S.R. BATLIBOI & CO. LLP
Chartered Accountants

4th Floor, Office 405
World Mark - 2, Asset No. 8
IGI Airport Hospitality District, Aerocity
New Delhi - 110 037, India
Tel : +91 11 4681 9500

INDEPENDENT AUDITOR'S REPORT

To the Members of Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Minda Instruments Limited (formerly known as Minda Stoneridge Instruments 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 Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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 Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

The financial statements of the Company for the year ended March 31, 2021, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 14, 2021.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

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

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

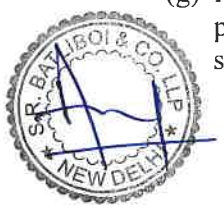
   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

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

   (e) On the basis of the written representations received from the directors as on March 31, 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 Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion and according to information and explanations given to us, the Company has not paid any remuneration to its directors during the current year and accordingly the requirements as stipulated under Section 197 of the Act are not applicable to the Company.



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

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 2.35 to the Ind AS financial statements;

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

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

iv.

a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 2.42 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 2.42 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

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

per Amit Kumar Jain
Partner
Membership Number: 097214
UDIN: 22097214AIZVRO8897
Place of Signature: Delhi
Date: May 14, 2022

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

Re: Minda Instruments 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.

b) All property, plant and equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in two years which is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given by the management, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

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.

e) According to the information and explanations given by the management, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii) a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification 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 in respect of such confirmations. The discrepancies noticed on physical verification of inventory as compared to books records were not 10% or more in aggregate for each class of inventory.

b) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from a bank during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such bank are in agreement with the books of accounts of the Company.

iii) a) During the year, the Company has not made investments in or provided loans or advances in the nature of loans, stood guarantee or provided security to companies, firms, limited liability partnerships or any other parties except loans to employees which are as follows:

	Loans (in Millions)
Aggregate amount granted/ provided during the year	
- to employees	8.34
Balance outstanding as at balance sheet date in respect of employee loans:	2.57

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

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

d) there are no amounts of loans granted to employees which are overdue for more than ninety days for each loan given.

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

f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to 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) There are no loans, investments, guarantees, and security in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

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

vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

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.

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

Name of the Statute	Nature of the Dues	Total dispute amount (Rs. In Million)	Amount paid under protest (Rs. in Million.)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1957	CST	63.40	6.42	2015-16	Joint Commissioner of State Tax, Pune
Central Sales Tax Act, 1957	CST	64.83	1.80	2016-17	Joint Commissioner of State Tax, Pune
Maharastra VAT Act,2002	VAT	13.58	0.62	2015-16	Joint Commissioner of State Tax, Pune
Maharastra VAT Act,2002	VAT	11.03	0.57	2016-17	Joint Commissioner of State Tax, Pune
Maharastra VAT Act,2002	VAT	4.04	0.20	2017-18	Joint Commissioner of State Tax, Pune
Central Sales Tax Act, 1957	CST	4.06	0.92	2017-18	Joint Commissioner of State Tax, Pune
Income Tax Act, 1961	Income tax	16.62	-	2009-10	High Court, Delhi
Income Tax Act, 1961	Income tax	6.99	1.40	2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	4.22	-	2019-20	Commissioner of Income Tax (Appeals)

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 did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

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

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

d) The Company did not raise any funds during the year. Hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

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

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

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

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

b) During the year, no report under Sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by 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.

c) There are no whistle blower complaints received by the Company during the year.

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

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

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

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.

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.

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.

d) There are no other companies 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 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 2.41 to the 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 2.37 to the financial statements.

b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of Sub-section (6) of Section 135 of Companies Act. This matter has been disclosed in note 2.37 to the financial statements.

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

per Amit Kumar Jain
Partner
Membership Number: 097214
UDIN: 22097214AIZVRO8897
Place of Signature: Delhi
Date: May 14, 2022

Annexure 2 to the Independent Auditors' report on the financial statements of Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) for the year ended March 31, 2022

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 these Ind AS financial statements of Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) ("the Company") as of March 31, 2022, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining 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 Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by 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 these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

A company's internal financial control with reference to these Ind AS 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 with reference to these 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to these Ind AS 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 these Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to these 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 Company has, in all material respects, adequate internal financial controls with reference to these Ind AS financial statements and such internal financial controls with reference to these Ind AS financial statements were operating effectively as at March 31, 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 Amit Kumar Jain
Partner
Membership Number: 097214
UDIN: 22097214AIZVRO8897
Place of Signature: Delhi
Date: May 14, 2022

S.R. BATLIBOI & CO. LLP
NEW DELHI

Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)
Balance Sheet as at March 31, 2022
(All amount in Rs millions, except as otherwise stated)

	Note	As at March 31, 2022	As at March 31, 2021
A ASSETS			
Non-current assets			
Property, plant and equipment	2.1(a)	**548**	597
Capital work-in progress	2.1(a)	**107**	29
Other intangible assets	2.1(b)	**35**	19
Intangible assets under development	2.1(b)	**-**	4
Right of use assets	2.1(c)	**117**	44
Financial assets			
(i) Other financial assets	2.2	**30**	10
Deferred tax assets (net)	2.12	**17**	7
Other non-current assets	2.3	**7**	8
Total non-current assets		**861**	718
Current assets			
Inventories	2.4	**595**	497
Financial assets			
i. Trade receivables	2.5	**1,130**	973
ii. Cash and cash equivalents	2.6	**139**	464
iii. Other bank balances	2.7	**682**	349
iv. Other financial assets	2.8	**20**	19
Other current assets	2.9	**179**	80
Total current assets		**2,745**	2,382
Total assets		**3,606**	3,100
B EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.10	**119**	119
Other equity	2.11	**1,987**	1,814
Total equity		**2,106**	1,933
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Lease liabilities	2.14	**174**	106
Employee defined benefit liabilities (net)	2.13	**13**	15
Other provisions	2.13	**1**	2
Total non-current liabilities		**188**	123
Current liabilities			
Financial Liabilities			
i. Lease liabilities	2.14	**14**	18
ii. Trade payables	2.15		
- Total outstanding dues of micro enterprises and small enterprises		**112**	220
- Total outstanding dues of creditors other than micro enterprises and small enterprises		**997**	682
iii. Other financial liabilities	2.16	**73**	63
Other current liabilities	2.17	**86**	34
Provisions	2.18	**22**	20
Current tax liabilities	2.19	**8**	7
Total current liabilities		**1,312**	1,044
Total liabilities		**1,500**	1,167
Total equity and liabilities		**3,606**	3,100
Significant accounting policies	2		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For S. R Batliboi & Co. LLP

Firm registration number : 301003E/E300005

Amit Kumar Jain
Partner
Membership No.: 097214

Place: Delhi
Date: May 14, 2022

For and on behalf of the Board of Directors of
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)

Ashok Minda
Director
(DIN 00054727)

Place: Gurugram
Date: May 14, 2022

N.K. Modi
Director
(DIN 00089536)

Place: Gurugram
Date: May 14, 2022

Biranchi Mohapatra
Managing Director
(DIN 06506472)

Place: Gurugram
Date: May 14, 2022

Ajay Kumar Choudhary
Chief Financial Officer

Place: Pune
Date: May 14, 2022

Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)
Statement of Profit and Loss for the year ended March 31, 2022
(All amount in Rs millions, except as otherwise stated)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	2.20	**4,845**	3,895
Other income	2.21	**42**	62
Total income		**4,887**	3,957
Expenses			
Cost of raw materials consumed	2.22	**3,458**	2,609
Changes in inventories of finished goods and work-in-progress	2.23	**(8)**	48
Employee benefits expense	2.24	**501**	435
Finance costs	2.25	**17**	17
Depreciation and amortisation expense	2.1(d)	**153**	156
Other expenses	2.26	**360**	348
Total expenses		**4,481**	3,613
Profit before tax		**406**	344
Tax expense			
Current tax	2.12	**114**	90
Deferred tax	2.12	**(11)**	(11)
Total tax expense		**103**	79
Profit for the year		**303**	265
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains on defined benefit plan		**1**	2
Income tax relating to items that will not be reclassified subsequently to profit or loss		**(0)**	(1)
Net other comprehensive income not to be reclassified subsequently to profit or loss		**1**	1
Total comprehensive income for the year		**304**	266
Earnings per share [of Rs.10 per equity share]	2.27		
Earnings per share (Rs.) (Basic)		**25.46**	22.27
Earnings per share (Rs.) (Diluted)		**25.46**	22.27
Significant accounting policies	2		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For S. R Batliboi & Co. LLP
Chartered Accountants
Firm registration number : 301003E/E300005

Amit kumar Jain
Partner
Membership No.: 097214

Place: Delhi
Date: May 14, 2022

For and on behalf of the Board of Directors of
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)

Ashok Minda
Director
(DIN 00054727)

Place: Gurugram
Date: May 14, 2022

N.K. Modi
Director
(DIN 00089536)

Place: Gurugram
Date: May 14, 2022

Biranchi Mohapatra
Managing Director
(DIN 06506472)

Place: Gurugram
Date: May 14, 2022

Ajay Kumar Choudhary
Chief Financial Officer

Place: Pune
Date: May 14, 2022

Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)
Statement of Cash Flows for the year ended March 31, 2022
(All amount in Rs millions, except as otherwise stated)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
A Cash flow from operating activities			
Profit before taxation		**406**	344
Adjustments for :-			
Depreciation and amortisation expense	2.1(d)	**153**	156
Interest expense		**17**	17
Interest income		**(32)**	(40)
Excess lease liability written back		**(5)**	-
Remeasurement of payable & receivables		**0**	-
Loss on sale/discard of property, plant and equipment (net)		**2**	2
Liabilities/provisions no longer required, written back		**(2)**	(16)
Operating cash flow before changes in following assets and liabilities		**539**	463
Decrease in trade receivables		**(156)**	(280)
Decrease in inventories		**(98)**	(65)
Decrease in loans, other financial assets and other assets		**(96)**	(12)
Increase/(decrease) in other financial liabilities and other liabilities		**52**	(5)
Decrease in provisions		**(1)**	(8)
Increase in trade payables		**205**	119
Cash generated from operating activities		**445**	212
Income tax paid, net of refunds		**(113)**	(72)
Net cash generated from operating activities (A)		**332**	140
B Cash flow from investing activities			
Purchase of property, plant and equipment and intangibles assets		**(172)**	(75)
Sale of property, plant and equipment		**3**	1
Interest received		**30**	37
Fixed deposits (made) / matured		**(353)**	196
Net cash (used in)/generated from investing activities (B)		**(492)**	159
C Cash flow from financing activities			
Interest paid		**(17)**	(17)
Interim dividend paid		**(131)**	-
Repayment of lease liabilities		**(17)**	(12)
Net cash used in financing activities (C)		**(165)**	(29)
Net increase in cash and cash equivalents (A + B + C)		**(325)**	270
Cash and cash equivalents at the beginning of the year		**464**	194
Cash and cash equivalents as at the end of the year		**139**	464
Components of cash and cash equivalent			
Balance with bank			
-Deposits with original maturity of 3 months or less		**110**	421
-On current accounts		**18**	43
-Other bank balances (EEFC Accounts)		**11**	-
		139	464
Significant accounting policies	2		

As per our report of even date
For S. R Batliboi & Co. LLP
Chartered Accountants
Firm registration number : 301003E/E300005

Amit Kumar Jain
Partner
Membership No.: 097214

Place: Delhi
Date: May 14, 2022

For and on behalf of the Board of Directors of
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)

Ashok Minda
Director
(DIN 00054727)

Place: Gurugram
Date: May 14, 2022

N.K. Modi
Director
(DIN 00089536)

Place: Gurugram
Date: May 14, 2022

Biranchi Mohapatra
Managing Director
(DIN 06506472)

Place: Gurugram
Date: May 14, 2022

Ajay Kumar Choudhary
Chief Financial Officer

Place: Pune
Date: May 14, 2022

Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)
Statement of Changes in Equity for the year ended March 31, 2022
(All amount in Rs millions, except as otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at 1 April 2020	**119**
Changes in equity share capital during the year	-
Balance as at March 31, 2021	**119**
Changes in equity share capital during the year	-
Balance as at March 31, 2022	**119**

B. Other equity

Particulars	Reserves and surplus			Items of Other Comprehensive Income	Total
	Capital reserve	Securities premium account	Retained earnings	Remeasurement of defined benefit obligations	
As at 1 April 2020	2	40	1,506	-	1,548
Profit for the year	-	-	265	-	265
Other comprehensive income	-	-	-	(1)	(1)
Transferred to retained earnings			1	1	2
Total comprehensive income for the year	2	40	1,772	-	1,814
As at March 31, 2021	2	40	1,772	-	1,814
Profit for the year	-	-	**303**	-	**303**
Other comprehensive income	-	-	-	**1**	**1**
Interim dividend paid	-	-	**(131)**	-	**(131)**
Transferred to retained earnings	-	-	**1**	**(1)**	-
Total comprehensive income for the year	**2**	**40**	**1,945**	-	**1,987**
As at March 31, 2022	**2**	**40**	**1,945**	-	**1,987**

Notes:
(i) Refer note 2.11 for nature and purpose of other equity.
(ii) During the year ended March 31, 2022, the Company has paid dividend to its shareholders @ 110% of Face Value that is Rs 11/- per share.

For S. R Batliboi & Co. LLP
Chartered Accountants
Firm registration number : 301003E/E300005

Amit kumar Jain
Partner
Membership No.: 097214

Place: Delhi
Date: May 14, 2022

For and on behalf of the Board of Directors of
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)

Ashok Minda
Director
(DIN 00054727)

Place: Gurugram
Date: May 14, 2022

N.K. Modi
Director
(DIN 00089536)

Place: Gurugram
Date: May 14, 2022

Biranchi Mohapatra
Managing Director
(DIN 06506472)

Place: Gurugram
Date: May 14, 2022

Ajay Kumar Choudhary
Chief Financial Officer

Place: Pune
Date: May 14, 2022

1. Reporting entity

Minda Instruments Limited (the 'Company') is a Company (formerly known as Minda Stoneridge Instruments Limited) domiciled in India, with its registered office situated at A-15, Phase -1 Ashok Vihar, Delhi - 110052. The Company has been incorporated under the provisions of Indian Companies Act. The Company is primarily involved in manufacturing of automobile components and parts thereof.

The financial statements were authorized for issue by the Company's board of directors on May 14, 2022.

2. Significant accounting policies

A. Basis of preparation

Statement of compliance

The 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 the financial statements.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and net defined benefit asset / liability.

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

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

B. Summary of significant accounting policies

i) Current and 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 realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the 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 the 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

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and 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 Company has identified twelve months as its operating cycle.

ii) Foreign currency transactions and translations

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and balances

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

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

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

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

iii) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing 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 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 Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

iv) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Company collects goods and service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on the delivery of the goods. The normal credit terms is 30 to 90 days upon delivery. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates.

Income from Services
Revenues from services are recognized pro-rata over the period of the contract as and when services are rendered.

Interest
Interest income is recognized on a time proportion basis taking into account the amount outstanding and recorded using the effective interest rate (EIR). Interest income is included under the head "other income" in the statement of profit and loss.

Export benefits
Export incentive entitlements are recognized as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no uncertainty regarding the ultimate collection of the relevant export proceeds.

Other operating income
Service income including job work income is recognized as per the terms of contracts with customers when the related services are rendered. Income from royalty, technical know-how arrangements is recognized on an accrual basis in accordance with the terms of the relevant agreement.

Dividend
Dividend income is recognized when the right to receive the income is established.

Contract balances

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. 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. Contract assets are subject to impairment assessment.

Trade receivables
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

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. 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.

v) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

vi) Taxes

Current income tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

vii) Property, plant and equipment

(a) Recognition and measurement

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

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset category	Useful lives estimated by the management (years)
Factory building and office building	20 years
Plant and equipment (including electrical installation)	10 years
Tools and dies	5 years
Office equipment	5 years
Furniture and fixtures	5 years
Computer (including laptops, servers and networks)	3 years
Vehicles	4 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

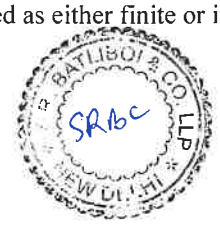
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal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

The 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.

viii) Intangible Asset

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

The useful lives of intangible assets are assessed as either finite or indefinite.



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

The intangible assets are amortised over the period of five years, which in the management's view represent the economic useful life. Amortisation expense is charged on a pro-rata basis for assets purchased during the year. The amortization period and the amortization method for an intangible asset are reviewed at the end of each reporting period.

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. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

ix) 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 asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Other borrowing costs are recognized as an expense in the statement of profit and loss in the year in which they are incurred.

x) 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, it contains a lease.

Company as a lessee

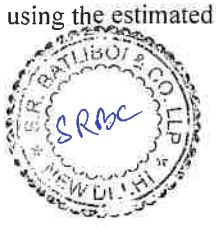
The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold land	9 to 24 years

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-use assets are also subject to impairment.

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 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.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases and lease of low value assets. 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.

xi) Inventories

Inventories which includes raw materials, components, stores, work in progress, finished goods and spares are valued at lower of cost and net realizable value. However, raw materials, components and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost or in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The basis of determination of cost for various categories of inventory is as follows:

Raw materials, components and stores and spares and stock in trade	:	Cost is determined on moving weighted average basis.
Finished goods	:	Material cost plus appropriate share of labour and production overheads.
Work in progress	:	Material cost plus appropriate share of the labour and production overheads depending upon the stage of completion, wherever applicable.
Tools, moulds and dies	:	Material cost plus appropriate share of the labour and production overheads, depending upon the stage of completion.

SRBC

xii) 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.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

An asset's recoverable amount is the higher of an individual asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. 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 group 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.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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.

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses, if any, are recognized in the Statement of Profit and Loss. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

In regard to assets for which impairment loss has been recognized in prior period, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

xiii) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provisions

The Company provides warranties for general repairs of defects that existed at the time of sale. Provisions related to these assurance-type warranties are recognised when the product is sold, or the service is provided to the customer.

Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

xiv) Retirement and other employee benefits

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

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

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

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

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

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

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

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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet as the Company does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

xv) 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.

Financial assets

Initial recognition and measurement

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

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

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

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four 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) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or 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 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.

Gains and losses on these financial assets are never recycled 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.

Derecognition

A financial asset is primarily derecognised 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

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. 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 credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). 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).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and lease liabilities.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:
- Financial liabilities at fair value through profit or loss
- 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.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

Financial liabilities at amortised cost (Loans and borrowings)

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

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

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.

Reclassification of financial assets

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.

Offsetting of financial instruments

Financial 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.

xvi) 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 the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

xvii) Dividend

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

xviii) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

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 effects of all dilutive potential equity shares.

xix) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xx) Research and Development

Revenue expenditure on research is expensed off under the respective heads of account in the year in which it is incurred.

Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses, if any. property, plant and equipment used for research and development are depreciated in accordance with the Company's policy as stated above.

C. New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2021. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the financial statements of the Company.

Amendments to Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop

consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS, includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the financial statements of the Company.

Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Company.

2.1(a) Property, plant and equipment and capital work-in-progress

Particulars	Gross block				Accumulated depreciation				Net block
	Balance as at 1 April 2021	Additions	Disposals	Balance as at March 31, 2022	Balance as at 1 April 2021	Depreciation for the year	On disposals	Balance as at March 31, 2022	Balance as at March 31, 2022
	(a)	(b)	(c)	(d) = (a+b-c)	(e)	(f)	(g)	(h) = (e+f-g)	(i) = (d-h)
Freehold land	2	-	-	2	-	-	-	-	2
Building	176	2	-	178	60	11	-	71	107
Plant and equipment	951	67	4	1,014	499	114	4	610	404
Furniture and fixtures	19	0	-	19	16	0	-	16	3
Vehicles	24	3	9	17	14	3	5	11	6
Office equipment	14	1	-	15	11	1	-	12	4
Computer hardware	29	17	0	46	18	6	0	24	22
Total (A)	1,214	90	13	1,291	618	135	9	744	548
Capital work-in-progress*	29	168	90	107	-	-	-	-	107
Total (B)	29	168	90	107	-	-	-	-	107
Total (A+B)	1,243	258	103	1,398	618	135	9	744	656

Particulars	Gross block				Accumulated depreciation				Net block
	Balance as at 1 April 2020	Additions	Disposals	Balance as at March 31, 2021	Balance as at 1 April 2020	Depreciation for the year	On disposals	Balance as at March 31, 2021	Balance as at March 31, 2021
	(a)	(b)	(c)	(d) = (a+b-c)	(e)	(f)	(g)	(h) = (e+f-g)	(i) = (d-h)
Freehold land	2	-	-	2	-	-	-	-	2
Buildings	176	-	-	176	49	11	-	60	116
Plant and equipment	882	70	1	951	386	115	1	499	452
Furniture and fixtures	20	-	1	19	16	1	1	16	3
Vehicles	32	1	9	24	15	6	6	14	10
Office equipment	14	-	-	14	10	1	-	11	3
Computer hardware	21	8	-	29	14	4	-	18	11
Total (A)	1,147	79	11	1,214	490	137	8	618	597
Capital work-in-progress*	30	78	79	29	-	-	-	-	29
Total (B)	30	78	79	29	-	-	-	-	29
Total (A+B)	1,177	157	90	1,243	490	137	8	618	626

(i) For commitments with respect to property, plant and equipment, refer note 2.34.

***Capital work in progress (CWIP) Ageing Schedule**

As at March 31, 2022

	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	**89**	**17**	**1**	**-**	**107**
Projects temporarily suspended	-	-	-	-	-
Total	**89**	**17**	**1**	**-**	**107**

As at March 31, 2021

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	27	2	0	0	29
Projects temporarily suspended	-	-	-	-	-
Total	27	2	0	0	29

S.R. BATLIBOI & CO. LLP NEW DELHI SRBC

2.1(b) Other Intangible assets and intangible assets under development

Particulars	Gross block				Accumulated amortisation				Net block
	Balance as at 1 April 2021	Additions	Disposals	Balance as at March 31, 2022	Balance as at 1 April 2021	Amortisation for the year	On disposals	Balance as at March 31, 2022	Balance as at March 31, 2022
	(a)	(b)	(c)	(d) = (a+b-c)	(e)	(f)	(g)	(h) = (e+f-g)	(i) = (d-h)
Computer Software	64	22	-	86	45	6	-	51	35
Total (A)	64	22	-	86	45	6	-	51	35
Intangible assets under development	4	18	22	(0)	-	-	-	-	(0)
Total (B)	4	18	22	(0)	-	-	-	-	(0)
Total (A+B)	68	40	22	86	45	6	-	51	35

2.1(b) Other Intangible assets and intangible assets under development

Particulars	Gross block				Accumulated amortisation				Net block
	Balance as at 1 April 2020	Additions	Disposals	Balance as at March 31, 2021	Balance as at 1 April 2020	Amortisation for the year	On disposals	Balance as at March 31, 2021	Balance as at March 31, 2021
	(a)	(b)	(c)	(d) = (a+b-c)	(e)	(f)	(g)	(h) = (e+f-g)	(i) = (d-h)
Computer Software	60	5	-	64	37	8	-	45	19
Total (A)	60	5	-	64	37	8	-	45	19
Intangible assets under development	-	9	5	4	-	-	-	-	4
Total (B)	-	9	5	4	-	-	-	-	4
Total (A+B)	60	14	5	68	37	8	-	45	23

2.1(c) Right of use assets*

Particulars	Gross block				Accumulated depreciation				Net block
	Balance as at 1 April 2021	Additions	Disposals / Others#	Balance as at March 31, 2022	Balance as at 1 April 2021	Amortisation for the year	On disposals / Others#	Balance as at March 31, 2022	Balance as at March 31, 2022
	(a)	(b)	(c)	(d) = (a+b-c)	(e)	(f)	(g)	(h) = (e+f-g)	(j) = (d-h)
Leasehold land	154	92	68	178	110	12	61	61	117
Total (A)	154	92	68	178	110	12	61	61	117

refer to note 2.21

2.1(c) Right of use assets

Particulars	Gross block				Accumulated depreciation				Net block
	Balance as at 1 April 2020	Additions	Disposals	Balance as at March 31, 2021	Balance as at 1 April 2020	Amortisation for the year	On disposals	Balance as at March 31, 2021	Balance as at March 31, 2021
	(a)	(b)	(c)	(d) = (a+b-c)	(e)	(f)	(g)	(h) = (e+f-g)	(i) = (d-h)
Leasehold land	154	-	-	154	99	11	-	110	44
Total (A)	154	-	-	154	99	11	-	110	44

* Also refer note no. 2.14

2.1(d) Depreciation/ Amortisation expense

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation on property, plant and equipment	135	137
Amortisation of intangible assets	6	8
Depreciation on right of use assets	12	11
Total	**153**	**156**

2.2 - Other financial assets

Particulars	Non-current	
	As at March 31, 2022	As at March 31, 2021
Unsecured and considered good, unless otherwise stated		
Balances with banks		
Deposits due to mature after 12 months from the reporting date	**20**	-
Security deposits		
to related party	**6**	5
to others	**4**	5
Total	**30**	10

2.3 - Other non-current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Capital advances	**6**	8
Prepaid expenses	**1**	-
Total	**7**	8

2.4 - Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials (including packing materials)	**435**	344
Work-in-progress	**82**	63
Finished goods (including goods in transits of Rs 56 million, prevoius year Rs 68 million)	**77**	88
Stores and spares	**1**	2
Total	**595**	497

(i) Amount disclosed is net of provision for inventory in respect of:

Raw materials (including packing materials) Rs 26 million (Previous year: NIL)
Work-in-progress Rs 3 million (Previous year: NIL)
Finished goods Rs 1 million (Previous year: NIL)
Stores and spares Rs 0 million (Previous year: NIL)

2.5 - Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables (unsecured, considered good)		
from other than related parties	**1,081**	916
from related parties (refer note 2 39)	**49**	57
Total	**1,130**	973

Trade receivables Ageing Schedule
As at March 31, 2022

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	**1010**	**102**	**15**	**1**	**0**	**2**	**1,130**
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**1,010**	**102**	**15**	**1**	**0**	**2**	**1,130**

As at March 31, 2021

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	903	62	3	1	3	2	973
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	903	62	3	1	3	2	973

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

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

SRBC

2.6 - Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- Deposits with original maturity of 3 months or less	**110**	421
- On current accounts	**18**	43
- Other bank balances (EEFC Accounts)	**11**	-
Total	**139**	464

2.7 - Other bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits due to mature within 12 months of the reporting date	**682**	349
Total	**682**	349

Changes in liabilities arising from financing activities

Particulars	As at March 31, 2021	Accretion of interest	Repayments	Additions	As at March 31, 2022
Lease liabilities	**124**	**13**	**(30)**	**81**	**188**
Total liabilities from financing activities	**124**	**13**	**(30)**	**81**	**188**

Particulars	As at March 31, 2020	Accretion of interest	Repayments	Additions	As at March 31, 2021
Lease liabilities	138	14	(12)	(16)	124
Total liabilities from financing activities	138	14	(12)	(16)	124

Breakup of financial asset carried at amortised cost

	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Trade receivables (refer note 2.5)	-	-	**1,130**	973
Cash and cash equivalents (refer note 2.6)	-	-	**139**	464
Other bank balances (refer note 2.7)	-	-	**682**	349
Other financial assets (refer note 2.2 and 2.8)	**30**	10	**20**	19
	30	**10**	**1,971**	**1,805**

2.8 - Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Security deposits	**1**	2
Interest accrued on fixed deposits	**16**	13
Loans to employees	**3**	2
Others	-	2
Total	**20**	19

2.9 - Other current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with government authorities	**59**	64
Prepaid expenses	**4**	3
Advances to suppliers	**48**	13
Unbilled revenue	**67**	-
Income tax paid under protest	**1**	-
Total	**179**	80

S.R. BATLIBOI & CO. LLP NEW DELHI SRBC

2.10 Share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
12,000,000 (March 31, 2021: 12,000,000) equity shares of ₹ 10 each	120	120
	120	120
Issued, subscribed and fully paid- up		
11,900,000 (March 31, 2021: 11,900,000) equity shares of ₹ 10 each	119	119
	119	119

A. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in India 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 amounts, in proportion to their shareholding.

B. Reconciliation of issued share capital outstanding as at the beginning and at the end of the year

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	(₹ in million)	Number of shares	(₹ in million)
Balance as at the beginning of the year	1,19,00,000	119	1,19,00,000	119
Balance as at the end of the year	1,19,00,000	119	1,19,00,000	119

C. Shares held by holding company

	As at March 31, 2022		As at March 31, 2021	
	% of holdings	Number of shares held	% of holdings	Number of shares held
(i) Minda Corporation Limited	100.00%	1,18,99,995	51.00%	60,68,995
(ii) Stoneridge Inc.	0.00%	-	49.00%	58,31,000
		1,18,99,995		1,18,99,995

D. Details of shares held by promoters

	As at March 31, 2022				
Promoters	No. of shares at the beginning of the year	Change during the year (no. of shares)	No. of shares at the end of the year	% of Total Shares	% change during the year
(i) Minda Corporation Limited	60,68,995	58,31,000	1,18,99,995	100%	49%
(ii) Stoneridge Inc.	58,31,000	(58,31,000)	-	0%	-49%
	1,18,99,995	-	1,18,99,995		

	As at March 31, 2021				
Promoters	No. of shares at the beginning of the year	Change during the year (no. of shares)	No. of shares at the end of the year	% of Total Shares	% change during the year
(i) Minda Corporation Limited	60,68,995	-	60,68,995	51%	0%
(ii) Stoneridge Inc.	58,31,000	-	58,31,000	49%	0%
	1,18,99,995	-	1,18,99,995	100%	

E. Details of shareholders holding more than 5% of the aggregate shares in the Company

Name of shareholders	As at March 31, 2022		As at March 31, 2021	
	% of holdings	Number of shares held	% of holdings	Number of shares held
(i) Minda Corporation Limited*	100.00%	1,18,99,995	51.00%	60,68,995
(ii) Stoneridge Inc.	0.00%	-	49.00%	58,31,000
		1,18,99,995		1,18,99,995

*excluding 5 equity shares held with nominee shareholders

F. There are no shares issued under the Employee Stock Option Plan or by way of bonus shares or pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding the balance sheet date.

G. There are no shares which are bought back by the Company during the period of five years immediately preceding the balance sheet date.

2.11 Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Other equity		
Capital reserve**		
Balance as at the beginning of the year	2	2
Balance as at the end of the year	2	2
Securities premium account*		
Balance as at the beginning of the year	40	40
Balance as at the end of the year	40	40
Retained earnings		
Balance as at the beginning of the year	1,772	1,506
Interim dividend paid	(131)	-
Transferred from other comprehensive income	1	1
Net profit for the year	303	265
Balance as at the end of the year	1,945	1,772
Other comprehensive income - Remeasurement of defined benefit obligation, net #		
Balance as at the beginning of the year	-	-
Add: Remeasurement of defined benefit obligation	1	1
Less: Transferred to retained earnings	(1)	(1)
Balance as at the end of the year	-	-
Total	1,987	1,814

Nature and purpose of other equity

*** Securities premium reserve**

The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

**** Capital reserve**

Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently.

 # Remeasurements of defined benefit obligation

Remeasurements of defined benefit obligation comprises actuarial gains and losses and return on plan assets.

----------This space has been intentionally left blank----------

2.12 Income tax and deferred tax

A. Amounts recognised in profit or loss section

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
Current tax	**114**	90
Deferred tax		
Origination and reversal of temporary differences	**(11)**	(11)
Income tax expense reported in profit or loss section	**103**	**79**

B. Amounts recognised in Other Comprehensive Income section

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
Income tax charges to other comprehensive income	**(0)**	(1)
	(0)	**(1)**

C. Reconciliation of effective tax rate

Reconciliation of tax expense and the accounting profit/ (loss) multiplied by India's domestic tax rate for the year ended March 31, 2022 and March 31, 2021:

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Rate	Amount	Rate	Amount
Profit before tax		**406**		344
Tax using the Company's domestic tax rate	**25.17%**	**102**	25.17%	87
Tax effect of:				
Non-deductible expenses	**0.25%**	**1**	0.87%	3
Tax adjustment for earlier years	**0.00%**	**-**	-3.20%	(11)
Effective tax	**25.41%**	**103**	22.84%	79

D. Deferred tax Asset (Net)

Particulars	Balance sheet		Statement of profit and loss	
	As at March 31, 2022	As at March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Deferred tax liabilities (gross)				
Difference in book written down value and tax written down value of property, plant and equipment	**(11)**	(25)	**14**	27
	(11)	(25)	**14**	27
Deferred tax assets (gross)				
Impact of Ind AS 116	**18**	20	**(2)**	(8)
Provision for warranty	**5**	5	**(0)**	(4)
Gratuity	**3**	3	**0**	-
Leave encashment	**1**	1	**(0)**	(1)
Bonus	**1**	2	**(1)**	(1)
Others	**(0)**	1	**(1)**	(2)
	28	32	**(3)**	(16)
Deferred tax expense			**11**	11
Net deferred tax Asset	**17**	7		

Note: The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority

2.13 Non-current provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (refer note 2.40)		
Gratuity	**13**	10
Compensated absences	**-**	5
	13	15
Other provisions		
Provision for warranties (refer note 2.13.1)	**1**	2
Total	**1**	2

2.13.1 Movement in warranty cost provision

The Company warrants that its products will perform in all material respects in accordance with the Company's standard specifications for the warranty period. Accordingly based on specific warranties and claims history, the Company provides for warranty claims. The activity in the provision for warranty costs is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**22**	27
Provided during the year	**15**	(4)
Utilised during the year	**(2)**	(1)
Provision reversal during the year	**(16)**	-
Balance at the end of the year	**19**	22
Current portion	**18**	20
Non- current portion	**1**	2

2.14 Leases

As a Lessee

The Company's lease assets primarily consist of leases of buildings of various lease terms.

The Company has adopted Ind AS 116 'Leases' with the date of initial application being 1 April 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance.

The Company also has certain leases with lease terms of 12 months or less and leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The Company has discounted lease payments using the applicable incremental borrowing rate which is 9.5% to 10% for measuring the lease liability.

Information about leases for which the Company is a lessee is presented below:

Right-of-use assets	As at March 31, 2022	As at March 31, 2021
Buildings		
Gross block as at the beginning of the year	**154**	154
Additions	**92**	-
Disposals / others (also refer to note 2.21)	**(68)**	-
Gross block as at the end of the year	**178**	154
Accumulated depreciation as at the beginning of the year	**110**	99
Depreciation charge for the year	**12**	11
On disposals / others	**(61)**	-
Accumulated depreciation as at the end of the year	**61**	110
Net block	**117**	44

Lease liabilities	As at March 31, 2022	As at March 31, 2021
Opening Balance	**124**	138
Addition	**92**	-
Disposals / others (also refer to note 2.21)	**(11)**	-
Add: Finance cost	**13**	14
Less: Repayment	**30**	28
Closing Balance	**188**	124
Current	**14**	18
Non-current	**174**	106

Amounts recognised in Statement of Profit and Loss	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on lease liabilities	**13**	14
Depreciation expense	**12**	11
Expenses relating to short-term leases and leases of low-value assets	**14**	14

Amounts recognised in Cash Flow Statement	For the year ended March 31, 2022	For the year ended March 31, 2021
Repayment of lease liabilities	**17**	14
Interest paid on lease liabilities	**13**	14
Total	**30**	**28**

(i) The maturity analysis of lease liabilities are disclosed in Note 2.30

(ii) Extension and termination options
Extension and termination options are included in property lease agreements. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. Extension and termination options held are exercisable only by the Company and not by the lessor. Extension options have not been included in the lease term as exercising this option is currently not reasonably certain.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Company.

(iii) Covid-19 impact
Most of the leases entered by the Company are long term in nature and the underlying leased properties are being used as manufacturing plants. The Company doesn't foresee any major changes in lease terms or the leases in the foreseeable future as per current business projections after considering the impact of COVID-19.

----------This space has been intentionally left blank----------

2.15 Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (refer note 2.15.1)	**112**	220
- total outstanding dues of creditors other than micro enterprises and small enterprises *	**997**	682
Total	**1,109**	902

* including Rs.22 million (previous year Rs.21 million) payable to related parties (Refer note 2.39)

Trade payables Ageing Schedule
As at March 31, 2022

	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	**81**	**31**	-	-	-	**112**
Total outstanding dues of creditors other than micro enterprises and small enterprises	**54**	**521**	**420**	**0**	**1**	**1**	**997**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**54**	**602**	**451**	**0**	**1**	**1**	**1,109**

As at March 31, 2021

	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	150	66	1	-	1	**218**
Total outstanding dues of creditors other than micro enterprises and small enterprises	72	572	38	-	2	0	**684**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**72**	**722**	**104**	**1**	**2**	**1**	**902**

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

Particulars	As at March 31, 2022	As at March 31, 2021
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	**112**	220
Interest due on above		
	112	220
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	**3**	2
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
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	-	-

2.16 Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Payable to employees	**48**	50
Capital creditors	**25**	13
Total	**73**	63

Break up of financial liabilities carried at amortised cost

	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	**As at March 31, 2022**	As at March 31, 2021
Lease liabilities (refer note 2.14)	**174**	106	**14**	18
Trade payables (refer note 2.15)	-	-	**1,109**	902
Other financial liabilities (refer note 2.16)	-	-	**73**	63
	174	106	**1,196**	**983**

2.17 Other current liabilities

Particulars	**As at March 31, 2022**	As at March 31, 2021
Statutory dues payable	**56**	13
Advances from customers	**16**	21
Other liabilities	**14**	-
Total	**86**	34

2.18 Provisions

Particulars	**As at March 31, 2022**	As at March 31, 2021
Current		
Provision for employee benefits (refer note 2.40)		
-Gratuity	**1**	-
-Compensated absences	**3**	-
Others		
-Provision for warranties (refer note 2.13.1)	**18**	20
Total	**22**	20

2.19 Current tax liabilities

Particulars	**As at March 31, 2022**	As at March 31, 2021
Provision for income tax (net of advance tax)	**8**	7
Total	**8**	7

This space has been intentionally left blank

SRBC

2.20 Revenue from operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of products		
- Manufactured goods	4,779	3,793
Other operating revenues		
- Technical know-how and service income	55	79
- Sale of scrap	4	4
- Exchange fluctuation (net)	-	5
- Export incentives	7	15
Other operating revenues	66	103
Total	4,845	3,895

2.21 Other income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on fixed deposits	32	40
Provision/ liabilities no longer required written back	2	16
Excess lease liability written back	5	-
Miscellaneous income	3	6
Total	42	62

2.22 Cost of raw materials consumed

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Raw materials consumed		
Opening stock	344	229
Add: Purchases during the year	3,549	2,723
	3,893	2,952
Less: Closing stock	435	344
	3,458	2,609

2.23 Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Finished goods		
Opening stock	88	114
Less: Closing stock	77	88
	11	26
Work-in-progress		
Opening stock	63	85
Less: Closing stock	82	63
	(19)	22
	(8)	48

S.R. BATLIBOI & CO. LLP
SRBC
NEW DELHI

2.24 Employee benefits expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages, bonus and allowances	446	394
Contribution to provident fund and other funds	24	21
Gratuity benefit plan (refer note 2.40)	8	8
Staff welfare expenses	23	12
Total	501	435

2.25 Finance Costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on lease liabilities	13	13
Interest expenses-others	4	3
Other borrowing costs	-	1
Total	17	17

2.26 Other Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Jobwork charges	6	1
Consumption of stores and spare parts and packing materials	47	71
Power and fuel (net of recovery)	33	28
Rental charges	14	14
Repair and maintenance		
- Plant and machinery	17	6
- Building	6	6
- Others	14	7
Travelling and convevance	4	2
Legal and professional fees	58	56
Auditor's Remuneration*	2	2
Communication expenses	2	2
Management fees	63	56
Insurance expenses	7	6
Rates and taxes	1	1
Exchange fluctuation (net)	6	-
Loss on sale/discard of property, plant and equipment (net)	2	2
Freight and forwarding expenses	30	43
Corporate Social Responsibility (refer to note 2.37)	7	7
Design and development expenses	22	8
Miscellaneous	19	30
Total	360	348

*** Auditors' remuneration (excluding GST)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Statutory audit	2	2
Others	-	-
Total	2	2

2.27 Earnings per share

Basic and diluted earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

Particulars	Units	For the year ended March 31, 2022	For the year ended March 31, 2022
Net profit after tax attributable to equity shareholders	Rs.	303	265
Number of weighted average equity share of ₹ 10 each :			
Number of share at the end of the year	No.	1,19,00,000	1,19,00,000
Basic and diluted earning per equity share of face value of ₹ 10 each	Rs.	25.46	22.27

2.28 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, 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 assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

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

Assessment of lease term:

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

Revenue from contracts with customers

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

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

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

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

Estimates and assumptions

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

Property, plant and equipment

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

Intangible assets

The useful lives and residual values of intangible assets are determined by the management based on technical assessment by the management.

Taxes

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

Gratuity benefit

The cost of defined benefit plans (i.e. Gratuity benefit) 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 the country. Future salary increases and pension increases are based on expected future inflation rates for the country. Further details about the assumptions used, including a sensitivity analysis, are given in note 2.30.

Impairment of financial assets

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

Lease incremental borrowing rate

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

2.29 Fair values and Fair value hierarchy

Fair values

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

Particulars	Method of Fair Value	Carrying Value		Fair value	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets					
Non-current					
(i) Other financial Asset	Amortised Cost	**30**	10	**30**	10
Current					
(i) Trade receivables	Amortised Cost	**1,130**	973	**1,130**	973
(ii) Cash and cash equivalents	Amortised Cost	**139**	464	**139**	464
(iii) Other bank balances	Amortised Cost	**682**	349	**682**	349
(iv) Other financial assets	Amortised Cost	**20**	19	**20**	19
Total	-	**2,001**	1,815	**2,001**	1,815
Financial liabilities					
Non-current					
(i) Lease liabilities	Amortised Cost	**174**	106	**174**	106
Current					
(i) Lease liabilities	Amortised Cost	**14**	18	**14**	18
(ii) Trade payables	Amortised Cost	**1,109**	902	**1,109**	902
(iii) Other financial liabilities	Amortised Cost	**73**	63	**73**	63
Total		**1,370**	1,089	**1,370**	1,089

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of non-current financial assets and financial liabilities are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used do not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.

Fair value hierarchy

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

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.
Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2022 and March 31, 2021:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets carried at Amortised Cost for which fair value are disclosed					
Other Financial Asset - Non Current	**March 31, 2022**	**30**	-	-	**30**
	March 31, 2021	10	-	-	10
Trade receivables	**March 31, 2022**	**1,130**	-	-	**1,130**
	March 31, 2021	973	-	-	973
Cash and cash equivalents	**March 31, 2022**	**139**	-	-	**139**
	March 31, 2021	464	-	-	464
Other bank balances	**March 31, 2022**	**682**	-	-	**682**
	March 31, 2021	349	-	-	349
Other financial assets - Current	**March 31, 2022**	**20**	-	-	**20**
	March 31, 2021	19	-	-	19

There have been no transfers between Level 1 and Level 2 during the period.

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2022 and March 31, 2021:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets carried at Amortised Cost for which fair value are disclosed					
Lease liabilities - Non Current	**March 31, 2022**	**174**	-	-	**174**
	March 31, 2021	106	-	-	106
Lease liabilities - Current	**March 31, 2022**	**14**	-	-	**14**
	March 31, 2021	18	-	-	18
Trade payables	**March 31, 2022**	**1,109**	-	-	**1,109**
	March 31, 2021	902	-	-	902
Other financial liabilities	**March 31, 2022**	**73**	-	-	**73**
	March 31, 2021	63	-	-	63

There have been no transfers between Level 1 and Level 2 during the period.

2.30 Financial risk management objectives and policies

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks.

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors have authorised senior management to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risks limits and controls, to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company manages its credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet:

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	**1,130**	973
Cash and cash equivalents	**139**	464
Other bank balances	**682**	349
Other financial assets	**50**	29

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, and arises principally from the Company's receivables from its customers.

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are unsecured and are derived from revenue earned from customers primarily located in India. The Company does monitor the economic environment in which it operates.

As per Ind AS 109, the Company uses Expected Credit Loss (ECL) model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as Company's historical experience for customers. The reversal for lifetime expected credit loss on customer balances for the year ended March 31, 2022 and March 31, 2021 was ₹ Nil.

Movement in the loss allowance in respect of trade receivables:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	-	-
Impairment loss recognised / (reversed)	-	-
Amount written off	-	-
Balance at the end of the year	-	-

2.30 Financial risk management (continued)

a) Expected credit loss for loans and security deposits under general approach

As at March 31, 2022

Particulars		Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	Loans to employee	3	0%	-	3
		Security Deposits	11	0%	-	11
Loss allowance measured at life-time expected credit loss	Financial assets for which credit risk has increased significantly and not credit	NA	NA	NA	NA	NA
	Financial assets for which credit risk has increased significantly and credit	NA	NA	NA	NA	NA

As at March 31, 2021

Particulars		Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	Loans to employee	2	0%	-	2
		Security Deposits	12	0%	-	12
Loss allowance measured at life-time expected credit loss	Financial assets for which credit risk has increased significantly and not credit -impaired	NA	NA	NA	NA	NA
	Financial assets for which credit risk has increased significantly and credit -impaired	NA	NA	NA	NA	NA

b) Expected credit loss for trade receivables under simplified approach

The Company's exposure to credit risk for trade receivables is as follows:

		Trade receivables						
		Current (not past due)	1 to 30 days past due	31 to 60 days past due	61 to 90 days past due	91 to 180 days past due	More than 180 days past due	Total
ECL rate		0%	0%	0%	0%	0%	0%	
March 31, 2022	**Estimated total gross carrying amount at default**	**1,010**	**56**	**6**	**24**	**16**	**18**	**1,130**
	ECL - simplified approach	-	-	-	-	-	-	-
	Net carrying amount	**1,010**	**56**	**6**	**24**	**16**	**18**	**1,130**
March 31, 2021	Estimated total gross carrying amount at default	903	31	6	17	8	8	973
	ECL - simplified approach	-	-	-	-	-	-	-
	Net carrying amount	903	31	6	17	8	8	973

The Company believes that the unimpaired amounts are still collectible in full, based on historical payment behaviour.

2.30 Financial risk management (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent of Rs 821 millions as at March 31, 2022 (March 31, 2021 of Rs 813 millions), anticipated future internally generated funds from operations, and its fully available, revolving undrawn credit facility will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Company believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.

I. Financing arrangements
The Company had access to undrawn borrowing facilities of Rs 150 million (March 31, 2021 of Rs 230 million) at the end of the reporting period.

II. Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

As at March 31, 2022	**Carrying amount**	**Contractual cash flows**					
		6 months or less	**6-12 months**	**1–2 years**	**2–5 years**	**More than 5 years**	**Total**
Non-current liabilities							
Lease liabilities	**174**	-	-	**34**	**85**	**149**	**268**
Current liabilities							
Lease liabilities	**14**	**16**	**16**	-	-	-	**32**
Trade payables	**1,109**	**1,049**	**58**	-	**2**	-	**1,109**
Other financial liabilities	**73**	**73**	-	-	-	-	**73**
Total	**1,370**	**1,138**	**74**	**34**	**87**	**149**	**1,482**

As at March 31, 2021	Carrying amount	Contractual cash flows					
		6 months or less	6-12 months	1–2 years	2–5 years	More than 5 years	Total
Non-current liabilities							
Lease liabilities	106	-	-	18	48	95	161
Current liabilities							
Lease liabilities	18	18	8	-	-	-	26
Trade payables	902	876	22	4	-	-	902
Other financial liabilities	63	63	-	-	-	-	63
Total	1,089	957	30	22	48	95	1,152

S.R. BATLIBOI & CO. LLP
SRBC
NEW DELHI

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest risk

Since the Company has not taken any borrowings from any bank/ financial institution during the year or at the year ended, interest risk is not applicable.

Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk, as expressed in Indian Rupees, as at March 31, 2022 and March 31, 2021 are as below:

As at March 31, 2022	**As at March 31, 2022**			
	USD	**EURO**	**JPY**	**CHF**
Financial assets				
Trade receivables	**160**	**17**	-	-
Exchange earners foreign currency (EEFC) account	**682**	-	-	-
Financial liabilities				
Trade payables	**350**	**5**	**7**	-

As at March 31, 2021	As at March 31, 2021			
	USD	EURO	JPY	CHF
Financial assets				
Trade receivables	152	16	-	-
Exchange earners foreign currency (EEFC) account	-	-	-	-
Financial liabilities				
Trade payables	286	2	7	4

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at March 31, 2022 (previous year ended as on March 31, 2021) would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	**Effect of profit before tax**	
	Strengthening	**Weakening**
1% depreciation / appreciation in Indian Rupees against following foreign currencies:		
For the year ended March 31, 2022		
USD	**(5)**	**5**
EUR	**(0)**	**0**
JPY	**0**	**(0)**
CHF	-	-
	(5)	**5**
For the year ended March 31, 2021		
USD	1	(1)
EUR	(0)	0
JPY	0	(0)
CHF	0	(0)
	1	(1)

USD: United States Dollar, EUR: Euro, JPY: Japanese Yen, CHF: Swiss Franc

Commodity price risk

As the Company is not engaged in business of commodities which are traded in recognised commodity exchanges, commodity risk is not applicable.

Equity price risk

Since the Company has not made any investment in any listed/unlisted securities during the year or at the year end, equity price risk is not applicable.

S.R. BATLIBOI & CO. LLP NEW DELHI SRBC

2.31 Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares or pay dividends.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts (including lease liabilities) divided by total capital (equity plus interest-bearing debts).

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities	**188**	124
Less : Cash and cash equivalents	**(139)**	(464)
Net debt	**49**	(340)
Equity	**2,106**	1,933
Total capital	**2,106**	1,933
Capital and net debt	**2,155**	1,593
Gearing ratio	**2%**	-18%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

2.32 Research and development expenses

The amount of research and development expenditure recognised as an expense during the year ended March 31, 2022 is Rs. 140 million (March 31, 2021: Rs. 116 million). Capital expenditure incurred on approved Research and Development center during the year ended March 31, 2022 is Rs. 29 million (March 31, 2021: Rs. 8 million).

2.33 Segment information

As per Ind-AS 108, Operating segments have been defined based on the regular review by the Company's Chief Operating Decision Maker to assess the performance of each segment and to make decision about allocation of resources. The Company's business activities fall within single primary business segment, viz, manufacturing of automobile components and parts thereof. Accordingly, disclosures under Ind AS 108, Operating Segments are not required to be made.

Information about geographical segments
Details of revenue from operation at year end, property, plant and equipment and intangible assets are as follows:

Location	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operation		
Domestic	**4,293**	3,449
Overseas :		
Outside India	**552**	446
Asia (excluding domestic)	**161**	150
America	**341**	240
Europe	**50**	56
Total	**4,845**	**3,895**

Carrying amount of assets

Location	As at March 31, 2022	As at March 31, 2021
Domestic	**3,429**	2,933
Asia (excluding domestic)	**68**	61
America	**92**	90
Europe	**17**	16
Total	**3,606**	3,100

Additions of Property, plant and equipment and intangible assets (including capital work in progress)

Location	For the year ended March 31, 2022	For the year ended March 31, 2021
Domestic		
- Property, plant and equipment (including captial work in progress)	**168**	78
- Intangible fixed assets (including intangible assets under development)	**18**	9
Total	**186**	87

The revenue information above is based on the locations of the customers.

2.34 Capital and other commitments

Capital Commitments : Estimated amount of contracts remaining to be executed on capital account and not provided for Rs 103 million (net of advances) (March 31, 2021: Rs 29 million)

2.35 Contingent Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the Company disputed by the Company not acknowledged as debt:		
a) Value Added Tax/ Central Sales Tax FY 15-16 to FY 17-18	**161**	76
b) Bonus payable for financial year 2014-15 as per payment of Bonus Act, 1965	**1**	1
c) Income tax AY 10-11, AY 18-19 & AY 20-21	**28**	12

a. Pursuant to judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages for the purpose of provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies and accordingly, the Company has not estimated the impact of the same till March 2019.
Owing to the aforesaid uncertainty and pending clarification from the authority in this regard, the Company has not recognised any provision till March 2019. Further management also believes that the impact of the same on the Company will not be material.

b. Additionally, the Company is involved in other disputes, lawsuits, claims, governmental and/ or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business.

The Company believes that none of above matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements.

Direct tax related cases

1.) With respect to assessment year 2010-11, the income tax authorities have increased the taxable income of the Company by Rs 49 million (March 31, 2021: Rs 49 million) on account of disallowance of deduction of capital expenditure on scientific research and development and other adjustments. Tax impact of the same is Rs 17 million (March 31, 2021: Rs 17 million). The Company has received the favourable order from ITAT. The department has gone for further appeal with Hon'ble Delhi High Court and based on the discussion with the legal counsel is confident of favourable outcome.

2.) With respect to assessment year 2018-2019, the income tax authorities have increased the taxable income of the Company by Rs 12 million (March 31, 2021: Nil) on account of transfer pricing adjustments. Tax impact of the same is Rs 7 million (March 31, 2021: Nil) against which Company has deposited Rs 1 million (March 31, 2021:Nil). The Company has preferred an appeal with Commissioner of Income Tax (Appeals) and based on the discussion with the legal counsel is confident of favourable outcome.

3) With respect to assessment year 2020-21, the income tax authorities have increased the taxable income of the Company by Rs 9 million on account of disallowance of certain professional expenses of the Company which has a tax Impact of Rs 4 million. The Company has preferred an appeal with Commissioner of Income Tax (Appeals) and based on the discussion with the legal counsel is confident of favourable outcome.

Indirect tax related cases

1.) Matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2015-2016. Demand has been raised for non-submission of statutory forms and other adjustments. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved is Rs 63 million (March 31, 2021: Nil) against which Company has deposited Rs 6 million (March 31, 2021: Nil).

2.) Matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2015-2016 for disallowance of input tax credit. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved is Rs 14 million (March 31, 2021: Nil) against which Company has deposited Rs 1 million (March 31, 2021:Nil).

3.) Matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2016-17 Demand has been raised for non -submission of statutory forms and other adjustments. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs 65 million (March 31, 2021: Rs 65 million) against which Company has deposited Rs 2 million (March 31, 2021:Nil)

4.) Matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2016-2017 for disallowance of input tax credit. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved is Rs 11 million (March 31, 2021: Rs 11 million) against which Company has deposited Rs 1 million (March 31, 2021: Nil).

5.) Matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2017-18 for disallowance of input tax credit. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved is Rs 8 million against which Company has deposited Rs 1 million.

2.36 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.

2.37 Corporate social responsibility

As per Section 135 of the Companies Act, 2013, the Company needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR Committee has been formed by the Company as per the Act.

Details of CSR Expenditure:	**As at March 31, 2022**	**As at March 31, 2021**
a) Gross amount required to be spent by the Company during the year	7	7
b) Amount approved by the Board to be spent during the year	7	7

Particulars	**In Cash ***	**Yet to be paid in Cash**	**Total**
c) Amount spent during the year ending on March 31, 2022	7	-	7
i) Construction/acquisition of any asset	-	-	-
ii) On purpose other than (i) above in cash	-	-	-

Particulars	In Cash *	Yet to be paid in Cash	Total
c) Amount spent during the year ending on March 31, 2021	7	-	7
i) Construction/acquisition of any asset	-	-	-
ii) On purpose other than (i) above in cash	-	-	-

	For the year ended March 31, 2022	For the year ended March 31, 2021
d) Details related to spent/unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	7	7
iii) Unspent amount in relation to:	-	-
Ongoing Project	-	-
Other Than Ongoing Project	-	-

2.38 Owing to outbreak of COVID 19 pandemic and resultant restrictions and conditions, the operations of the Company were slightly impacted during the beginning of the year. The carrying value of the assets mainly includes Property, Plant and Equipment, Right of use assets, Balances with Government authorities, Inventories, Trade receivables, Cash and Bank Balances, security deposits and advances given to suppliers where the Company has considered the possible effects that may result from the pandemic relating to COVID-19 and has made detailed assessment of its liquidity position and of the recoverability and carrying values of these assets as at March 31, 2022. Based on this evaluation and the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets and does not anticipate any impairment to these financial and non financial assets. However, the Company will continue to closely monitor any material changes to future economic conditions.

2.39 Related party transactions, as required by Ind AS 24, "Related party disclosures" are given below

A) Related parties and nature of related party relationship with whom transactions have taken place during the year

Description of relationship	Names of related parties
Joint Venturers (JV) Partners	Minda Corporation Limited (MCL) (Upto 31.12.2021) Stoneridge Inc. (SI) (Upto 31.12.2021)
Holding Company	Minda Corporation Limited (MCL) (w.e.f 01.01.2022)
Entity over which JV Partner (SI) has significant influence	Stoneridge Asia Pacific Electronics (Suzhou) Co. Ltd (Upto 31.12.2021)
Entity over which JV Partner (MCL) or Key Managerial Personnel and their relatives, its holding company or Key Managerial Personnel and their relatives, are able to exercise significant influence	PT Minda Automotive Trading (PTM) Minda Capital Private Limited (MCAPL)
Key Management Personnel (KMP)	Mr. Ajay Kumar Choudhary, Chief Financial Officer Mr. Chaitanya Mundra, Company Secretary (upto 30.06.2021) Mrs. Yogini Gokhale, Company Secretary (w.e.f 01.07.2021 upto 31.03.2022)

B) Other Key Managerial Personnel with whom no transactions have taken place during the year

Key Management Personnel (KMP)	Mr. Ashok Minda, Director Mr. Mr. Biranchi Mohapatra, Managing Director (w.e.f 24.03.2022) Mr. Shashi Shekhar Sharma, Chief Executive Office (Upto 31.12.2021)

B) Transactions during the year entered with related parties

Nature of transaction	Year	Minda Corporation Limited	Stoneridge Inc.	Stoneridge Asia Pacific	PT Minda Automotive	Minda Capital Limited	Mr. Ajay Kumar Choudhary	Mr. Chaitanya Mundra	Mrs. Yogini Gokhale
Sales of manufactured goods	**2021-22**	**194**	**155**	-	**19**	-	-	-	-
	2020-21	135	234	-	15	-	-	-	-
Sales of Services including job work income	**2021-22**	-	-	-	-	-	-	-	-
	2020-21	1	-	-	-	-	-	-	-
Purchases of goods	**2021-22**	**12**	**9**	**297**	-	-	-	-	-
	2020-21	10	5	341	-	-	-	-	-
Management fees paid	**2021-22**	**47**	**17**	-	-	-	-	-	-
	2020-21	37	25	-	-	-	-	-	-
Dividend paid	**2021-22**	**131**	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-	-
Rent paid	**2021-22**	**14**	-	-	-	**13**	-	-	-
	2020-21	-	-	-	-	12	-	-	-
Reimbursement of expenses (paid)	**2021-22**	**29**	**10**	-	-	**0**	-	-	-
	2020-21	39	17	0	-	1	-	-	-
Reimbursement of Japan office expenses (paid)	**2021-22**	**4**	-	-	-	-	-	-	-
	2020-21	4	-	-	-	-	-	-	-
Remuneration payable to Key Management Personnel	**2021-22**	-	-	-	-	-	**5**	**0**	**1**
	2020-21	-	-	-	-	-	4	1	-
Purchase of property, plant and equipment	**2021-22**	**1**	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-	-
Purchase of Services including job work	**2021-22**	-	-	-	-	-	-	-	-
	2020-21	1	-	-	-	-	-	-	-

C) Outstanding balances as at year end

Account head	Balance as on	Minda Corporation Limited	Minda Vietnam Automotive	Stoneridge Inc.	Stoneridge Asia Pacific	PT Minda Automotive	Minda Capital Limited	Total
Trade receivable	**March 31, 2022**	**46**	-	**0**	-	**3**	-	**49**
	March 31, 2021	28	-	70	-	8	-	**106**
Trade payables	**March 31, 2022**	**22**	-	-	-	-	-	**22**
	March 31, 2021	16	-	8	24	-	0	**49**
Security deposits	**March 31, 2022**	-	-	-	-	-	**5**	**5**
	March 31, 2021	-	-	-	-	-	5	5

Note :-

(i) The information disclosed is based on the names of the parties as identified by the management, which has been relied upon by the auditors.

(ii) The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2021: INR 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.

2.40 Employee benefits

a) Defined contribution plans

The Company's employee provident fund and employee's state insurance schemes are defined contribution plans. The following amounts have been recognised as expense for the year and shown under Employee benefits expense in note 2.24

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contribution towards		
-Provident fund	23	20
-Employee state insurance	1	1

b) Defined benefit plans Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity as a defined benefit plan. The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days salary (includes dearness allowance) last drawn for each completed year of service or part thereof in excess of six months . The same is payable on termination of service, or retirement, or death whichever is earlier. The benefits vest after five years of continuous service. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year after considering the amount lying in plan assets maintained with Life Insurance Corporation of India .

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Changes in the present value of the defined benefit obligation is as follows:		
Present value of defined benefit obligation at the beginning of the year	54	53
Interest cost	4	4
Current service cost	7	7
Benefits paid	(4)	(8)
Actuarial loss / (gain) on obligation	(1)	(2)
Present value of defined benefit obligation at the end of the year	60	54
Changes in the present value of the plan asset is as follows:		
Fair value of plan asset at the beginning of the year	44	41
Return on plan asset	3	3
Fund management charge	(2)	(0)
Contributions	1	-
Benefits paid	-	-
Fair value of plan asset at the end of the year	46	44
Net asset/(liability) recognised in balance sheet:		
Present value of defined benefit obligation at the end of the year	60	54
Fair value of plan asset at the end of the year	46	44
Net liability as at the close of the year	(14)	(10)
Non Current	(13)	(10)
Current	(1)	-
	(14)	(10)
Expenses recognized in the statement of profit and loss and other comprehensive income:		
Current service cost	7	7
Interest cost	4	4
Expected return on plan assets	(3)	(3)
Expenses recognized in the statement of profit and loss:	8	8
Remeasurements income recognised in other comprehensive income:		
Actuarial loss/(gain) loss on defined benefit obligation	(1)	(2)
Actuarial loss/(gain) loss on plan assets	-	-
Expenses recognised in other comprehensive income:	(1)	(2)

	As at March 31, 2022	As at March 31, 2021
Actuarial assumptions:		
Discount rate	7.18%	6.80%
Expected rate of return on plan assets	6.80%	6.80%
Expected salary increase rates	6.50%	6.50%
Mortality	100% of IALM 2012-14	100% of IALM 2012-14
Employee attrition rate		
-Up to 30 years of age	3.00%	3.00%
-From 31 years of age to 44 years of age	2.00%	2.00%
-Above 44 years of age	1.00%	1.00%

Note:

The estimates of future salary increases considered in the actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The discount rate is estimated based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligation.

2.40 Employee benefits (continued)

Sensitivity analysis:

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

	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50%)	(4)	4	(4)	4
Future salary growth (0.50%)	4	(4)	4	(4)

Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Maturity profile:
The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

	As at March 31, 2022	As at March 31, 2021
1 year	1	1
2 to 5 years	5	4
5 to 6 years	1	10
More than 6 years	53	39

c) Risk Exposure
Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

i) Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The plan assets are invested with an insurer.

ii) Changes in discount rate

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings.

iii) Inflation risks
In the plans, the payment are not linked to the inflation so this is a less material risk.

iv) Life expectancy

The plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The Company ensures that the investment positions are managed within an asset- liability matching (ALM) framework that has been developed to achieve long term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

----------This space has been intentionally left blank----------

2.41 Analytical Ratios

Ratio	Numerator	Denominator	31-03-2022	31-03-2021	% Change
Current ratio (times)	Current Assets	Current Liabilities	**2.09**	2.28	-8.33%
Debt- equity ratio (times)	Total Debt	Shareholder's Equity	**0.09**	0.06	38.95%
Debt service coverage ratio (times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	**15.47**	13.47	14.86%
Return on equity (%)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	**15.03%**	14.71%	2.13%
Inventory turnover ratio (times)	Cost of goods sold	Average Inventory	**6.32**	5.72	10.47%
Trade receivable turnover ratio (times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	**4.61**	4.68	-1.46%
Trade payable turnover ratio (times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	**3.53**	3.20	10.29%
Net capital turnover ratio (times)	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	**3.38**	2.91	16.17%
Net profit ratio (%)	Net Profit	Net sales = Total sales - sales return	**6.26%**	6.80%	-7.87%
Return on capital employed (%)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	**18.77%**	13.79%	36.06%
Return on investment (%)	Interest (Finance Income)	Investment	**NA**	NA	NA

Notes to Analytical Ratios
1. Debt represents borrowings including lease liabilities

Reasons for significant variances in above ratios (+/- 25%)

1. Debt- equity ratio - The increase is on account of increase in profit driven by recovery in operations post the Covid 19 pandemic impact.

2. Return on capital employed (%) - The increase is on account of increase in profit driven by recovery in operations post the Covid 19 pandemic impact.

2.42 Additional regulatory information required by Schedule III

(i) Details of benami property held
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) Wilful defaulter
The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationalship with struck off companies
The Company has no transaction with the companies struck off under Companies Act, 2013

(iv) Compliance with number of layers of companies
The Company has complied with number of layers prescriber under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

(v) Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Undisclosed income
There is no income surrendered or disclosed as income during the current year or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of accounts.

(vii) Details of crypto currency and virtual currency
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(viii) Valuation of Property plant and equipment, intangible asset and investment property
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.

(ix) Title deeds of immovable properties held in name of the company
All the title deeds of immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(x) Registration of charges and satisfaction of charge with Registrar of Companies
There are no charges or satisfaction of charges which are yet to be registered with the Registrar of Companies beyond statutory period.

(xi) 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.

(xii) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

2.44 Previous year financials have been audited by a firm of Chartered Accountants other than S.R. Batliboi & Co. LLP. Further, previous year figures have been regrouped / reclassified, where necessary, to confirm to this year's classification.

2.45 Standards notified but not yet effective

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

(i) 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 Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

(ii) 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.

(iii) Ind AS 109 Financial Instruments – Fees in the '10 percent' 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.

As per our report of even date attached

For S. R Batliboi & Co. LLP
Chartered Accountants
Firm registration number : 301003E/E300005

Amit Kumar Jain
Partner
Membership No.: 097214

Place: Delhi
Date: May 14, 2022

For and on behalf of the Board of Directors of
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)

Ashok Minda
Director
(DIN 00054727)

Place: Gurugram
Date: May 14, 2022

Biranchi Mohapatra
Managing Director
(DIN 06506472)

Place: Pune
Date: May 14, 2022

N.K. Modi
Director
(DIN 00089536)

Place: Gurugram
Date: May 14, 2022

Ajay Kumar Choudhary
Chief Financial Officer

Place: Pune
Date: May 14, 2022