pradesh – 174 101
- 1G/1A, Hootagalli Industrial Area, Near Silent Shore, Mysuru, Karnataka – 570 018
- Plot no-204b, Narasapura Industrial Area, Phase-1, Narasapura, Kolar, , Karnataka 563101
- Gat No. 148 Mhalunge Ingale, Off Chakan-Talegaon Road, Tal. Khed, Dist-Pune 410 501 (India)
- Survey No. 209/1 A2, 203/2pt, Upparapalli Village, Periya Mathagondapalli Post, Hosur- Thally Road, Denkanikottai- Taluk, Krishanagiri District, Tamilnadu- 635114
- Plot No. 12 & 13, Sec – 16, HSIIDC Industrial Estate, Bahadurgarh, Jhajjar, Haryana - 124 507
- M/s 3T Logistics, Khasra no.-764, Roshnabad, Behind Kelvin Care Company, Sector-4, Haridwar-249403
- Plot No- 323, Ph.-II Industrial Growth Centre, Sector-3, Bawal, Distt.- Rewari, Haryana-123501
- Sy No.209/2A2,2B1,2B2,2C1, Upparapalli Village-Mathagondapalli, Thally Road, Hosur, Krishnagiri, Tamil Nadu, 635114
- Thalli Road, Belagondapalli - 635114, Denkanikotta Taluk, Krishnagiri Distrct, Tamil Nadu
- Survey No.29,30,31 Vellanthangal Village, 55, Thandalam Group, Irrungattukottai, Sriperumbudur Taluk, Kancheepuram Diststrict, Tamil Nadu
- Plot No. A2, MIDC Industrial Area, Ranjangaon, Koregaon Village, Shirur Taluk, Pune - 412 210, Maharashtra
- Plot No.1717, Zone No.1B, Loyola B.Ed. College Road, Birsanagar, East Singhbhum, Jamshedpur, Jharkhand - 831 004
- 39/2, Gram Sonwai, Rau Pithampur Road, Tha Mhow Indore District, Madhya Pradesh - 453 332
- Plot No.35, Sector 4, SIDCUL, IIE, Pant Nagar - 263 153, Udham Singh Nagar District, Uttarakhand
- Plot No:11, Sector 10, SIDCUL, IIE, Pantnagar-263153 Udham Singh Nagar District, Uttarakhand

xx) Address for Correspondence:

Minda Industries Limited
Regd. Off.: B-64/1, Wazirpur Industrial Area,
Delhi - 110 052.
(Tel) - 011-49373931, 0124-2291604
(Fax) - 0124-2290676
E-mail:investor@mindagroup.com;
csmil@mindagroup.com

ANNEXURE-E

Corporate Governance Certificate

To
The Members
Minda Industries Limited

We have examined the compliance of conditions of Corporate Governance by Minda Industries Limited ("the Company"), for the financial year ended March 31, 2022, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No. P2001DE052900

Devesh Kumar Vasisht
Partner
CP No. 13700/ Mem. No. F8488
UDIN: F008488D000378748

Place: New Delhi
Date: 24 May 2022

ANNEXURE-F

Details Pertaining to Remuneration as Required Under Section 197(12) of the Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during FY 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2021-22:

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2021- 22 (₹ in Crores)	% increase in Remuneration in the Financial Year 2021-22	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mr. Nirmal K Minda Chairman and Managing Director	12.60°	50*	630.19:1
2	Mr. Ravi Mehra Dy. Managing Director	4.51	NA#	NA#
3	Ms. Paridhi Minda Whole-time Director	0.74	20$	37.00:1
4	Mr. Sunil Bohra Group CFO	4.75	17*	237.50:1
5	Mr. Tarun Kr. Srivastava Company Secretary	0.43	7*	21.50:1

° Remuneration includes ₹ 0.90 Crores from Mindarika Private Limited where he is MD also.

* Increment in Basic Salary

Appointed as Wholetime Director, designated as Dy. Managing Director w.e.f. 1 April 2021.

$ Increment in Gross Salary

ii) In the financial year, there was 10% increase in the median remuneration of employees. The median remuneration was ₹ 0.02 Crores.

iii) There were 5,766 permanent employees on the rolls of Company as on 31 March 2022.

iv) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 was 10% whereas the increase in the managerial remuneration for the same financial year was 59%.

v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board of Directors
For Minda Industries Limited

Nirmal K Minda
Chairman & Managing Director
DIN: 00014942

Place: Gurugram
Date: 24 May 2022

ANNEXURE-G

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Minda Industries Limited
(CIN: L74899DL1992PLC050333)
B-64/1, Wazirpur Industrial Area,
Delhi-110052

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Minda Industries Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

We report that-

a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion

c) We have not verified the correctness and appropriateness of the financial statements of the Company

d) Wherever required, we have obtained the Management representation about the compliances of laws, rules, regulations and standards and happening of events etc

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis

f) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

g) We adhered to best professional standards and practices as could be possible while carrying out audit during the conditions due to Covid-19. The Company made due efforts to make available the relevant records and documents which were verified through online means to conduct and complete the audit in the aforesaid conditions

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2022 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2022 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, where applicable;

(v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

ANNEXURE-G (Contd.)

(e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021 {not applicable during the audit period};

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 {not applicable during the audit period};

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 {not applicable during the audit period};

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) The Company is a manufacturer of auto components such as, Switches, Lighting, Batteries, Horns, CNG/ LPG Kits, Fuel Caps and Electronic Components etc. and as informed by the management, there is no sector specific law applicable to the Company

We have also examined compliance with the applicable clauses of the Secretarial Standards on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India and the Company has generally regular in compliance of the Standard. Further, the Company was generally regular in filing of forms to the Registrar of Companies under the Act.

We report that during the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable, as mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the applicable provisions of the Act and SEBI Regulations.

Adequate notice was given to all directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance other than those meetings which were held on shorter notice in compliance with the provisions of the Act read with Secretarial Standard-1 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions were carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines.

We further report that during the Audit Period:

➢ The shareholders passed a Special Resolution by way of postal ballot on 22 July 2021, to authorise the Board of Directors and its committee thereof, for raising of capital upto ₹ 700 Crores (Rupees Seven Hundred Crores) through issue of securities by public issue(s) of prospectus, private placement(s) including qualified institutional placement, follow on offer or a combination thereof in one or more tranches as the Board may deem appropriate. Subsequently, the Board of Directors at their meeting held on 2 August 2021 approved to raise the funds through issue of securities by qualified institutional placement at the floor price of ₹ 734.84 per equity share at a discount of not more than 5% to the floor price. Thereafter, Fund Raising Committee at its meeting held on 5 August 2021 made allotment of 97,22,000 fully paid-up equity shares of face value of ₹ 2 each ("Equity Shares") of the Company for cash at a price of ₹ 720 per Equity Share (including a premium of ₹ 718 per Equity Share) [and which is at a discount of ₹ 14.84 per Equity Share i.e. 2.02% to the floor price of ₹ 734.84 per Equity Share] aggregating up to ₹ 6,99,98,40,000 by qualified institutional placement to the eligible qualified institutional buyers.

➢ Pursuant to orders of Hon'ble National Company Law Tribunal (NCLT) Delhi, having jurisdiction on Minda Industries Limited, dated 1 February 2021 and the Hon'ble NCLT Chennai, having jurisdiction on Transferor Companies, dated 23 February 2021, sanctioning the composite scheme of amalgamation of Harita Limited (Transferor Company 1) and Harita Venu Private Limited (Transferor Company 2) and Harita Cheema Private Limited (Transferor Company 3) (collectively Transferor Companies 1 to 3) with Minda Industries Limited (Transferee Company), Harita Merger Executive Committee at its meeting held on 12 May 2021 has made allotment of 1,29,57,578 0.01% Non-convertible Redeemable Preference Shares of face value of ₹ 100 each and at a premium of ₹ 21.25 each in the ratio as mentioned in clause 10 of the Scheme to eligible shareholders of the Transferor Companies 1 to 3 as per the terms of redemption mentioned under the Scheme.

➢ Pursuant to orders of Hon'ble National Company Law Tribunal (NCLT) Delhi, having jurisdiction on Minda Industries Limited (Transferee Company), dated 1 February 2021 and the Hon'ble NCLT Chennai, having jurisdiction on Harita Seating Systems Limited (Transferor

ANNEXURE-G (Contd.)

Company), dated 23 February 2021, sanctioning the composite scheme of amalgamation of Transferor Company with Transferee Company, Harita Merger Executive Committee at its meeting held on 21 June 2021 has made allotments of:

- 39,69,737 Equity Shares of face value of ₹ 2 each in the ratio as mentioned in clause 18.1 of the Scheme to eligible shareholders of the Transferor Company who have opted for equity shares
- 59,27,084 0.01% Non-convertible Redeemable Preference Shares of face value of ₹ 100 each and at a premium of ₹ 21.25 each in the ratio as mentioned in clause 18.1 of the Scheme to eligible shareholders of the Transferor Company as per the terms of redemption mentioned under the Scheme

➢ The Board of Directors at their meeting held on 2 August 2021 approved the early redemption of 0.01% Non-convertible Redeemable Preference Shares of face value of ₹ 100 each at premium of ₹ 12.50 each aggregating to ₹ 212.46 Crores in one or more tranches out of profits of the Company and/or out of proceeds of the fresh issue of equity shares capital. Subsequently, Harita Merger Executive Committee at its meeting held on 14 August 2021 has approved the early redemption of 1,88,74,997 0.01% Non-convertible Redeemable Preference Shares (NCRPS) of face value of ₹ 100 each at premium of ₹ 12.50 each aggregating to ₹ 212.34 Crores out of profits of the Company and/or out of proceeds of the fresh issue of equity shares capital as per the list of NCRPS holders, who opted for early redemption as per terms of redemption till 11 August 2021, placed before the committee. Accordingly, 1,88,74,997 NCRPS redeemed at a redemption price of ₹ 112.50 each on 14 August 2021 out of the proceeds of fresh issue of equity share capital of the Company

➢ Harita Merger Executive Committee at its meeting held on 30 September 2021 further approved the early redemption of 5, 0.01% Non-convertible Redeemable Preference Shares (NCRPS) of face value of ₹ 100 each at premium of ₹ 12.50 each aggregating to ₹ 562.50 out of profits of the Company and/or out of proceeds of the fresh issue of equity share capital as per the list of NCRPS holders, who opted for early redemption as per terms of redemption after 11 August 2021 till 20 September 2021, placed before the committee. Accordingly, 5 NCRPS have been redeemed at a redemption price of ₹ 112.50 each on 30 September 2021 out of the proceeds of fresh issue of equity share capital of the Company

➢ Pursuant to orders of Hon'ble National Company Law Tribunal (NCLT) Delhi, having jurisdiction on Minda I Connect Private Limited (Transferor Company) and Minda Industries Limited (Transferee Company) dated 31 August 2021 and 20 October 2021 read with order dated 23 December 2021 in the Company Application filed before Hon'ble NCLT with respect to the scheme of amalgamation of Transferor Company with Transferee Company, the equity shareholders and unsecured creditors of the Transferee Company at their respective Hon'ble NCLT convened meetings held on 16 February 2022 approved the scheme of amalgamation of Transferor Company with Transferee Company with requisite majority. This matter is under process, as on the date of reporting, pending approval of the scheme by the Hon'ble NCLT

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No. P2001DE052900

Devesh Kumar Vasisht
Partner
CP No.:13700, FCS No.:F8488
UDIN: F008488D000378803

New Delhi
24 May 2022

ANNEXURE-G (Contd.)

FORM NO MR-3

Secretarial Audit Report

For the Financial Year Ended on 31 March 2022,

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Board of Directors
Mindarika Private Limited
B-64/1, Wazirpur Industrial Area,
Delhi-110052

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MINDARIKA PRIVATE LIMITED, CIN: U74899DL1995PTC073692 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31 March 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31 March 2022 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; Not applicable

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-Not applicable

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not applicable

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; *Not applicable

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; Not applicable

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not applicable

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable; and

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable

   * The Company being a 'material subsidiary' of Minda Industries Limited ("MIL") as defined in Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certain employees of the Company have been categorised as Designated Persons and are covered by MIL's Code of Conduct framed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015,

vi. The Memorandum and Articles of Association.

   We have also examined compliance with the applicable clauses of the following:

   a) Secretarial Standards issued by The Institute of Company Secretaries of India;

   b) The Listing Agreements entered into by the Company :Not applicable

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc., mentioned above.

We further report that compliance of applicable laws (other than as stated above) including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

ANNEXURE-G (Contd.)

We further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act and the Memorandum and Articles of Association of the Company, with regard to:

I. Maintenance of various statutory registers and documents and making necessary entries therein;

II. Closure of the Register of Members.

III. Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;

IV. Service of documents by the Company to its Members, Auditors and the Registrar of Companies;

V. Notice of Board meetings of Directors and Shareholders and various Committees established under Companies Act, 2013 and voluntarily.

VI. The meetings of Board of Directors, Shareholders and Committees.

VII. Minutes of proceedings of General Meetings and of the Board and Committees.

VIII. Approvals of the Members, the Board of Directors, Committee and the Government authorities, wherever required;

IX. Constitution of the Committee, Board of Directors appointment including the Managing Director.

X. Payment of remuneration to Managing Director.

XI. Appointment and remuneration of Statutory Auditors;

XII. Borrowings and registration, modification and satisfaction of charges wherever applicable;

XIII. Contracts, common seal, registered office and publication of name of the Company; and Generally, all other applicable provisions of the Act and the Rules made under the Act.

I further report that:

a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c. The Company has obtained all necessary approvals under the various provisions of the Act; and there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act and Rules, Regulations and Guidelines framed under this Act against / on the Company, its Directors and Officers.

d. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

e. The Company has complied with the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable.

f. Adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines are present.

For **Deepak Goel & Associates**
(Company Secretaries)
FRN No. S2013HR213300

CS Deepak Goel
M.NO: 29311
COP No. 12018
UDIN:A029311D000234725

Place: New Delhi
Date: 29 April 2022

ANNEXURE-G (Contd.)

FORM NO MR-3

Secretarial Audit Report

For the Financial Year Ended on 31 March 2022,

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Board of Directors
Minda Kosei Aluminum Wheel Private Limited
B-64/1, Wazirpur Industrial Area,
Delhi-110052

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MINDA KOSEI ALUMINUM WHEEL PRIVATE LIMITED, CIN: U29130DL2015PTC278233 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31 March 2022,complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31 March 2022 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; Not applicable

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-Not applicable

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not applicable

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;*

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; Not applicable

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not applicable

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable ;and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable

  * The Company being a 'material subsidiary' of Minda Industries Limited ("MIL") as defined in Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certain employees of the Company have been categorised as Designated Persons and are covered by MIL's Code of Conduct framed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015,

vi. The Memorandum and Articles of Association.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by The Institute of Company Secretaries of India:

2. The Listing Agreements entered into by the Company: Not applicable.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc., mentioned above.

We further report that compliance of applicable laws (other than as stated above) including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

ANNEXURE-G (Contd.)

We further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act and the Memorandum and Articles of Association of the Company, with regard to:

I. Maintenance of various statutory registers and documents and making necessary entries therein;

II. Closure of the Register of Members.

III. Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;

IV. Service of documents by the Company to its Members, Auditors and the Registrar of Companies;

V. Notice of Board meetings of Directors and Shareholders and various Committees established under Companies Act, 2013 and voluntarily.

VI. The meetings of Board of Directors, Shareholders and Committees.

VII. Minutes of proceedings of General Meetings and of the Board and Committees.

VIII. Approvals of the Members, the Board of Directors, Committee and the Government authorities, wherever required;

IX. Constitution of the Committee, Board of Directors appointment including the Managing Director.

X. Payment of remuneration to Managing Director.

XI. Appointment and remuneration of Statutory Auditors;

XII. Borrowings and registration, modification and satisfaction of charges wherever applicable;

XIII. Contracts, common seal, registered office and publication of name of the Company; and Generally, all other applicable provisions of the Act and the Rules made under the Act.

I further report that:

a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those meetings which were held on shorter notice in compliance with the provisions of the Act read with Secretarial Standard-1, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c. The Company has obtained all necessary approvals under the various provisions of the Act; and there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act and Rules, Regulations and Guidelines framed under this Act against / on the Company, its Directors and Officers.

d. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

e. The Company has complied with the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable.

f. Adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines are present.

For **Deepak Goel & Associates**
(Company Secretaries)
FRN No. S2013HR213300

Deepak Goel
M.NO: 29311
COP No. 12018
UDIN: A029311D000234681

Place: New Delhi
Date: 29 April 2022

ANNEXURE-H

Management Discussion and Analysis

Economy Review

Global Economy

This financial year 2022 has been another turbulent, uncertain year and mankind as a whole faced a constant wave of challenges and disruptions. COVID-19 did not discriminate. Every nation on the planet was impacted by the pandemic, with seismic consequences for economic output. Government stimulus and support packages along with widespread vaccination programs were rolled out in various shapes and forms as the world adjusted to a 'new reality'. As the global economy was gradually putting the COVID-19 pandemic behind, with many parts of the world lifting restrictions, and several economies returning to their pre COVID size, another shock struck. The war in Ukraine dealt a hammer blow to international confidence and economic stability, forcing us all to, once again, identify risks and focus on contingency planning and resilience. The ongoing conflict between the Russian government and Ukraine since late February is a humanitarian crisis. It is also shaping up to be a prelude to a new geopolitical era, one where businesses may need to navigate an altered globalisation map, and one where progress against global issues in areas such as trade, supply chains, health and climate change becomes harder to do.

As we continue to emerge from the challenges imposed by the pandemic, one of the major concerns has been the rise in inflation across many parts of the world. The pandemic may not be over, but the major economies are shifting their mindset and focusing increasingly on a long-term route to sustainable growth. Further, the conflict between Russia and Ukraine has further intensified these pressures.

As per KPMG, the global inflation could average between 4.5%-7.7% this year and between 2.9%-4.3% in 2023, depending on how the crisis evolves. The change in central banks' stance to address rising inflationary pressures, especially the US Fed's, could add volatility to markets as they adjust to a new policy direction. Going forward, the world economy will have to navigate a difficult period ahead under a cloud of geopolitical uncertainty. Businesses and households will be hoping for the better times ahead but should plan for potential ongoing disruptions and uncertainty.

Indian economy

The last two years have been very difficult for each economy on account of the COVID-19 pandemic and the Indian economy was no exception. Repeated waves of infection, supply-chain disruptions owing to geopolitical scenarios and, more recently, inflation have created particularly challenging times for policy making.

It's not just India, but almost all emerging economies are reeling under these external shocks. We, however, believe that India's underlying economic fundamentals are strong and despite the short-term turbulence, the impact on the long-term outlook will be marginal. The results of growth-enhancing policies and schemes (such as production-linked incentives and government's push toward self-reliance) and increased infrastructure spending will start kicking in from 2023, leading to a stronger multiplier effect on jobs and income, higher productivity, and more efficiency—all leading to accelerated economic growth. Furthermore, the emphasis on manufacturing in India, various government incentives such as lower taxes, and rising services exports on the back of stronger digitisation and technology transformation drive across the world will aid in economic growth. Also, several spillover effects of geopolitical conflicts could enhance India's status as a preferred alternate investment destination. Multinationals, for instance, may prefer India over Eastern European markets (especially those that border Ukraine) to shift their current operations for global in-house centers or open new facilities. On the health front, a large vaccinated population will likely help contain the impact of subsequent Covid-19 waves, if any.

Indian GDP grew at 8.3–8.8% during FY 2021–22, and on the back of the above factors, is expecting strong growth of more than 7.5% and 6.5% in the next two fiscal years, respectively. This will likely mean that the baton for the fastest-growing emerging country will be passed on from China to India in the coming years.

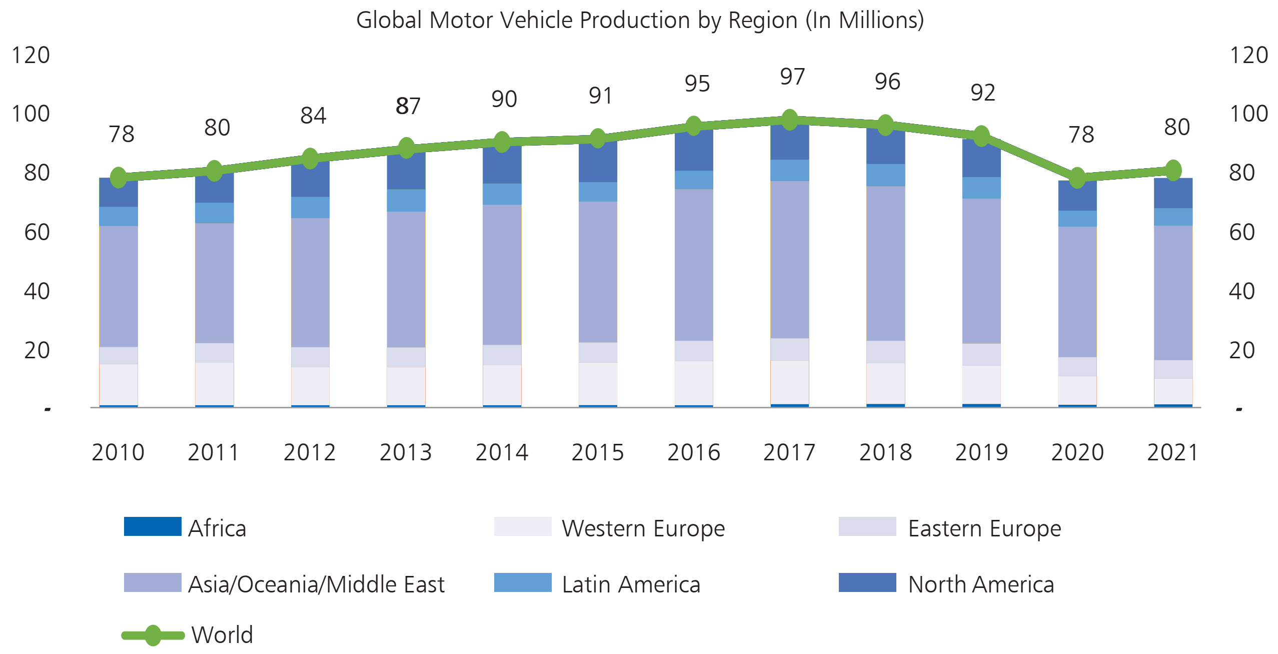
Industry structure & developments:

Global automotive industry:

The global Automotive Industry is recovering from the worst of the pandemic and the economic havoc it wrought in 2020, but the recovery is not quite turning out to be as smooth as many predicted. The scale of the disruption to economies and suppy chains, as well as the complexities for governments and corporations in dealing with an unprecedented public health crisis, have been a barrier.

In the Global automotive sector, the rebound in overall sales and output , experienced in 2021 as economies opened up again continued into CY 2022, until a number of bumps in the recovery path became evident and depressed vehicle markets – particularly in the second half of the year. The semiconductor shortage and subsequent supply-side impacts was compounded by the uneven progress – looked at globally – of vaccination strategies and the emergence of new Covid-19 variants that hit some regions (notably southeast Asia) more severely than others.

ANNEXURE-H (Contd.)



Source: International Organisation of Motor Vehicles Manufacturers (OICA)

As shown in above graph, Global Motor vehicle production has increased to 80.15 Million in CY 2021 in comparison to 77.62 Million in CY 2020 registering an increase of 3.2%. However, recovery is still way below the pre pandemic levels.

The conflict in Ukraine once again exposes the fragility of the world's economy and the automotive supply chains. The damaging war and severe sanctions against Russia have already impacted the energy prices, logistics and raw material costs. As automakers grapple with the volatility, there is a growing push to tie up with global foundries to ensure chip supplies. The disruption of the automotive supply chain due to logistical challenges and production halts is a much-struggling biosphere.

The economy and the global health situation are slowly starting to take a step in the right direction. With several hurdles overcome during the last year, the outlook for 2022 looks positive by comparison. S&P Global Mobility has projected that the shortage hindering global vehicle production is poised to persist into CY 2022 before supply catches up with demand in early CY 2023. As a result, they forecast a moderate growth in the global motor vehicle production for CY 2022 at 81.6 Million followed by growth of 8.5% at 88.5 Million units for CY 2023.

INDIAN AUTOMOTIVE INDUSTRY:

As we enter the third straight year of the pandemic, the Indian auto industry has proved itself to be exceptionally resilient again. Considering the industry was already in its worst slump in decades when the pandemic first hit in 2020, OEMs have been able to use this sudden demand for personal transport to their advantage very well. This despite the waves of lockdowns and a serious semiconductor crunch that has led to production schedules and launch timelines going haywire.

The impact of the semi-conductor shortage was intensified with the geopolitical tensions around Ukraine. However, the industry has made efforts to ease up the supply chain issues, minimise costs, improve exports and make investments in new technologies to improve the overall demand sentiments.

Indian Automotive Trends

Category	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	YoY Growth % in FY 2021-22
Passenger Vehicles	40,20,267	40,28,471	34,24,564	30,62,280	36,50,698	19%
Commercial Vehicles	8,95,448	11,12,405	7,56,725	6,24,939	8,05,527	29%
Three Wheelers	10,22,181	12,68,833	11,32,982	6,14,613	7,58,088	23%
Two Wheelers	2,31,54,838	2,44,99,777	2,10,32,927	1,83,49,941	1,77,14,856	(3%)
Quadricycle	1,713	5,388	6,095	3,836	4,061	6%
Grand Total	**2,90,94,447**	**3,09,14,874**	**2,63,53,293**	**2,26,55,609**	**2,29,33,230**	**1%**

Source: Society of Indian Manufacturers (SIAM)

ANNEXURE-H (Contd.)

During FY 2021-22, the auto industry produced a total of 22,933,230 units registering only 1% growth YoY basis. However, except Two Wheeler category, other three major categories i.e. Passenger vehicles, commercial vehicles and three wheelers have registered a rebound in growth of 19%, 29% and 23% respectively on the low base of FY21. Despite this growth, production of all four vehicle segments are below even 2018-19 level.

Two Wheeler ICE demand remained subdued during the year both in rural as well as in urban markets amidst higher fuel prices and a steep increase in the acquisition cost of the vehicle driven by higher commodity prices and insurance costs. On the bright side, we have seen strong demand momentum for electric two-wheelers (E-2W) in FY 2021-22 driven by rising petrol prices, new launches, and government subsidies. Monthly run rate of E-2W picked up from ~8,000 units in March 2021 to ~50,000 units in March 2022.

The Indian automotive industry is driving into FY 2022-23 with a positive mind-set in its quest to reach the pre-pandemic levels of volume, having made a strong recovery in FY 2021-22. With demand still buoyant in the passenger vehicle segment despite challenges of long delivery times and vehicle price increases, many automobile manufacturers are upbeat to embrace new technologies, especially in the electric mobility space which is expected to witness a slew of launches in both four- and two-wheeler categories in the coming year.

Two wheeler demand is also expected to pick up with private consumption which is regaining traction backed by a recuperating contact intensive services and rising discretionary spending. Also, Skymet has forecast a normal monsoon this season. If the same is evenly distributed, it will have a positive rub-off on rural sentiment as farmers will be able to get better crop realisation thus increasing their disposable income. It will thus benefit 2W demand and output.

The CV segment after a long downturn which began post the revision in axle loading norms in 2018 is now witnessing strong demand recovery as all sub-categories continue to head north.

Overall, the medium and long term outlook remains positive as we believe that the worst of commodity prices pressure and chip shortage are behind us. Domestic auto industry is poised for strong growth in coming years.

Auto Component Industry:

The Indian Auto Component Industry registered a growth of around 17% in FY 2021-22 driven by vehicle producation, replacement, export volumes and pass-through of commodity prices. The healthy volume growth, however, came on a low base of FY 2020-21.

While domestic OEM demand has remained a mixed bag across segments in FY 2021-22, with a slowdown in two-wheelers (2Ws) and semiconductor shortage dragging down overall production volumes, exports have remained a bright spot in the Indian auto component story, partly aided by the "China+1 strategy". The aftermarket segment also performed well with the improvement in personal mobility, healthy freight movement and deferment of new vehicle purchases due to cost inflation, which have supported replacement sales in the last financial year.

Due to high development prospects in all segments of the vehicle industry, the auto component sector is also expected to grew by double digits in FY 2022-23 as well. The medium term and long term prospects also remain very promising with premiumisation of vehicles, higher localisation, improved exports potential and new EV opportunities, resulting in higher content per vehicle, would translate to healthy growth for auto component suppliers. As per Automobile Component Manufacturers Association (ACMA), the Indian auto component industry aims to achieve US$ 200 Billion in revenue by 2026 which is almost 4-fold growth from current levels.

OPPORTUNITIES

Large-scale digitisation

Automotive players have been deploying digital technologies across their manufacturing processes from product design, procurement, production, supply chain, all the way to sales and marketing. Several automotive companies have steadily enhanced their digital capabilities through re-organisation, creation of digitalisation business units and task forces while many others are partnering, acquiring and forming joint ventures to create a more resilient business.

Some latest digital trends include digitalization of the car buying process, autonomus driving, connected supply chain and improved manufacturing, predictive maintenance, data protection and security and Mobility-as-a-service (MaaS). All these in-vehicle and across the enterprise digital trends show an opportunistic growth for the automotive sector.

Adoption of new technologies

More recently, several automobile manufacturers are open to incorporating new technologies, especially in the electric mobility category, which is expected to result in numerous launches in both four- and two-wheeler categories in 2022.

Favorable Government Policies

Favorable government policies such as the recently announced ₹ 76,000 Crores for semiconductor manufacturing scheme, the extension of FAME-II scheme of ₹ 10,000 till 2024, production-linked incentive (PLI) scheme for the auto and auto component sector for ₹ 26,000 Crores, and PLI for advanced chemistry cell for ₹ 18,000 Crores will provide enormous support to the sector as it implements innovative technologies.

ANNEXURE-H (Contd.)

Global demand for India-made auto components

It has also been observed that global demand for India-made auto components and the focus on electric vehicles has resulted in several opportunities that the component manufacturers can harness. According to Automotive Component Manufacturers Association (ACMA), the automobile component export from India is expected to reach US$ 80 Billion by 2026.

The hidden gem- Scrappage of Vehicles Policy

The Vehicle Scrappage Policy 2021 will help in removing and scrapping old and unfit vehicles which are creating pollution and harming the environment. Under the policy, the vehicles will have to be removed from service and scrapped as soon as the car registration period gets over.

This policy will propel growth, encourage new car sales and also enable manufacturers to deliver in accordance with environmental concerns. The government has also proposed OEMs to offer discounts on the purchase of new vehicles after scrapping an old vehicle. This policy will also reduce their dependence on steel imports as steel and other metal deposits from the scrapped cars will be recovered and recycled which will help in cutting down the metal imports.

Business overview

Switch & Handle-Bar Systems Division:

UNO Minda is one of most prominent global manufacturers of switching systems and handle-bar assembly for **2Ws and 3Ws**. The company serves almost all major OEMs and also develops switching solutions for off-road vehicle segments. It has maintained its leadership position through its domestic production facilities spread across 10 domestic plants and 2 overseas production facilities at its 100% subsidiaries in Indonesia (PTMA) and Vietnam (MIVCL) respectively. The Company has consistently delivered value at desired cost which has helped it gain trust amongst customers. The Company's marquee clientele speaks of the trust it has earned over the years. It includes Bajaj, Honda Motorcycles, Hero MotoCorp, Royal Enfield, Yamaha Motors, Ducati, Harley Davidson and Piaggio, among others. The Company envisions sustaining its global leadership position and continuing as the most preferred supplier of switch systems to 2Ws and off-road vehicles across the globe. With this aim in mind, the division clearly works towards and focuses on developing cost-effective, innovative, and quality solutions.

The Company has been consistently maintaining its leadership position in India in the **4W switching business** through its subsidiary named Mindarika Private Limited. Tokai Rika is the joint venture partner for this business for last 30 years. It has 4 manufacturing locations at Manesar, Pune, Chennai & Ahmedabad and has its own dedicated R&D centre. The Company supplies to major OEMs including Toyota, MSIL, Tata, M&M, Hyundai, among others.

The business registered a revenue of ₹ 2,324 Crores for FY 2021-22 as against ₹ 1,868 Crores for FY 2020-21, contributing to about 28% of the total consolidated turnover. The growth in switches segment is driven by 2W switches exports and increase in content per vehicles consequent to increase in number of switches in both 2Ws and 4 Ws.

Lighting Division:

As one of the country's leading manufacturers of the automobile lamps and signaling devices, UNO Minda is renowned for its lighting solutions, designing, R&D, manufacturing and delivering end-to-end solutions to the country's leading OEMs. The division operates across its plants at Manesar, Pune, Chennai and Ahmedabad. The Company produces premium lights for 2-Wheelers, 3-Wheelers, and 4-Wheelers, as well as off-road vehicles. The clientele includes the world's renowned OEM brands like Maruti, Renault Nissan, M&M, Royal Enfield, Yamaha, Tata, Suzuki, Swaraj Mazda and New Holland, Bajaj, Triumph, KTM and ISUZU among others. UNO Minda's lighting business is also present in Indonesia through its subsidiary PTMA where it serves some key Japanese OEM's in PV segment.

In 2016, the Company acquired the global lighting business of the Rinder Group, based in Spain, and renamed it to Minda Rinder which was subsequently merged into Minda Industries Limited. Rinder division is spread across its facilities at Bahadurgarh, Pune, Hosur and Sonipat. This acquisition has strengthened expansion of the Company's presence in 2W segment, well supported by Rinder's extensive R&D centre in Spain.

In 2020, UNO Minda also acquired 100% interest in Delvis Gmbh, a complete system developer for automotive lightings which has proven capabilities in design, development, and manufacturing of innovative lighting solution for next generation vehicles. It offers full range of products and leading edge design solutions, from cost-optimised basic headlights to adaptive LED headlight systems with dynamic lighting functions, interior lighting solutions including overhead control units, ambient lighting, indicator and locator lighting and LCD backlights. Delvis is among the top players with state-of-the-art lighting technology and works closely with German OEMs (VW / Audi/ Porsche) in pre-development activities for high end platforms, which deploy the next level of technologies.

We have reorganised our business verticals and entities in Europe and as part of reorganisation, Delvis and iSYS RTS GmbH has been merged to provide a focused customer approach. Post merger, product and services are further realigned into separate entities i.e. UNO Minda Systems GmbH and CREAT GmbH respectively.

ANNEXURE-H (Contd.)

With the augmented lighting technologies and capabilities added through the Delvis GmbH acquisition, UNO Minda has won orders of more than ₹ 400 Crores in India in last few years. We are also in the process of setting up another automotive lighting plant in Gujarat to serve these incremental orders. The Plant is expected to be commissioned in FY 2022-23.

The Lighting Business achieved revenue of ₹ 1,847 Crores for FY 2021-22 as compared to ₹ 1,417 Crores for FY 2020-21, contributing 22% to our total turnover. The growth in lighting segment is driven by incremental orders coupled with premiumisation of automotive lights.

Acoustic Division:

Over the years, UNO Minda has emerged as the market leader in automotive horn manufacturing solutions catering to 2Ws, 4Ws, off-road vehicle and CVs in India. The division, with its domestic manufacturing units at Manesar and Pantnagar, is well supported by a dedicated R&D team for the design and development. Together, they deliver extremely durable and high-quality automotive horns with optimum performance. The marquee clientele includes Maruti Suzuki, Renault, Nissan, Tata Motors, Bajaj Auto Limited, Honda Motorcycles and Scooters, Hyundai, and Royal Enfield.

In 2013, the group acquired Spain-based Clarton Horns S.A.U., a leading manufacturer of electronic automotive horns, trumpet horns and disc horns. With Clarton's manufacturing facilities situated in Spain and Mexico, it is amongst the top two global players in automotive acoustics, giving the Company an access to leading European and American OEMs. UNO Minda, along with its subsidiary Clarton Horn, is world's second largest manufacturer of automotive horns.

Acoustic Business recorded revenue of ₹ 656 Crores for FY 2021-22, contributing 8% to our total turnover as against ₹ 634 Crores for FY 2020-21. Acoustic business has registered subdued growth on account of supply chain challenges in Europe and consequent production cuts.

Castings Division:

UNO Minda Group along with its subsidiary Minda Kosei Aluminum Co Private Limited (MKA) is a leading and the largest Indian manufacturer of alloy wheels. MKA, with its manufacturing facility at Bawal and Ahmedabad, produces alloy wheels for 4 wheelers with an installed capacity of approximately 2,10,000 wheels per month through Gravity Die Casting (GDC) Process. The proposed expansion in the capacity at the Bawal plant from 1,20,000 to 1,80,000 wheels per month is on the verge of getting commissioned. The group has further announced expansion in capacity at Gujarat Plant from 90,000 to 1,20,000 wheels per month with an expected SOP date of June 2023.

The partnership with Dayou Global, South Korea has enabled the group to expand its portfolio into producing wheels through Low Pressure Die Casting (LPDC) process. During the year, the Company has partially commissioned its capex project having an installed capacity of 25,000 wheels per month.

Alloy Wheel Business for 2 wheelers housed under the flagship company MIL is located near Pune, Maharashtra and has an installed capacity to produce ~3.6 Million wheels per annum. All the production lines have been commissioned and the Company is catering to OEM requirements. The group has further announced expansion in capacity by ~2 Million wheels per annum with an expected SOP date of March 2023.

The aluminium die casting business, housed under MIL, is designed to cater to a volume of 25,000 engine parts/ components per day. The manufacturing plants in Rewari, Haryana and Hosur, Bangalore are invested with modern state-of-the-art facility and equipments for operations.

Castings Division achieved revenue of ₹ 1,467 Crores in FY 2021-22 as compared to 748 Crores in FY 2020-21 contributing 18% of our Total turnover. The Casting Division achieved outstanding growth with the commissioning of the 2W Alloy Wheel Plant and increasing penetrating of 4W Alloy wheel business resulting in large orders for us.

Seatings Division:

Post the Merger of Harita Seating Systems Limited (HSSL) with Minda Industries Limited (MIL), the group has unlocked another gem in automotive systems solutions in the Seatings segment. The merger has potential to create significant shareholder value backed by superior business profile and performance. This transaction encompassed merger of HSSL into MIL and its 51% holding in Harita Fehrer Limited (HFRL) which is a joint venture with Fehrer Automotive GmbH, one of the leaders in automotive seating business in Germany and Europe. The group further acquired remaining 49% stake of Fehrer GmbH and HFRL is now a WOS of MIL.

MIL-Seating division is engaged in manufacturing, product development and sale of safe, ergonomic and reliable driver seats and bus passenger seats. Their key customers include Volvo, Ashok Leyland, Bharat Benz, John Deere and TATA's among others.

HFRL specialises in manufacturing of two/three wheeler seats, PU Foam pads and composites and caters to a clientele of TVS, Yamaha, BMW Suzuki and Royal Enfield amongst others.

Seatings Division achieved a revenue of ₹ 902 Crores in FY 2021-22 as compared to ₹ 757 Crores in FY 2020-21 contributing 11% of our Total turnover. Seating division registered YoY growth of around 19% on account of further diversification of customers and increase in exports.

Other Business:

Sensors Division: The Sensors and Controllers (SAC) division has come a long way from its inception in 2005 to being a leading supplier of electronic components to major Indian OEMs. The state-of-the-art production facility at Pune, manufactures products that meet customer' requirements and expectations. The division deals in Start Stop Sensors, Contact and Non – Contact type Speed Sensors, HID Ballast, TPMS (Tyre Pressure Monitoring System), EAPM (Electronic Accelerator Pedal Module), DC-DC Converter.

The Company, over the years, has built a loyal customer base which boasts names such as Mahindra, Volvo Eicher, Royal Enfield, Tata, and Bajaj. The division also has access to Wheel speed sensor technology which will find application across all PV platforms.

Controllers and Telematics Division: The controller division has pioneered the lamp Leveling motor solutions and is a leader in this product category with major OEMS as its customers. The Company has also acquired knowledge of AIS 140 for this technology from KPIT Engineering for design of IVTS and OBITS. Controller division is positioned well to meet the rising demand of the evolving technology in controller and telematics space. Erstwhile iSYS RTS, Germany, a 100% subsidiary of MIL is closely working with this division to ensure the product offerings are of global standards.

EV Business: With the rapidly evolving scenario of auto electrification, UNO Minda group has also strategically placed itself as the leading auto components supplier for OEMs in EV, especially 2 wheelers. The group has also recently entered into JV agreement with FRIWO Group, a leading international manufacturer of innovative power supply units and e-drive solutions to further strengthen our EV product portfolio.

UNO Minda now has one of the most formidable EV product portfolio in the industry with its bouquet of products which includes Battery Packs and BMS, Chargers (both On-board and Off-board), Smart Plug with RCD Cable and Motor Controllers among others. Our potential kit value for EV 2W is around ₹ 50,000 vs ~₹ 7500 for ICE providing substantial opportunity for growth. We have also announced capex of ₹ 390 Crores over a period of next 6 years for Electric vehicles specific plant to be incurred to support our growth plans in electrifications.

Aftermarket: The group is bullish on bolstering its presence in B2C segment along with its presence as a preferred choice amongst OEMs. The Company has an impressive network of more than 40,000 retailers, 67,000 garages and presence in 150 Indian cities in addition to 5 different countries. The division has been regularly registering a growth of 20% Y-o-Y.

Aftermarket Division achieved a revenue of ₹ 826 Crores in FY 2021-22 as compared to ₹ 673 Crores in FY 2020-21 contributing ~10% of our Total turnover.

The group through its subsidiaries and associates is also engaged in manufacturing of blow moulding, hoses (brakes and fuel), fuel caps, air filters, air bags, CNG and LPG kits, speakers, and infotainment, among others.

Product-wise revenue

Division	Switches	Lighting	Acoustics	Castings	Seatings	Others
%	28%	22%	8%	18%	11%	13%

Market-wise revenue contribution

Domestic	85%
Exports	15%

Financial Performance

Particulars	FY 2020-21	FY 2021-22	% change
Debtors Turnover (Days)	59	57	4.2%
Inventory Turnover (Days)	63	62	1.8%
Current Ratio	0.96	1.28	33.4%
Net Debt Equity Ratio	0.31	0.15	51.7%
EBITDA Margin (%)	11.4%	10.7%	-72 bps
Net MIL Profit Margin (%)	3.2%	4.3%	104 bps
Net Cash flow from operating activities (₹ Crores)	343	344	0.4%
Interest as a % of Revenue	1.16%	0.75%	-41 bps
Depreciation as a % of Revenue	5.89%	4.71%	-118 bps
Interest Coverage Ratio	9.84	14.21	44.3%
Return on Net Worth	10.6%	13.0%	249 bps

ANNEXURE-H (Contd.)

Risks and Mitigation

Risk management is an important business driver and is integral to the achievement of the group's long-term business plans. We take an integrated approach to minimise risk and run proper assessments to maximise growth. By managing the associated risks, we strive to achieve a balance between our goals of growth and return and the related risks.

We have identified and laid down various types of risks and mitigants thereof in our Integrated Report in detail.

Human Resources

We as an employee-centric organisation always puts our people at the heart of whatever we do. At UNO Minda, we believe that the success of the organisation and its people go hand-in-hand

To further strengthen our people practices, UNO Minda HR Team partnered with BIG 4 consulting firms to relook at our HR Strategy and Re-imagine the HR Roadmap, to design a Future Ready People Function. As part of this HR Roadmap 2.0, we have planned to roll out renewed initiatives with an intent to positively impact the employee journey at UNO Minda. These initiatives revolve around health and wellness of employees, learning and development, mentoring and coaching, building an appreciation culture, flexible work hours etc. The aim is to transform the UNO Minda employee value proposition. Some of these initiatives have already been implemented while others will be rolled out periodically over the course of next 2 years across the entire HR lifecycle.

Employee health and well-being has always remained the top most priority of UNO Minda Group. We focus on building a culture of holistic well-being including physical, emotional, financial, social, career, community, and purpose. Under our program named UNO Minda Energise, we are conducting number of webinars on mindfulness, yoga, emotional intelligence, mental health, eye health, financial planning and more. UNO Minda Energise brings the right dose of everything that can help employees sustain, grow and manage their health and harmony of life. We have also partnered with leading online health tech platform to provide host of health and wellness benefits to our employees and their families which include preventive healthcare & wellness services, special privileges on medicine, lab test, doctor online consultation and wellness counselling.

We launched spot recognition program UNO Minda Bravo to acknowledge and appreciate an employee's effort. The program is aimed to not only offer timely rewards and recognition but also to build appreciation as a natural part of company culture.

At the beginning of the current year, we also move to a role based organisation from Hierarchical designations as part of overall Organisational Business Transformation (OBT) exercise. Redesigned Organisation structure has brought in more clarity, transparency and better accountability with focused purpose. We will continue to reap benefit of various HR initiatives taken at the beginning of the year as part of Organisation Business Transformation.

We have also built a robust skill development program that is enabling overall skill development of the functional employees and ensuring the right skills are available based on future competencies. We have developed institutionalised coaching and mentoring program for employees to take up the more significant role and challenges. These initiatives have helped us in succession planning for all critical roles in the organisation.

Over the years, UNO Minda has created a great place to work for all our employees by excelling on the 5 dimensions of a high-trust, high-performance culture – Credibility, Respect, Fairness, Pride and Camaraderie. We are now also certified Great Place to Work 2022 by Great Place to Work Institute India. We featured in Wall of fame of Great Place to Work Institute amongst the top 30 Best Work places in manufacturing companies in India. We have also been awarded Economic Times Human Capital award for Excellence in HR Digital Transformation. The particulars of total employees and its further break up in different segments has been covered in our Integrated Report in detail.

Environment, health, and safety (EHS)

UNO Minda is committed to continual improvement of our environment, occupational health and safety practices and demonstrating the same. We have dedicated EHS team to maintain, sustain and improve the EHS culture of the UNO Minda Group. We have EHS strategy to achieve the same which is also interlinked with EHS Management System which is the part of Minda Systems Manual (MSM). We are following complete PDCA cycle in our EHS journey and doing regular monitoring and review of all EHS activities. We have taken very focused approach to improve EHS in group as per defined EHS Focus Area FY 2021-22 & EHS Strategy FY 20-25. We have organised many EHS promotional activities during Road Safety Month, National Safety Month, Environment Day celebration and followed the same practices on regular basis. We also ensure the active participation of our employees including shop floor employees thru EHS committee meeting, EHS Kaizens, Submission/ reporting of unsafe acts/ conditions/ near misses etc. To improve the awareness and skill, we are conducting many EHS trainings (LOTO, EHS awareness, Fire prevention and Control, Fire Drill, Permit to Work system etc.) for our employees on regular basis. Our plants are also certified for ISO14001:2015/ISO45001:2018.

We have also taken many initiatives to reduce the water consumption and CO2 footprints in plants. Actions taken to reduce the water consumption are : install the sensor operated water tap, Use of waste water in toilets and gardening, installation of level sensors, use of leak test machine waste water in CNC coolant tank, installation of aerator in taps, installation of waterless urinals etc.

Actions taken to reduce the CO_2 footprints are : Installation of LED lights, Waste heat recovery system, Variable frequency drives, Electronic commutation fans, PNG fired furnaces, installation & commissioning of roof top solar plant, availing renewable energy from solar park in Maharashtra & Tamil Nadu etc.

Internal Control Systems

MIL is a system-driven company. Our effective internal control system plays a crucial role in our efficient daily operations. The Company follows a systematic method of financial reporting of various transactions, efficiency of operations, safeguarding of assets and compliance with applicable statute and regulations. Our structured audit system is an on-going process. It forms a basis for reviewing the adequacy of internal control systems. Our internal control is aptly designed, ensuring reliability of financial and other records necessary for the preparation of financial information and other related data.

Our exhaustive budgetary monitoring control system helps evaluate the performance. This evaluation is done with reference to budgeted performance by the management review committee daily. The discrepancies, if any, with actual performance and the budgets are methodically analysed regularly. The Management Review Committee, in consultation with the Audit Review Committee, then suggests possible remedial actions.

The internal audit is carried by the internal team and Internal Auditors of the Company. The reports, thereby prepared, are reviewed in the Audit Committee meetings. Corrective measures to strengthen the internal controls are suggested and taken in consideration. Further, the suggestions by Internal Audit Committee are reviewed and considered by Audit Committees. This is done on a quarterly basis. The motto here is improvement of internal controls and systems within the Group.

The Board then reviews the Internal Audit Committee's suggestions. Post reviewing, the Board approves appropriate suggestions and the resultant reports are reviewed by the Audit Committee and the Board members together.

ANNEXURE-I

BUSINESS RESPONSIBILITY STATEMENT

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L74899DL1992PLC050333
2	Name of the Company	Minda Industries Limited
3	Registered Address	B-64/1, Wazirpur Industrial Area, Delhi-110052
4	Website	www.unominda.com
5	E-mail id	csmil@mindagroup.com
6	Financial Year Reported	FY 2021-22
7	Sector(s) that the Company is engaged in (Industrial Activity code- wise)	
	Name and Description of main product/ services	NIC Code of the Product/Service
	(i) Switches, Horns and Electronic Components for Automobiles	2930
	(ii) Lighting Components for Automobiles	2740
8	List three key products/ services that the Company manufactures /Provides	Switches, Horns and Lighting
9	Total number of locations where business activity is undertaken by the Company	
	(i) Number of International Locations	12 (through subsidiaries)
	(ii) Number of National Locations	23
10	Markets served by the Company-Local/ State/ National/ International	All over India, Asia, Europe, North America and South America, Africa

Section B: Financial details of the Company

(₹ in Crores)

Financial details of the Company		FY 2021-22	FY 2020-21
1	Equity Share Paid up Capital	57.12	54.39
2	Total Turnover		
	(a) Revenue from Operations (net of excise duty)	4,959.73	3,700.64
	(b) Other Income	79.92	54.62
3	Total Profit After Taxes	196.03	118.98

4. Total spending on Corporate Social Responsibility (CSR) as a Profit after Tax (%):

During FY 2021-22, the CSR budget of the Company being 2% of average profits of previous three years of the Company was ₹ 3.26 Crores. Out of 3.26 Crores, ₹ 1.89 Crores was spent during FY 2021-22. There is unspent amount of ₹ 1.37 Crores, which will be spent, in next three financial years on an ongoing project as approved by the CSR committee of the Board. List of activities in which expenditure in 4 above has been incurred:

- Promoting Education including special education and employment enhancing Vocation Skills
- Promoting Healthcare including preventive healthcare

Section C: other details

Other details		Details
1	Does the Company have any Subsidiary Company/ Companies	Yes
2	Do the Subsidiary Company/ Companies participate in the Business Responsibility initiatives of the Parent Company? if Yes, then indicate the number of such subsidiary Company(s)	No, BR initiatives of the Company are limited to its own operations
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the Business Responsibility initiatives of the Company? If yes, then indict the % of such entity/ entities? (Less than 30%, 30-60%, more than 60%)	No, BR initiatives of the Company are limited to its own operations

Section D: Business Responsibility Information

1. Details of Director/Directors Responsible for Business Responsibility

a) Details of the Director/ Directors responsible for implementation of the Business Responsibility Policy/ Policies

DIN	00014942
Name	Mr. Nirmal K. Minda
Designation	Chairman & Managing Director

b) Details of the Business Responsibility Head

Name	Mr. Sunil Bohra
Designation	Group CFO
Telephone Number	0124-2290427/28
Email-ID	investor@mindagroup.com

List of Principles

Principle 1	**Principle 2**	**Principle 3**
Business should conduct and govern themselves with Ethics, Transparency and Accountability.	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	Businesses should promote the well- being of all employees.
Principle 4	**Principle 5**	**Principle 6**
Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.	Businesses should respect and promote human rights	Business should respect, protect, and make efforts to restore the environment.
Principle 7	**Principle 8**	**Principle 9**
Businesses when engaged in influencing public and regulatory policy should do so in a responsible manner.	Businesses should support inclusive growth and equitable development.	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

c) Principle-Wise (as per National Voluntary Guidelines) Business Responsibility Policy/ Policies (Reply in Y/N)

Sl. No.	Question	Principle (Yes/No)								
		1	2	3	4	5	6	7	8	9
1	Do you have a Policy for	Yes								
2	Has the Policy been formulated in Consultation with the relevant stakeholders	Yes								
3	Does the policy conform to any national/ international standards? If yes, specify?	Yes								
4	Has the Policy been approved by the Board? If yes, has it been signed by MD/ Owner/ CEO / appropriate	Yes								
5	Does the Company have a specified committee of the Board / Director/ Official to oversee the implementation of the Policy	Yes								
6	Indicate the link for the Policy to be reviewed online?	https://www.unominda.com/investor/corporate-governance								
7	Has the Policy been formally communicated to all relevant Internal and external stakeholders?	Yes								
8	Does the Company have in-house structure to implement the Policy/ Policies?	Yes								
9	Does the Company have a grievance redressal mechanism related to the Policy/ Policies to address stakeholders' grievances related to the policy/ policies	Yes								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by internal or external agencies?	No								

ANNEXURE-I (Contd.)

d) If Answer to S. No. 1 against any Principal is "No", please explain why: Not applicable

2. Governance Related to Business Responsibility

1. **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the Business Responsibility performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year**

   Annually and from time to time.

2. **Does the Company publish a Business Responsibility or a Sustainability Report? What is the hyperlink for viewing this Report? How frequently it is published?**

   Company has published business responsibility report as part of Annual Report and is available on Company's website: https://www.unominda.com/investor/annual-reports.

Section E: Governance Related to Business responsibility

PRINCIPLE 1: BUSINESS SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

   The Company has articulated a comprehensive Code of Conduct and a Whistle Blower Policy which are applicable to its subsidiaries.

2. **How many stakeholders' complaints have been received in the past financial years and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   Total 22 stakeholders complaints have been received in the last Financial Year. The said complaints were addressed satisfactorily as per the accepted timelines and resolved..

PRINCIPLE 2: BUSINESS SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

1. **List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.**

   The Company Manufactures Auto electrical parts including switches, horns and lighting. These products have insignificant social or environmental concern or risk.

2. **For each such product, provide the following details in respect of resource use {(energy, water, raw material etc.) per unit of product optional}.**

   The products mentioned above requires minimum energy. The Company always take efforts for optimum utilisation of natural resources.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   Yes

   If yes, what percentage of your inputs was sourced sustainably? also, provide details thereof, in about 50 words or so

   Our sourcing strategy takes into consideration the environmental, social and ethical factors besides economic factors. The Company has an environment policy and safety policy. We encourage our vendors to ensure compliance with these policies. It covers various issues like health of workers and safety measures.

4. **Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   The Company undertakes initiatives to build capacities of the suppliers and also procures from MSMEs. The Company keeps on strengthening quality across the value chain. The Company keeps on developing local vendors; visit their facilities, analyse quality related aspects, and create action plans jointly with the suppliers, customers and monitored performance. The Company imparts training and supports the suppliers with knowledge in specific areas that have a major impact on quality.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof in about 50 words or so.**

   The nature of the Company's business is such that there are no significant emissions or process wastes. The Company recycle materials wherever it is usable within the Company, which cannot be reused is disposed off in a manner in compliance with applicable statutory provisions.

PRINCIPLE 3: BUSINESS SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

1. **Please indicate the total number of employees**

   The number of permanent employees was 5,766 as on 31 March 2022 in the Company.

   Please indicate the total number of employees hired on temporary/ contractual / casual basis.

   The total contractual/ temporarily manpower employed was 8,937 as on 31 March 2022 in the Company.

2. **Please indicate the number of permanent women employees**

   There were 895 permanent female employees as on 31 March 2022 in the Company.

ANNEXURE-I (Contd.)

3. **Please indicate the number of permanent employees with disabilities:**

   There were 6 permanent employees with disabilities as on 31 March 2022 in the Company.

4. **Do you have an employee association that is recognised by management?**

   Yes, we have Employee Union in our Plants at MIL (Switch) Hosur, MIL Casting Hosur, MIL Lighting, Pune and MIL Seating (Hosur, Pune, Chennai) which is recognised by management.

5. **What percentage of your permanent employees is members of this recognised employee association?**

   It is around 12% as at 31 March 2022.

6. **Please indicate the number of complaints relating to child labour, forced labour, in voluntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:**

sl. No.	Category	No. of complaints received during the financial year	No. of complaints pending as on 31 March 2022
a	Child labour/ forced labour/ involuntary labour	Nil	Nil
b	Sexual harassment	02	Nil
c	Discriminatory employment	Nil	Nil

7. **What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?**

S. No.	Particulars	Comments
A	Permanent Employees	Yes, all categories of employees are given training on safety & skill up-gradation on periodic basis.
B	Permanent Women Employees	
C	Casual/Temporary/ Contractual Employees	
D	Employees with Disabilities	

PRINCIPLE 4: BUSINESS SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED.

1. **Has the Company mapped its internal and external stakeholders? Yes/ No**

   Yes

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders?**

   Yes

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.**

   There are different initiatives taken to engage and empower underprivileged people through Education, Vocational Trainings and Healthcare programs, as detailed at principle No. 8

PRINCIPLE 5: BUSINESS SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

1. **Does the Policy of the Company on human rights cover only the Company or extend to the group/ joint venture/ suppliers/ contractors / NGOs/ others?**

   All policies related to Human Resource Management including welfare, environment, health and safety are applicable to all stakeholders extending to all Joint Venture Plants of the group. The stakeholders include suppliers, contractors, consultants and outsourced employees besides employees and directors of the Company. The awareness is augmented through measures where:

   a. The Company is an equal opportunity employer where gender equality is strongly advocated in employment.

   b. The group identifies with the statutes of citizen rights spelt in the Constitution of India. The primacy to all fundamental rights is respected.

   c. The Company has formulated a comprehensive policy on Prevention of Sexual Harassment at workplace. All complaints under this policy are promptly addressed and concluded. The Company has formulated a code of conduct which applies universally to all stakeholders thereby addressing any infringement of rights.

2. **How many stakeholder complaints have been received in the past financial year and what % was satisfactorily resolved by the management?**

   Total 22 stakeholders complaints have been received in the last Financial Year. The said complaints were addressed satisfactorily as per the accepted timelines and resolved.

PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

1. **Does the Policy related to Principle 6 covers only the Company or extends to the group/ joint ventures/ suppliers/ contractors / NGOs/ others?**

   Environmental Policy is applicable to all the business units extended to joint ventures plants and also encourage our business partners including suppliers, vendors and contractors to follow this policy.

ANNEXURE-I (Contd.)

2. **Does the Company have strategies initiatives to address global environmental issues such as climate change, global warming etc. Y/N. If yes, please give hyperlink for webpage etc.**

   Yes, the Company has an Environmental Policy. The Company works continuously to reduce the waste.

3. **Does the Company identify and assess potential environmental risks?**

   Yes, the Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

   Most of the locations in India are certified for requirements under ISO 14001 (Environmental Management System) and OHSAS 18001 (Occupational Health and Safety System), Audits by independent auditors are carried out to check the level of compliance. Deviation management system ensures that the corrective actions are closed looped and issues are addressed within a reasonable time frame. Environment, Health and Safety (EHS) performance assessment is carried out annually to review the situation and identify the areas for improvement.

5. **Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewal energy etc. if yes, please give hyperlink for webpage etc.**

   Covered under Boards' Report which forms a part of the Annual Report.

6. **Are the emissions/ Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   All emissions and waste generated by the Company are within the permissible limits given by CPCB/SPCB.

7. **Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   None.

PRINCIPLE 7: BUSINESS WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER.

1. **Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:**

   Minda Industries Limited regularly engages with industry bodies, expert agencies and contributes to the policy making process. An indicative list of the Company's major membership is:

   - Automotive Component Manufacturers Association of India (ACMA)
   - Confederation of Indian Industry (CII)

2. **Have you advocated /lobbied through above associations for the advancement or improvement of public good? Yes/ No, if yes, specify the broad areas.**

   No

PRINCIPLE 8: BUSINESS SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. **Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to principle 8? If yes, details thereof.**

   Group is committed to supporting various social causes. Today, the Group is involved in spreading happiness through vocational training, skill development, education, promoting sports, medical facilities home to the needy. All our programs are designed and tailored as per the need of the community.

   Core Programs -

   1. Vocational Training Program - In line with the 'Skill India Scheme' by the Ministry of Skill Development and Entrepreneurship, our vocational training programme at Samarth-Jyoti, aims to build the capacity of rural people by developing their skill in various fields. The initiative also fulfills 'Goal for Reduced Inequalities' and 'Goal for Gender Equality' of Sustainable Development Goals as identified by the UN.
   2. Pre-Primary and Primary Education - Our endeavor of providing education to the underprivileged children supplements Sarva Shiksha Abhiyan, a flagship scheme of the Ministry of Human Resource Development. The initiative also fulfils goal of quality education of Sustainable Development Goals as identified by UN. We have established schools and learning spaces for children in the rural areas, thus creating a life of dignity and opportunities for them.
   3. Remedial Program - Remedial classes is a need based program, designed to ensure better education, develop creative thinking abilities and self-learning in children. Lack of access to quality resources in education has made it unavailable to the deprived children. We conduct remedial classes for children with a focus on their overall development.
   4. Environmental Sustainability - Our strategy for environmental sustainability focuses on embedding the elements of our sustainability program into our corporate culture. We have taken the necessary

ANNEXURE-I (Contd.)

steps by investing in waste and effluent treatment plants to reduce toxic discharges and emissions, minimise waste and prevent pollution. In addition, we are also committed to focus on the areas where we can make a positive impact in our industry and drive the most significant improvements.

We celebrated the World Environment Day by initiating tree plantation drive at Samarth-Jyoti. This supplements the National Mission for Green India by the Ministry of Environment, Forest and Climate Change. As a part of our idea of creating a greener country, we planted trees. The Company celebrates World Environment Day by involving its employees, top Management and dignitaries in initiatives like tree plantation campaigns, reducing pollution and conservation of energy.

2. **Are the programmes / projects undertaken through in house team/ own foundation/ external NGO/ government structures/ any other organisation**

   All the programs have been undertaken through its own trust Suman Nirmal Minda Charitable Trust under the aegis of the Company.

3. **Have you done any impact assessment for your initiative?**

   Every year at the end of the vocational training program, each center records the success stories of pass out students which shows that each student is doing well in their fields as some of them become self–employed and some of them are working as an employee.

4. **What is your Company's direct contribution to community development projects- amount in ₹ and the details of the projects undertaken?**

   Kindly refer Annexure-B of Board Report.

PRINCIPLE 9: BUSINESS SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

1. **What percentages of customer complaints/ consumer cases are pending as on the end of the financial year?**

   The Company has a robust system for addressing customer complaints, which are resolved promptly.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws. Yes/ No/ NA / Remarks (additional information)?**

   No.

3. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

   Yes, regular feedback is received from the customers and corrective actions are taken. The Company's endeavor is to achieve the highest level of satisfaction and perform their operation accordingly. The Company has received various awards from the customers.

4. **Is there any case filed by any stakeholder against the Company regarding unfair true practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of financial? If so, provide details thereof, in about 50 words or so.**

   No.

ANNEXURE-J

Compliance with Code of Business Conduct and Ethics

To
The Board of Directors
Minda Industries Limited

This is to certify that, as provided under Regulation 34 (3) Schedule -V (D) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior management for the year ended 31 March 2022.

For **Minda Industries Limited**

Nirmal K Minda
Chairman & Managing Director
DIN: 00014942

Place: Gurugram
Date: 24 May 2022

ANNEXURE-K

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Minda Industries Limited
B-64/1, Wazirpur Industrial Area, Delhi-110052

1. That Minda Industries Limited (CIN: L74899DL1992PLC050333) is having its registered office at B-64/1, Wazirpur Industrial Area, Delhi-110052 (hereinafter referred as "the Company"). The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.
2. We have examined the relevant disclosures received from the Directors, registers, records, forms, and returns maintained by the Company and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. In our opinion and to the best of our information and according to the verifications and examination of the disclosures under section 184/189, 170, 164, 149 of the Companies Act, 2013 (the Act) and DIN status at the portal, www.mca.gov.in, as considered necessary and explanations furnished to us by the Company and its officers, we certify that none of the below named Directors on the Board of the Company as on 31 March 2022 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority:

S. No.	Name of Director	Director Identification No. (DIN)	Date of Appointment in Company
1	Mr. Nirmal Kumar Minda	00014942	01 April 2013
2	Mr. Anand Kumar Minda	00007964	14 April 2011
3	Mr. Satish Sekhri*	00211478	29 July 2010
4	Ms. Paridhi Minda	00227250	29 March 2019
5	Mr. Ravi Mehra	01651911	01 April 2021
6	Ms. Pravin Tripath	06913463	06 February 2019
7	Mr. Krishan Kumar Jalan	01767702	16 May 2019
8	Mr. Rakesh Batra	06511494	19 July 2021

** completed his term as an Independent Director and ceases to be a Director on the Board of the Company w.e.f. 01 April 2022*

4. Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
5. This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No. P2001DE052900

Devesh Kumar Vasisht
Partner
CP No. 13700/Mem. No. F8488
UDIN:F008488D000378726

Place: New Delhi
Date: 24 May 2022

ANNEXURE-L

Certificate by Chief Executive Officer and Chief Financial Officer

To
The Board of Directors
Minda Industries Limited

This to certify that we, the undersigned, have reviewed the financial statements and the cash flow statement of Minda Industries Limited ("the Company") for the year ended 31 March 2022 and that to the best of our knowledge and belief:

a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

We further state that to the best of our knowledge and belief, no transactions entered into by the Company during FY 2021-22, which are fraudulent, illegal or violate the Company's Code of Conduct;

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee of deficiencies, if any, of which we are aware, in the design or operation of the Internal Control Systems and that we have taken the required steps to rectify these deficiencies.

We further certify that: -

a) there have been no significant changes in internal control over financial reporting during this year.

b) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Sunil Bohra
Group CFO

Nirmal K Minda
Chairman and Managing Director

Date: Gurugram
Place: 24 May 2022

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. 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: • We evaluated the Company's accounting policies pertaining to revenue recognition in terms of Ind AS 115 - Revenue from Contracts with Customers. • 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. • 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. • 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; • We assessed the adequacy of revenue related disclosures in the standalone financial statements.
<u>Assessment of impairment of Goodwill and investments in subsidiaries, associates and joint ventures</u> (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. 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. 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. The impairment test model used by management factors impact of COVID-19 and also includes sensitivity testing of key assumptions. 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: (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. (b) We assessed the Company's methodology applied in determining the CGU to which these assets are allocated. (c) We assessed the reasonableness of key assumptions used in the cash flow forecasts including discount rates, expected growth rates and terminal growth rates. (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. (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. (f) We obtained the management testing of impairment and discussed the assumptions and other factors used in the assessment. (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. (h) We tested the arithmetical accuracy of the models. (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.

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. 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. 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: a) We assessed the Company's research and development expenditure accounting policies in relation to Ind AS 38 "Intangible Assets". 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. 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. 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				As per note 12 to the standalone financial statement
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	
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

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.

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

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 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 assumned 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					Total
			Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
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	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	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**

	As at 31 March 2022	As at 31 March 2021
Opening balance	6.55	6.55
Movement	-	-
Closing balance	**6.55**	**6.55**

(ii) **Securities premium**

	As at 31 March 2022	As at 31 March 2021
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: Movable Fixed assets ~First Pari passu charge on all movable property, plant and equipment of the Company Immovable Fixed assets~ First Pari passu charge on Immovable property, plant and equipment of the Company. Collateral Details - i) Village Nawada, Fatehpur, PO-Sikandarpur Badda, Manesar,Gurgaon ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana iii) Plot No ME-I and ME-II, Sector- 2A, IMT Manesar iv) Land & Bldg at Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam,Vengadu Taluk, Sriperumpudur v) Plot No 5, Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand and vi) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand. Also, Negative Lien of i) Property No. B-6, MIDC, Chakan Industrial Area, Mahalunge, Taluka Khed, measuring 9300 sq mt and 11970 sq mt 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 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. First pari passu charge on equitable mortgage at below location:- i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonepat, Haryana. iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand. v) Plot No ME-I and ME-II, Sector2A, IMT Manesar Negative Lien on : i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune 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 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 First pari passu charge on all movable and immovable property, plant and equipment of the Company at below locations: i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonepat, Haryana. iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand. 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 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 : First Parri Passu charge on entire block of Movable fixed assets of the company except those wherein other lenders have exclusive charge. First Pari passu charge on Equitable Mortgage at below locations: i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana. iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand. v) Plot No ME-I and ME-II, Sector 2A, IMT Manesar vi) Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur Negative Lien on : i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune 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. 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 First pari-passu charge on immovable property by equitable mortgage as below: i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram. 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 iv) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. v) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. vi) Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur Negative Lien on : i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune 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: 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 i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana. ii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand. v) Plot No ME-I and ME-II, Sector-2A, IMT Manesar vi) Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur. Negative Lien on : i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune 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. 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: 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. 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: First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future. Second pari passu charge on property, plant and equipment of the Company as per detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. Negative lien on the following properties: a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. 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: Primary Security: 1st pari passu charge on hypothecation charge on entire current assets comprising: 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. 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. Collateral Security: NIL	0.82	10.70
Canara Bank (Cash Credit) is secured by: First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future. Second pari passu charge on property, plant and equipment of the Company as per detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. Negative lien on the following properties: a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. 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: First pari passu charge on current assets both present & future. Negative lien on the following properties for working capital limits: a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. 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: 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 Includes obligation against bills discounted and remaining unpaid as at year end. Factored receivables are secured by first charge on trade receivables.	9.08	5.76
HDFC Bank (Cash Credit) is secured by: First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future. Second pari passu charge on property, plant and equipment of the Company as er detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. Negative lien on the following properties: a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. 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				
Jun-30	390.07	373.34	16.73	Due to timing differences in reporting to bank and routine book closure period adjustments.
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 (i) increase in trade receivable on account of increase in business (ii) decrease in current financial liability pursuant to settlement of consideration payable of ₹ 463.88 Crores in the current year (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. 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: • We evaluated the Groups accounting policies pertaining to revenue recognition in terms of Ind AS 115 - Revenue from Contracts with Customers. • 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. 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. • 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. • 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; • We assessed the adequacy of revenue related disclosures in the consolidated financial statements.
<u>Assessment of impairment of Goodwill and investments in associates and joint ventures</u> (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. 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. 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. The impairment test model used by management factors impact of COVID-19 and also includes sensitivity testing of key assumptions. 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: (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. (b) We assessed the Group's methodology applied in determining the CGU to which these assets are allocated. (c) We assessed the reasonableness of key assumptions used in the cash flow forecasts including discount rates, expected growth rates and terminal growth rates. (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. (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. (f) We obtained the management testing of impairment and discussed the assumptions and other factors used in the assessment. (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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Key audit matters	How our audit addressed the key audit matter
	(h) We tested the arithmetical accuracy of the models. (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. 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. 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 a) a) We assessed the Group's research and development expenditure accounting policies in relation to Ind AS 38 "Intangible Assets". 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. 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. 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,

INDEPENDENT AUDITOR'S REPORT (Contd.)

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

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

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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 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.

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(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 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.

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**

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 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: Movable Fixed assets ~First Pari passu charge on all movable property, plant and equipment of the Company Immovable Fixed assets~ First Pari passu charge on Immovable property, plant and equipment of the Company. Collateral Details - i) Village Nawada, Fatehpur, PO-Sikandarpur Badda, Manesar, Gurgaon ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana iii) Plot No ME-I and ME-II, Sector- 2A, IMT Manesar iv) Land and building at Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam,Vengadu Taluk, Sriperumpudur (v) Plot No 5, Sector 10, Industrial Area,IIE Pantnagar, Udham Singh Nagar, Uttarakhand and vi) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand. Also, Negative Lien of i) Property No. B-6, MIDC, Chakan Industrial Area, Mahalunge, Taluka Khed, measuring 9300 sq mt and 11970 sq mt 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 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. First pari passu charge on equitable mortgage at below location:- i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana. iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand. 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 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 : i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune 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 First pari passu charge on all movable and immovable property, plant and equipment of the Company at below locations: i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana. iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand. 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 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 : First Parri Passu charge on entire block of Movable fixed assets of the company except those wherein other lenders have exclusive charge. First Pari passu charge on Equitable Mortgage at below locations: i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana. iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand. v) Plot No ME-I and ME-II, Sector2A, IMT Manesar vi) Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur Negative Lien on : i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune 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. 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 First pari-passu charge on immovable property by equitable mortgage as below: ; i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana. iii) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal iv) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. v) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. vi) Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur Negative Lien on : i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune 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. 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: 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 i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonipat, Haryana. ii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttarakhand. v) Plot No ME-I and ME-II, Sector-2A, IMT Manesar vi) Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur. Negative Lien on : i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune 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. 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: **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. Letter of comfort from Minda Industries Limited backed by board resolution **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. Rate of interest : 12 months MCLR +1% (31 March 2021: 12 months MCLR +1%) 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	-	15.01
FCNR Loan from CITI Bank obtained by subsidiary company namely "Minda Kyoraku Limited" secured by" - 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. 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: - 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 - First Pari Passu charge on all the movable fixed assets of the subsidiary company's Gujarat Project both present and future (Movable Fixed Assets) - 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 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: - 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 - First Pari Passu charge on all the movable fixed assets of the subsidiary company's Gujarat Project both present and future (Movable Fixed Assets) - 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. 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: - 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. 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: - 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 - 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%) Maximum tenor of loan is for 96 months from the date of first disbursement. 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: - 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 - 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%) Maximum tenor of loan is for 96 months from the date of first disbursement. 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: - First pari passu charge on all movable PPE (both present and future) of Gujarat plant of subsidiary company. - 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%) 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: - 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 - 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 %) 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: - Exclusive charge over immovable PPE (land and building) both present and future of Bawal phase 2 of subsidiary company. - 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 - 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. 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%). 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. 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: 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 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 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 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 Rate of interest- Term loan 1- 3 months Libor+190bps 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. 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**

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) Nature of security	As at 31 March 2022	As at 31 March 2021
Citibank (Cash Credit) obtained by parent company is secured by: First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future. Second pari passu charge on property, plant and equipment of the Company as per detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. Negative lien on the following properties: a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. 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: Primary Security: 1st pari passu charge on hypothecation charge on entire current assets comprising: 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. 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. 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) Nature of security	As at 31 March 2022	As at 31 March 2021
Canara Bank (Cash Credit) obtained by parent company is secured by: First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future. Second pari passu charge on property, plant and equipment of the Company as per detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. Negative lien on the following properties: a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. 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: First pari passu charge on current assets both present & future. Negative lien on the following properties for working capital limits: f) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. 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: 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 Includes obligation against bills discounted and remaining unpaid as at year end. 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: First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future. Second pari passu charge on property, plant and equipment of the Company as er detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. Negative lien on the following properties: a) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. 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) **Nature of security**	**As at** **31 March 2022**	**As at** **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: - First pari passu charge on all the current assets of the borrower (both present and future) of subsidiary company 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 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 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) **Nature of security**	**As at** **31 March 2022**	**As at** **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) Nature of security	As at 31 March 2022	As at 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) Nature of security	As at 31 March 2022	As at 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
Mar-31	4,959.73	5,008.05	(48.32)	Inventory: Due to exclusion of tools & dies, Spares inventory and goods in transit inventory
Trade Payables				Trade receivable: Due to exclusion of goods in transit inventory
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				Total
			less than 1 year	1-2 years	2-3 years	More than 3 years	
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**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(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 (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 (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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(All amounts in Indian ₹ Crores, unless otherwise stated)

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 theántties 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.

(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

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(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)	-	-

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(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

(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**

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(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 (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 (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**

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 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.

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

NOTES

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DRIVING THE NEW

Minda Industries Limited

(CIN: L74899DL1992PLC050333)
Corporate Office
Village Nawada Fatehpur, P.O. Sikanderpur, Badda,
Dist. Gurugram (Haryana), India
Website: www.unominda.com