INDEPENDENT AUDITOR'S REPORT

To the Members of Minda Infac Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Minda Infac Private 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 period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 loss including other comprehensive loss, its cash flows and the changes in equity for the period ended on that date.

Basis for Opinion

We conducted our audit of the 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 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 financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the 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 and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the "Annexure 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 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) This report does not include Report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls with reference to financial statements.

   (g) The provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2022.

S.R. BATLIBOI & CO. LLP

(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 does not have any pending litigations which would impact its financial position.

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

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(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. No dividend has been declared or paid during the period by the Company.

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

per Amit Kumar Jain
Partner
Membership Number: 097214
UDIN: 22097214AIYSRQ1656
Place of Signature:
Date: May 13, 2022

BATLIBOI & CO. LLP
DELHI

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

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 Infac Private Limited ('the Company')

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

i) a) A) The Company has not capitalized any Property, Plant and Equipment and accordingly, the requirement to report on clause 3(i)(a)(A) of the Order is not applicable to the Company.

B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.

b) The Company has not capitalized any Property, Plant and equipment and accordingly, the requirement to report on clause 3(i)(b) of the Order is not applicable to the Company.

c) There is no immovable property held by the Company and accordingly, the requirement to report on clause 3(i)(c) is not applicable to the Company.

d) The Company does not have any Property, Plant and Equipment (including Right of use assets) or intangible assets during the period ended March 31, 2022. Accordingly, the requirement to report under clause 3(d) is not applicable.

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

ii) a) The Company did not hold any inventory during the period as well as on March 31,2022 and accordingly, the requirement to report under clause 3(ii)(a) is not applicable to the Company.

b) As disclosed in note 24(viii) to the financial statements, the Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii) a) During the period, the Company has not provided loans, advances in the nature of loans, stood guarantee or security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

b) During the period, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) to 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 Section 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) Since the Company has not yet commenced commercial production, the requirements relating to report on clause 3(vi) of the Order are not applicable to the Company.

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

b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.

viii) Since, the Company has been registered for a period of less than one year, no tax assessments under the Income Tax Act, 1961 has been done. 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 period. 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 period 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 period 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) and 3(ix)(f) of the Order is not applicable to the Company.

x) a) The Company has not raised any money during the period 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 period 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 period.

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

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

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

xiii) Transactions with the related parties are in compliance with Section 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. The provisions of Section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to Section 177 of the Act is not applicable to the Company.

xiv) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) and 3(xiv)(b) and of the Order is not applicable to the Company.

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) of the Order is not applicable to the Company.

d) There are no other Companies as 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 incurred cash losses in the current financial period. The Company has been registered for a period of less than one year.

xviii) There has been no resignation of the statutory auditors during the period 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 23 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.

S.R. BATLIBOI & CO. LLP
NEW DELHI

xx) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and clause 3(xx)(b) of the Order is not applicable to the Company.

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

per Amit Kumar Jain
Partner
Membership Number: 097214
UDIN: 22097214AIYSRQ1656
Place of Signature:
Date: May 13, 2022

Minda Infac Private Limited
Balance Sheet as at March 31, 2022
(All amount in Rs lakhs, except as otherwise stated)

Particulars	Note	As at March 31, 2022
ASSETS		
Non-current assets		
Capital work-in-progress	3	337.27
Other non-current assets	4	28.02
		365.29
Current assets		
Financial assets		
Cash and cash equivalents	5	372.34
Other financial assets	6	59.10
		431.44
TOTAL		796.73
EQUITY AND LIABILITIES		
Equity		
Equity share capital	7	500
Other equity	8	(46.43)
Total equity		453.57
LIABILITIES		
Current liabilities		
Financial liabilities		
(i) Trade payables	9	
- Total dues of micro and small enterprises		-
- Total dues of creditors other than micro and small enterprises		51.62
Other financial liabilities	10	289.13
Other current liabilities	11	2.41
		343.16
TOTAL		796.73
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
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Amit Kumar Jain
Partner
Membership No. : 097214

Place : New Delhi
Date : 13/05/2022

S.R. BATLIBOI & CO. LLP NEW DELHI

For and on behalf of the Board of Directors of
Minda Infac Private Limited

Aakash Minda
Director
(DIN 06870774)

Place : Delhi
Date : 13/05/22

Soon Suk Kwon
Director
(DIN 08821054)

Place : Chennai
Date : 13/05/22

MINDA INFAC PRIVATE LIMITED Delhi

Minda Infac Private Limited
Statement of profit and loss for the period ended March 31, 2022
(All amount in Rs lakhs, except as otherwise stated)

Particulars	Note	For the period ended August 10, 2021 - March 31, 2022
Income		
Revenue from operations	12	-
Total Income		-
Expenses		
Employee benefit expense	13	11.47
Finance costs	14	4.24
Other expenses	15	11.34
Total expenses		27.05
Loss for the period		(27.05)
Other comprehensive income		-
Total comprehensive loss for the period		(27.05)
Earning per equity share of Rs. 10 per share	16	
Earning per share (Rs.) (Basic)		(88.53)
Earning per share (Rs.) (Diluted)		(88.53)
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
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Amit Kumar Jain
Partner
Membership No. : 097214

Place : New Delhi
Date : 13/05/2022

S.R. BATLIBOI & CO. LLP NEW DELHI

For and on behalf of the Board of Directors of
Minda Infac Private Limited

Aakash Minda
Director
(DIN 06870774)

Place : Delhi
Date : 13/05/22

Soon Suk Kwon
Director
(DIN 08821054)

Place : Chennai
Date : 13/05/22

MINDA INFAC PRIVATE LIMITED Delhi

Minda Infac Private Limited
Cash flow statement for the period ended March 31, 2022
(All amount in Rs lakhs, except as otherwise stated)

Particulars	For the period ended August 10, 2021 - March 31, 2022
A Cash flow from operating activities	
Loss before tax	(27.05)
Adjustments to reconcile loss before tax to net cash flows:	
Interest expense	4.24
Operating profit before working capital changes	(22.81)
Working capital adjustments:	
Increase in Other current assets	(59.10)
Increase in Trade payables	51.62
Increase in Other current liabilities	2.41
Cash flow from operating activities post working capital changes	(5.06)
Net Cash flows from operating activities (A)	(27.88)
B Cash flow from investing activities	
Purchase of capital work-in-progress (including capital advance)	(85.43)
Net cash used in investing activities (B)	(85.43)
C Cash flow from financing activities	
Share application money received	509.26
Share issue expenses	(19.37)
Interest paid	(4.24)
Net cash generated from financing activities (C)	485.65
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	372.34
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at end of the period	372.34
Components of cash and cash equivalent	
Balances with bank	
-On current account	372.34
	372.34

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
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Amit Kumar Jain
Partner
Membership No. : 097214

Place : New Delhi
Date : 13/05/2022

S.R. BATLIBOI & CO. LLP NEW DELHI

For and on behalf of the Board of Directors of
Minda Infac Private Limited

Aakash Minda
Director
(DIN 06870774)

Place : Delhi
Date : 13/05/22

Soon Suk Kwon
Director
(DIN 08821054)

Place : Chennai
Date : 13/05/22

MINDA INFAC PRIVATE LIMITED Delhi

Minda Infac Private Limited
Statement of Changes in Equity for the period ended March 31, 2022
(All amount in Rs lakhs, except as otherwise stated)

A. Equity share capital

Particulars	Amount
Equity shares issued during the period	500.00
Balance as at March 31, 2022	**500.00**

B. Other equity

Particulars	Other equity	Total
	Retained earnings	
Loss for the period	(27.05)	**(27.05)**
Share issue expense	(19.37)	**(19.37)**
Balance as at March 31, 2022	**(46.43)**	**(46.43)**

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
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Amit Kumar Jain
Partner
Membership No. : 097214

S.R. BATLIBOI & CO. LLP NEW DELHI

Place : New Delhi
Date : 13/05/2022

For and on behalf of the Board of Directors of
Minda Infac Private Limited

Aakash Minda
Director
(DIN 06870774)

Place : Delhi
Date : 13/05/22

Soon Suk Kwon
Director
(DIN 08821054)

Place : Chennai
Date : 13/05/22

MINDA INFAC PRIVATE LIMITED Delhi

1. Reporting entity

Minda Infac Private Limited (the 'Company') is a company domiciled in India, with its registered office situated at A-15, Phase -1 Ashok Vihar, Delhi - 110052. The principal place of business is Plot No E-5/2, MIDC, Chakan Industrial Area, Nanekerwadi, Taluka-Khed, Pune District, Pune, Maharashtra 410501. The Company has been incorporated on August 10, 2021, under the provisions of Indian Companies Act, 2013, as a joint venture between Minda Corporation Limited and Infac Elecs Co, Korea. The Company is primarily engaged in the business of manufacturing of Antenna for automotive industry.

The financial statements were authorized for issue in accordance with a resolution of Board of Directors on May 13, 2022.

2.A Basis of preparation of Financial Statement

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 requirement of Division II of schedule III to the Companies Act 2013 (Ind AS compliant Schedule III), as applicable. The financial statements have been prepared on a historical cost convention on the accrual basis except for financial instruments which are measured at fair values (Refer note 2.B (v) below) and the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Company has been incorporated during the period and it will be supported by the parent company till the Company commences operations.

Accounting policies have been consistently applied in all material aspects except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.B Significant accounting policies

i) Fair value measurement

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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

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

ii) 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 realized or intended to be sold or consumed in normal operating cycle
• Held primarily for the purpose of trading

S.R. Batliboi & Co. LLP New Delhi

Minda Infac Private Limited Delhi

- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for 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 Company classifies all other liabilities 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.

iii) Functional and presentation currency

The financial statements are prepared in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest lakhs.

iv) Foreign currencies

Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (INR). Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash. All the financial information is presented in INR lakhs, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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

v) Property, plant and equipment

(a) Property, plant and equipment

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. Plant and equipment is 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. The present value of the expected cost for

S.R. BATLIBOI & CO. LLP NEW DELHI

MINDA INFAC PRIVATE LIMITED Delhi

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. Major machinery spares and parts are capitalized when they meet the definition of Property, Plant and Equipment. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in the Statement of Profit and Loss.

Assets held for sale are carried at lower of their carrying value or fair value less cost to sell.

Subsequent costs

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

(b) Capital work in progress (CWIP)

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalized in CWIP until the period of commissioning has been completed and the asset is ready for its intended use.

(c) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value over their useful lives by using straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in part C of Schedule II the Companies Act, 2013. In case of major components identified, depreciation is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

(d) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an 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.

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

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.

S.R. BATLIBOI & CO. LLP NEW DELHI

MINDA INFAC PRIVATE LIMITED Delhi

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.

(vi) Financial instruments

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

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

Financial Assets at amortised cost

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on

S.R. BATLIBOI & CO. LLP NEW DELHI

MINDA INFAC PRIVATE LIMITED Delhi

acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets – derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

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

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

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

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure that are debt instruments, and are initially measured at fair value with subsequent measurement at amortised cost e.g., trade and other receivables, security deposits, loan to employees, etc.

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

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

Financial liabilities –

Recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognized 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.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- At fair value through Statement of Profit or Loss (FVTPL)

S.R. BATLIBOI & CO. LLP NEW DELHI

MINDA INFAC PRIVATE LIMITED Delhi

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains / losses are not subsequently transferred to 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 recognized in the Statement of Profit and Loss.

- At amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

vii) Taxation

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

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

Deferred tax

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

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

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

MINDA INFAC PRIVATE LIMITED Delhi *

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.

viii) Provision

Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. 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. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

ix) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

x) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change 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.

xi) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Balance Sheet.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.

S.R. BATLIBOI & CO. LLP NEW DELHI

MINDA INFAC PRIVATE LIMITED Delhi

2.C CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

1. New and amended standards

(i) 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.

(ii) 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.

(iii) 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.

(iv) 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.

S.R. BATLIBOI & CO. LLP NEW DELHI

MINDA INFAC PRIVATE LIMITED Delhi

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

There is no impact of any new or amended standard.

2. Standards issued 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) Reference to the Conceptual Framework – Amendments to Ind AS 103

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

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Company.

(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

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

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Company.

iv) Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022 but do not apply to the Company as it was first time adopter in an earlier year.

S.R. BATLIBOI & CO. LLP NEW DELHI

MINDA INFAC PRIVATE LIMITED Delhi

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

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

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Company

(v) Ind AS 41 Agriculture – Taxation in fair value measurements

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

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have any impact on the Company as it does not carry on any agricultural activities.

(All amount in Rs lakhs, except as otherwise stated)

3 Capital work in progress

Particulars	As at March 31, 2022
Capital work in progress	337.27
	337.27

Capital work in progress (CWIP) Ageing Schedule
As at March 31, 2022

Particular	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	337.27	-	-	-	337.27
Total	**337.27**	-	-	-	**337.27**

4 Non current assets

Particulars	As at March 31, 2022
Capital advances	28.02
	28.02

5 Cash and cash equivalents

Particulars	As at March 31, 2022
Balances with bank	
-On current account	372.34
	372.34

6 Other financial assets

Particulars	As at March 31, 2022
Current	
Balance with government authorities	59.10
	59.10

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

(All amount in Rs lakhs, except as otherwise stated)

7 Share capital

	As at March 31, 2022
a) Authorized Share Capital	
20,000,000 equity shares of Rs. 10/- each	2,000
	2,000
b) Issued, subscribed and fully paid-up	
5,000,000 equity shares of Rs. 10/- each	500
	500

c) Reconciliation of the shares outstanding at the end of the period

	As at March 31, 2022	
	No. of shares	Amount
Addition during the period	5,000,000	500
	5,000,000	500

d) Terms/rights attached to equity shares

The Company has 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 dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

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

	As at March 31, 2022	
	No. of shares	% holding in shares
Equity shares of Rs 10 each fully paid up		
Minda Corporation Limited	2,550,000	51%
Infac Elecs Co Ltd	2,450,000	49%
	5,000,000	100%

f) Shareholding of Promoters

Promotor Name	No of Shares at the beginning of the period	Changes during the period	No of Shares at the end of the period
Minda Corporation Limited	-	2,550,000	2,550,000
Infac Elecs Co Ltd	-	2,450,000	2,450,000

S.R. BATLIBOI & CO. LLP NEW DELHI

MINDA INFAC PRIVATE LIMITED Delhi

8 Other equity

Particulars	As at March 31, 2022
Retained earnings	
Loss for the period	(27.05)
Share issue expenses*	(19.37)
Deficit at the end of the period	(46.43)

* Represents expenses incurred in respect of increase in authorized share capital / issue of paid up capital during the period.

9 Trade payables

Particulars	As at March 31, 2022
Trade payables	
- Total dues of micro and small enterprises	-
- Total dues of creditors other than micro and small enterprises*	51.62
	51.62

Trade payables Ageing Schedule#
As at March 31, 2022

	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	51.62	-	-	51.62
Disputed dues of micro enterprises and small enterprises	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-
	51.62	-	-	51.62

* includes related party payable amounting to Rs 42.03 lakhs

10 Other financial liabilities

Particulars	As at March 31, 2022
Capital creditors#	279.87
Share application money excess received#	9.26
	289.13

\# represent payable to related party

11 Other current liabilities

Particulars	As at March 31, 2022
Statutory dues payable	2.41
	2.41

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

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

MINDA INFAC PRIVATE LIMITED Delhi

(All amount in Rs lakhs, except as otherwise stated)

12 Revenue from operations

Particulars	For the period ended August 10, 2021 - March 31, 2022
Sale of products	-
Other operating revenues	-
	-

13 Employee benefits expense

Particulars	For the period ended August 10, 2021 - March 31, 2022
Salaries and wages	11.33
Staff welfare expenses	0.14
	11.47

14 Finance costs

Particulars	For the period ended August 10, 2021 - March 31, 2022
Interest expenses	4.24
	4.24

15 Other expenses

Particulars	For the period ended August 10, 2021 - March 31, 2022
Power and fuel	0.22
Rent	4.96
Travelling and conveyance	0.19
Audit fee (Note - 1)	3.00
Foreign exchange loss (net)	0.18
Rates and taxes	1.15
Bank charges	0.37
Miscellaneous expenses	1.27
	11.34

Note - 1 : Payment to auditors (exclusive of Goods and Service tax)

Particulars	For the period ended August 10, 2021 - March 31, 2022
Fees for statutory audit	3.00
	3.00

16 Earning per share

Particulars	For the period ended August 10, 2021 - March 31, 2022
Net loss for the period attributable to the equity shareholders	
Loss for the period	(27.05)
Number of weighted average equity shares	
Basic	30,558
Diluted	30,558
Nominal value of equity share (Rs.)	10.00
Earning per share (Rs.) (Basic)	(88.53)
Earning per share (Rs.) (Diluted)	(88.53)

Since there are no potential dilutive share, so basic EPS & dilutive EPS are same.

S.R. BATLIBOI & CO. LLP NEW DELHI

MINDA INFAC PRIVATE LIMITED Delhi

17 Contingent Liabilities and Capital Commitment

Capital Commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs 28.02 lakhs as at March 31, 2022.

Contingent Liabilities

Based on the information available with the Company, there is no contingent liability as at March 31, 2022.

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

A) Related parties where control exists and nature of related party relationships

Description of relationship	Name of the party
Joint Venturer	Minda Corporation Limited (51%) Infac Elecs Co, Korea (49%)

B) Other related parties with whom transactions have taken place during the period and nature of related party relationships

Description of relationship	Name of the party
(i) Joint Venturer	Minda Corporation Limited Infac Elecs Co, Korea

C) Key Management Personnel

Directors	Mr. Aakash Minda Mr. Soon Suk Kwon Mr. Naresh Kumar Modi Mr. Woong Seon Choi

D) Details of transactions with related parties - March 31, 2022

Party Name	Purchase of capital goods	Rent paid	Receipt of share application money	Other expenses paid
Minda Corporation Limited	237.18	22.08	255.00	120.95
Infac Elecs Co, Korea	-	-	254.26	-

E) Details of balances with related parties

Party Name	As at March 31, 2022	
	Receivable as at the period end	Payable as at the period end
Minda Corporation Limited	-	(321.89)
Infac Elecs Co, Korea *	-	(9.26)
Total	-	**(331.15)**

* Related to excess money received against issuance of share capital and the amount has been refunded on April 07, 2022.

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

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

MINDA INFAC PRIVATE LIMITED * Delhi

(All amount in Rs lakhs, except as otherwise stated)

19 Segment Reporting

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 antenna. Accordingly, disclosures under Ind AS 108, Operating Segments are not required to be made.

20 Financial instruments – Fair values and risk management

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at March 31, 2022

Particulars	Carrying value			
	FVTPL	FVOCI	Amortised cost	Total
Financial assets				
Current				
(i) Cash and cash equivalents	-	-	372.34	**372.34**
Total	-	-	**372.34**	**372.34**
Financial liabilities				
Current				
(i) Trade payables	-	-	51.62	**51.62**
(ii) Other financial liabilities	-	-	289.13	**289.13**
Total	-	-	**340.75**	**340.75**

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. Accordingly, management has not disclosed fair values for financial instruments such as trade payables, cash and cash equivalents, other financial liabilities etc.

Since the Company does not have any financial asset or liability measured at fair value, disclosure of fair value hierarchy and disclosure of category- wise assets and liabilities is not relevant. All financial assets and liabilities of the Company have been valued at amortised cost and their values are not expected to be different than those presented in financial statements.

Risk management framework
Risk management

The Company's business is subject to several risks and uncertainties including financial risks. Since the Company has been setup during the period and is yet to start its operations, it is in the process of formulating its Risk Management Policies to mitigate the risk that would arise in the course of its daily operations.

The Company's financial risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk and liquidity risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk.

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

MINDA INFAC PRIVATE LIMITED Delhi

(All amount in Rs lakhs, except as otherwise stated)

Financial risk management (continued)

(i) 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. Presently, the liquidity risk is being managed through funding by shareholders.

The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

As at March 31, 2022	Carrying amount	Contractual cash flows				
		Less than 1 year	1–2 years	2–5 years	More than 5 years	Total
Current liabilities						
Trade payables	51.62	51.62	-	-	-	51.62
Other financial liabilities	289.13	289.13	-	-	-	289.13
Total	**340.75**	**340.75**	**-**	**-**	**-**	**340.75**

(ii) Foreign exchange risk

Foreign Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. There is no foreign currency exposure as at March 31, 2022. Hence, the Company's Loss for the period would have no impact.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market interest rate. The Company does not have floating interest rate borrowing as at the March 31, 2022. Hence, the Company's Loss for the period would have no impact.

21 Capital management

The Company's objectives when managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of internal accruals, equity and other short term/long term borrowings. The Company believes that it will able to meet all its current liabilities on timely manner. Since the Company is yet to initiate any project and no external borrowings have been obtained, Capital gearing ratio is not presented for the period ended March 31, 2022.

22 The Company has been incorporated on August 10, 2021 pursuant to which it has prepared its first financial statements for the period August 10, 2021 to March 31, 2022 and hence, there are no comparatives to present.

23 Ratio Analysis and its elements

Ratio	Numerator	Denominator	As at March 31, 2022
Current ratio	Current Assets	Current Liabilities	1.26
Debt- Equity Ratio	Total Debt	Shareholder's Equity	NA
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash	Debt service = Interest & Lease Payments + Principal Repayments	NA
Return on Equity ratio	Net Profit/(loss) after taxes – Preference Dividend	Average Shareholder's Equity	(0.11)
Inventory Turnover ratio	Cost of goods sold	Average Inventory	NA
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	NA
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	NA
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	NA
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	NA
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	NA
Return on Investment	Interest (Finance Income)	Investment	NA

S.R. BATLIBOI & CO. LLP NEW DELHI

MINDA INFAC PRIVATE LIMITED Delhi

24 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

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

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

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

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

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

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

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

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

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

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey) or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the period on the basis of security of current assets.

As per our report on even date

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

per Amit Kumar Jain
Partner
Membership No.: 097214

Place: New Delhi
Date: 13/05/2022

S.R. BATLIBOI & CO. LLP NEW DELHI

For and on behalf of the Board of Directors of
Minda Infac Private Limited

Aakash Minda
Director
(DIN 06870774)

Place: Delhi
Date: 13/05/22

Soon Suk Kwon
Director
(DIN 08821054)

Place: Chennai
Date: 13/05/22

MINDA INFAC PRIVATE LIMITED Delhi