INNOVATION - LED TRANSFORMATION

Electrification | Connectivity | Security

Minda Corporation Limited

Annual Report 2022-23

SPARK MINDA

Powered by Passion

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Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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You can also find this report online: www.sparkminda.com

Megatrends such as electrification, connectivity and shared mobility are influencing the global automotive industry. At Spark Minda, we are attuned to these changes and have embraced an innovation-led approach to adapt and excel. Combining our deep domain knowledge with technical expertise, we are geared to address the unmet needs of original equipment manufacturers (OEMs).

INNOVATION-LED TRANSFORMATION

Striving to be at the pinnacle of excellence, we have consistently strengthened our core and honed our capabilities. To further enhance our brand recall, we have invested prudently in adopting best-in-class technologies and providing top-notch security systems that meet stringent quality standards. Our premium offerings are tailored to optimise the performance of automobiles, making them lighter, faster and more manoeuvrable.

The growing awareness about environmental concerns and climate change is facilitating the transition towards Electric Vehicles (EVs). Acknowledging this shift, we have developed more reliable and modified products specifically designed to meet the necessities of green mobility solutions. This strategic move will not only enable us to keep pace with these changes, but also position us at the forefront of the evolving automotive landscape.

Transforming with changing times

Ever since our inception in 1985, Spark Minda has been instrumental in driving the transformation of the automotive industry by delivering innovative products made by employing cutting-edge technologies via continuous Research and Development. With a rich legacy spanning over three decades, the company is a leading player in the Global Automotive Industry.

Spark Minda's diverse product portfolio, which includes Mechatronics and Vehicle Access Systems, Wiring Harness, Interior Plastics Division, Advanced Technologies and aftermarket has served auto OEMs since decades. Our products are designed to cater to a wide range of vehicle segments, including Two - three wheelers, passenger vehicles, commercial vehicles and off-road vehicles.

Our expanding customer base consists of both Indian and global original equipment manufacturers and Tier 1 customers. We remain committed to staying abreast of the latest technologies and for achieving this, we have a dedicated research and development (R&D) facility in place that houses more than 350 engineers. Moreover, we collaborate via JV's, TLA's, M&A's with the pioneers and leaders of the automobile industry to enhance our product offerings and stay ahead of the technology curve.

Leveraging these collaborations, we have been able to integrate cutting-edge product design and technology to meet the strictest international quality standards. We are passionate about innovation and are continuously striving to exceed the expectations of our customers by delivering top-notch products and services.

Numbers that matter (FY23)

₹ 43,001 million
Revenue

16,000+
Workforce

₹ 4,615 million
EBITDA

32
Patents Filed

Vision

To be a Dynamic, Innovative, and Profitable Global Organisation, emerging as the Preferred Supplier and Employer, to create Value for all Stakeholders.

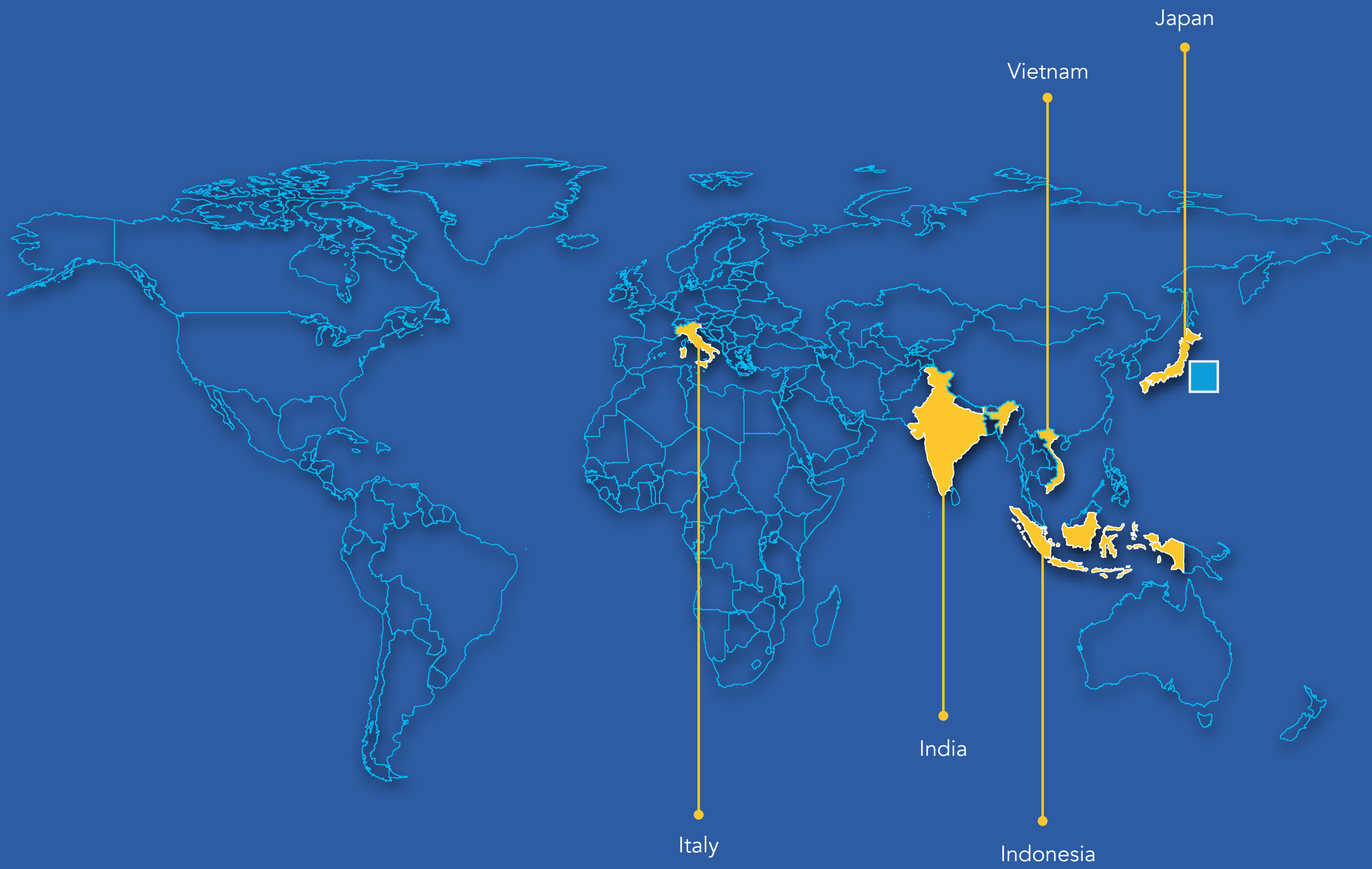
Mission

Our mission is to be an Automotive System Solution provider and Build a Brand recognised by vehicle manufacturers progressively all over the world.

Values

Commitment to Stakeholders, Passion for Excellence, Open Communication, Integrity and Fairness, Nurture Talent, Competency and Willingness, Respect and Humility.

Innovation that transcends borders



Domestic

27 manufacturing facilities

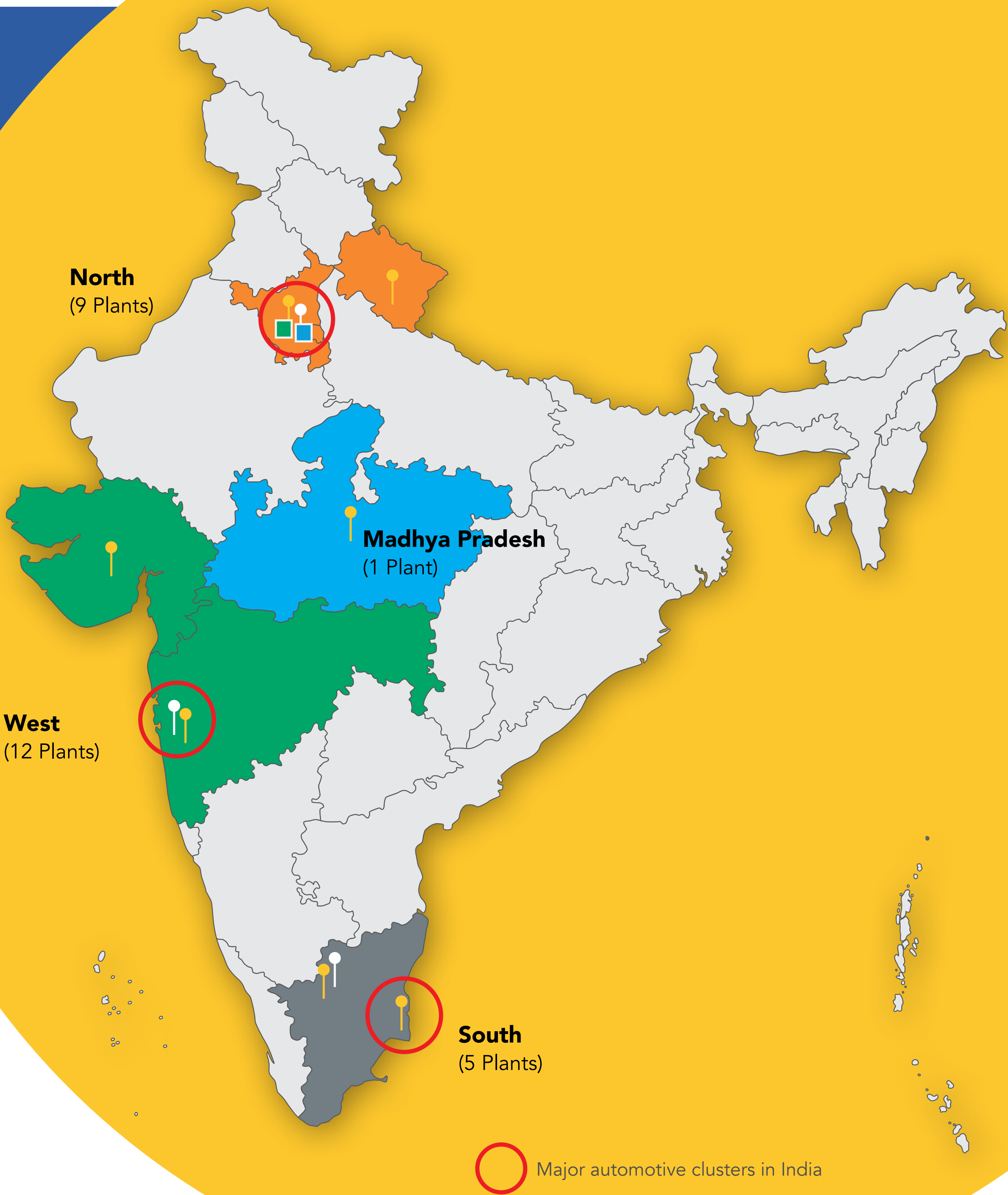
3 design offices

7 offices

Overseas

2 manufacturing facilities

2 offices


North
(9 Plants)
Madhya Pradesh
(1 Plant)
West
(12 Plants)
South
(5 Plants)
Major automotive clusters in India

Powered by Passion

Looking back on our performance

Q1FY23

- We continued the growth momentum with highest ever quarterly revenue.
- The company filled three new patents during the quarter taking the total number of patents filed and applied to over 220 demonstrating Spark Minda's unwavering commitment to innovation and growth.
- As a company, we ventured deeper into the EV space, especially with our focus on 2W smart keys and high-voltage wiring harnesses, products such as power distribution units, integrated power modules and junction boxes for EV commercial vehicles.
- Keeping sharp eye on our new order book resulted in lifetime order wins across verticals of ~₹ 26,000 million with EV constituting over 20% of the total order wins during the quarter.
- The group in its verticals that is Mechatronics, Information and connected systems and Aftermarkets won 38 External Awards during the Quarter at various forum like QCFI, ACMA, CII and customers.

Q2FY23

- Continued growth momentum with highest ever Quarterly Revenue. We Delivered Double Digit EBITDA for Ninth straight quarter.
- Our new order win stood at ₹17,000 million, gained traction across business verticals. We secured large orders for TFT cluster from key PV OEMs in India.
- We have filled 4 patents into lockset, sensors and other domains. For all our core products, such as locksets, wiring harnesses, instrument clusters and sensors we undertook premiumisation, thereby gaining considerable market share. We are strengthening our market leadership position in these products further by offering innovative products and winning new businesses.
- Our group won 56 External Awards at various forum like QCFI, ACMA & CII during the Quarter including 5 customer awards from Key customers.

Q3FY23

- The Company continued its growth momentum with revenue growth faster than the market growth and double digit EBITDA margins. We have filed 5 patents during the quarter in various business verticals. Our Lifetime Order wins stood at H16,000 million with EV constituting more than 20% of the orders win.

  Secured Marquee order of Wiring Harness for EV platform of a South East Asian OEM.

- We entered into a Technology License Agreement with Daesung Eltec, Korea, for ADAS Systems and Solutions for passenger Vehicle, Commercial Vehicle and off-road vehicle.

- Entered into Technology License Agreement with LocoNav for Telematics Software for both the Web and Android/iOS platforms. Our group won 57 External Awards at various forum like QCFI, ACMA & CII during the Quarter including 6 customer awards from Key customers.

Q4FY23

- Our revenue growth continued to outperform the industry performance despite challenging Macro-Economic Scenario.

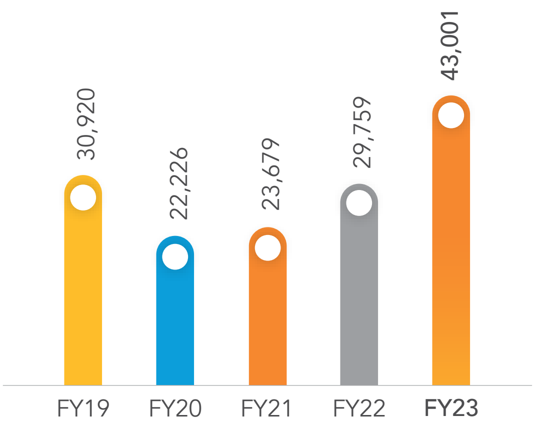
- We have the highest ever patents filling with more than 20 patents filled during the quarter taking our total patent count to more than 250. 2W Smart key continued to gain traction with more than 10% of the total 2W lockset revenue.

- Our Lifetime Order wins stood at H 20,000 million with more than 11% export orders.

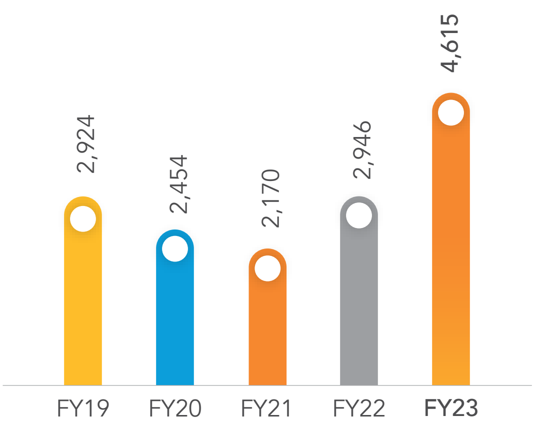
- Our group won 19 External Awards at various forum like QCFI, ACMA & CII during the Quarter including 2 customer awards from Key customers.

Financial highlights

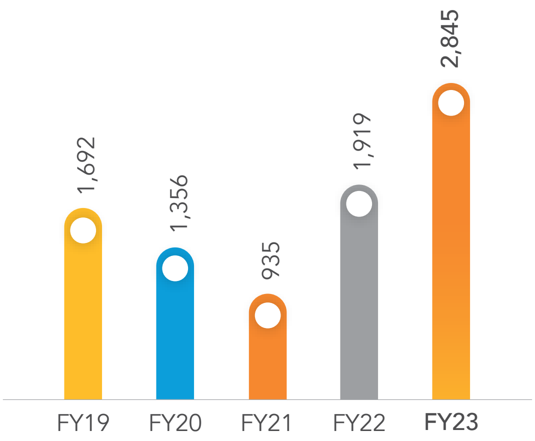
Operating Income
(in ₹ Million)



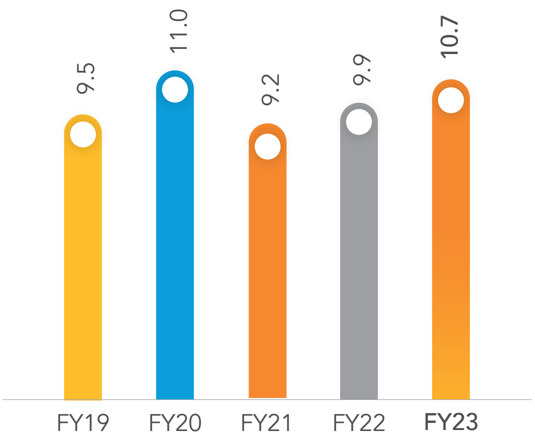
EBITDA
(in ₹ Million)



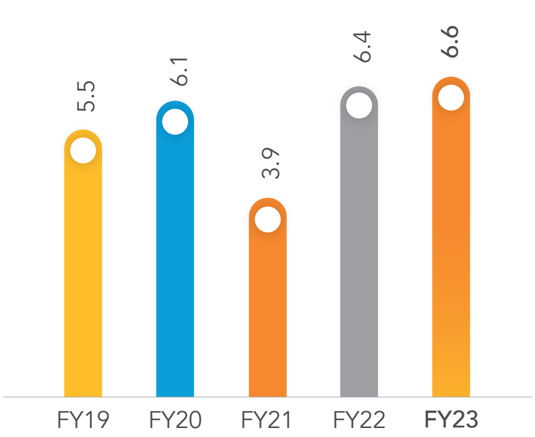
PAT
(in ₹ Million)



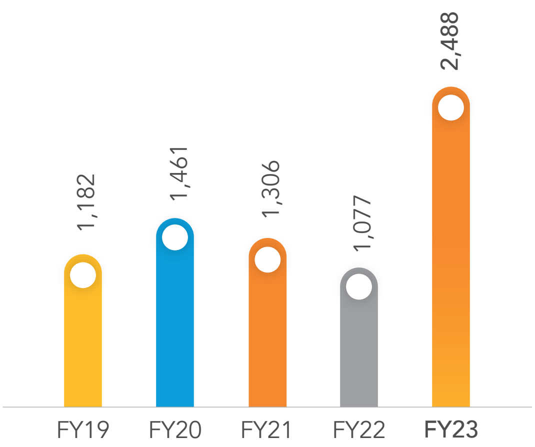
EBITDA Margin
(in %)



PAT Margin
(in %)

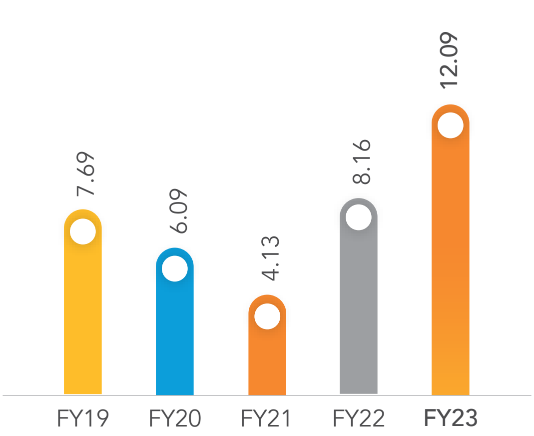


CAPEX
(in ₹ Million)



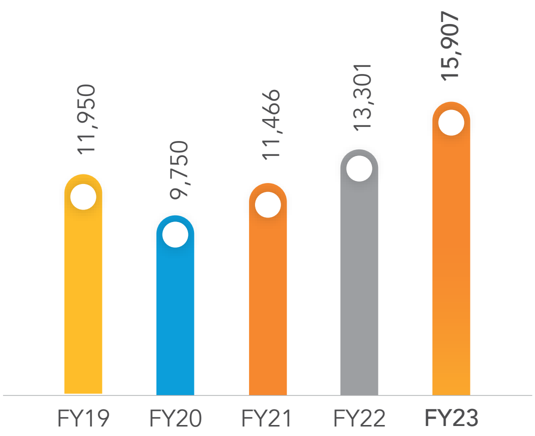
Basic EPS

(in ₹)



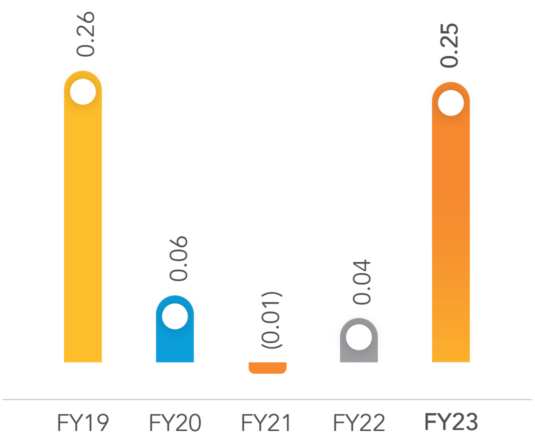
Net Worth

(in ₹ Million)



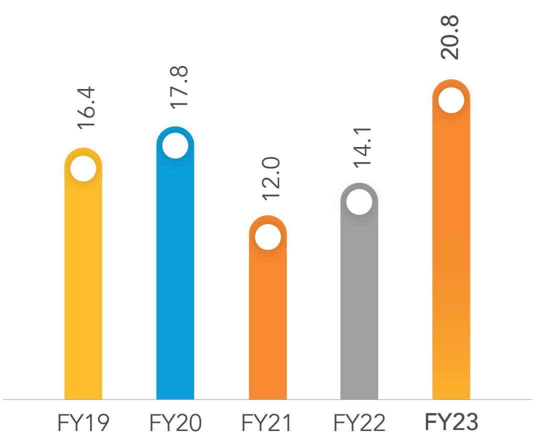
Debt Equity Ratio

(in times)



ROCE

(in %)



Chairman's perspective

Innovation-led transformation

Ashok Minda
Chairman

Our vision of One Team, One Spark Minda, will steer the organisation towards new heights and drive us all to push the larger goal of contributing to nation's progress.

Dear Shareholders,

The world around us is in a constant state of 'change'. The Indian automotive sector is transitioning fast, witnessing remarkable changes like shifting to connected cars, on-demand mobility, rising adoption of electric vehicles and accelerated technological content in vehicles. While these changes have the potential to disrupt the industry, they also offer a path to real transformation, giving us the opportunity to stay ahead of the curve. As one of the leading auto component manufacturer, Spark Minda has embraced and evolved amid this revolution. Empowered by technology, innovation, and collaboration, we clocked sustainable progress during the last fiscal year. We focused on incorporating advanced technologies to meet the evolving needs of the industry in transition.

Fiscal 2022-23 posed immense challenges: geopolitical crisis in Europe, supply chain disruptions, and mounting inflationary pressures. Yet, our resilience steered us through. Leveraging innovation, Spark Minda achieved remarkable milestones in FY2023. Strategic investments in technology and infrastructure enhanced our manufacturing capabilities and supply chain efficiency. Our diversified portfolio consistently delivered value to stakeholders.

Through the collaborative efforts of our team, we have successfully sustained our growth momentum. We maintained double-digit EBITDA margins for eleven consecutive quarters. Our revenue from operations reached ₹ 43,001 million, representing a 45% growth. Notably, our EBITDA rose from ₹ 2,946 million in FY 2021-22 to ₹ 4,615 million in FY 2022-23, reflecting a 57% expansion. Additionally, our PAT margin stood at 6.6%, with our PAT increasing from ₹ 1,919 million to ₹ 2,845 million. These figures were driven by enhanced revenue visibility across business verticals, an improved product mix, increased content per vehicle, and a notable surge in market share. We owe this success to our shareholders and value the trust that they have bestowed upon us. Layering this commitment further, the board announced a dividend of ₹1.20 per equity share.

Collaboration is key

Reaffirming our commitment to deliver products backed with cutting-edge technologies, we entered into a strategic technical collaboration with DAESUNG, Korea. This collaboration aims to introduce Next-Gen Advanced Driver Assistance System (ADAS) solutions to the Indian automotive market.

Spark Minda also secured a Technology License Agreement with LocoNav for white labelling of Telematics Software across Web, Android, and iOS platforms. The partnership with LocoNav will help Spark Minda strengthen its existing relationship with the leading OEMs by integrating LocoNav's proprietary telematics software making us a

Our revenue from operations reached ₹ 43,001 million, representing a 45% growth. Notably, our EBITDA rose from ₹ 2,946 million in FY 2021- 22 to ₹ 4,615 million in FY 2022-23, reflecting a 57% expansion.

complete mobility solution provider. This will also help us expand our product portfolio with existing customers and acquire new customers.

These significant partnerships solidified our foundation for growth, advancing technological innovations, and positioning Spark Minda as pioneers in the automotive industry. These strategic initiatives not only reinforce our commitment to excellence but also empower us to deliver enhanced value to our customers and stakeholders.

Frequent recognitions fuelled our spirit while we continued to pursue excellence throughout the year. We won awards and accolades from renowned forums like QCFI, ACMA & CII. This is a testimony to our relentless efforts to deliver the best. Spark Minda was also chosen as one of the 'Iconic' Brands of the Year and awarded with the prestigious 'Excellence in Innovation 2023' award by the coveted media house, The Economic Times. These recognitions are a testament to our brand's values and commitment to push the boundaries of what is possible.

We are committed to building Spark Minda's brand story, block by block, each day. As we move forward, we're sure that this recognition ignite our passion for innovation even further.

Despite challenges, Spark Minda reaffirmed its market leadership through significant progress in the past year. Our focus on innovative product development and expanding business for core offerings bolstered our growth. We also prioritised premiumisation across all product verticals to meet the dynamic demands of our customers.

Spark Minda is future-ready

We are moving ahead to leverage the fast-emerging opportunities in the Electric Vehicle (EV) sector. Focusing on green mobility solutions, we introduced a range of innovative products and expanded our manufacturing capabilities.

At Spark Minda, sustainability and corporate social responsibility are intertwined. We actively engage in programs on education, women's hygiene, environmental upliftment, and support for differently abled individuals, aiming to create meaningful change in people's lives. It is gratifying to witness the recognition and appreciation from our customers and business partners for our endeavours in this realm. We are deeply honoured to have received multiple awards and accolades for our initiatives in FY 2022–23.

Our outstanding performance is driven by the remarkable resilience. Our team of over 16,000 employees is tirelessly working towards realising our vision of becoming a complete automotive solutions provider. We will continue to build the momentum.

Going forward, we will aggressively invest in R&D for future technologies, maintaining an unwavering focus on innovation, and forging strategic alliances. Our approach will revolve around strengthening our core products, expanding our customer base across both domestic and global markets; attracting new customers while deepening relationships with existing ones.

Progress is an ongoing journey, and each step we take contributes to our

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overall advancement. Spark Minda will persevere and drive this positive momentum forward, poised and confident in achieving strong growth during the years to come. We are confident that the team will emerge stronger to shape this narrative of progress, together.

Our vision of One Team, One Spark Minda, will steer the organisation towards new heights and drive us all to push the larger goal of contributing to nation's progress.

Going forward, with a rich legacy of introducing innovative products and transforming the business to evolving industry landscape, we are focused on strengthening our core product portfolio, expanding our customer base across both domestic and global markets.

We will continue to make our in-house R&D capabilities robust, embrace advanced technology, and forge strategic alliances with key market players. Above all, our unwavering commitment remains centered on meeting and exceeding customer expectations.

Focused on customer-centricity, Spark Minda is poised to embark on a transformative journey. Our aim is to achieve new milestones while staying attuned to the ever-evolving needs of tomorrow.

Regards,

Ashok Minda

Conversation with the Executive director

Aakash Minda
Executive Director

During the fiscal year, we secured Lifetime order book of approximately ~₹ 78,000 Million with EV constituting ~20% of the orders win further reiterating our focus on capitalising emerging opportunities in the EV space

Q

How would you summarise the performance of your Company during FY2022-23?

A

Fuelled by strong domestic demand and a steady growth of business share from existing customers, Spark Minda reported stellar numbers in FY 2022-23. During the fiscal year, we secured an order book of approximately ~₹ 78,000 million with EV constituting almost 20% of the orders win further reiterating our focus on capitalising emerging opportunities in the EV space.

We have expanded our global footprint through joint ventures and collaborations that have enabled access to advanced technologies, untapped markets and prospective customers. We optimised our production facilities to achieve economies of scale and ensure manufacturing excellence. We are also shoring up investments for research and development to consistently design and deliver innovative products.

During the year, macroeconomic challenges due to geo-political situation in Europe and ensuing supply chain bottlenecks affected operations to a certain extent. But, our dedicated effort to resiliently focus on new ways of meeting industry requirements kept us going and enabled us to fulfil customer expectations.

Q

What are some of the competitive advantages of Minda Corporation and how do they help you differentiate from other industry players?

A

We strongly believe that the organisation has unique strengths that fortify its position in a competitive industry. The following factors play a decisive role in keeping us a step ahead of the industry.

- **Strong R&D capabilities:** Our R&D team leverages advanced technologies to develop and deliver innovative products and solutions for the automotive industry. We focus on the adoption of latest manufacturing processes to cater to the specific needs of clients and deliver unique and customised solutions.

- **Robust manufacturing capabilities:** Our state-of-the-art manufacturing facilities contribute to our manufacturing prowess and allow us to meet the highest quality parameters. It also enables us to cater to diverse customer needs and strengthen our position as a one-stop solution provider.

- **Enduring relationships:** Over the years, we have developed strong ties with customers as well as other stakeholders. It has not only enabled us to identify client requirements but, has also empowered us to deliver specialised solutions that meet their unique needs. Additionally, our partnerships with global suppliers provides access to latest technologies and products that lend us a competitive edge.

- **Focus on sustainable development:** We understand our responsibility towards the environment and the communities where we operate. It allows us to engage in multiple initiatives that minimise our environmental footprint and make a positive impact on people's lives. Moreover, a strong emphasis on doing business responsibly keeps us attuned to the needs of stakeholders and allows us to maximise value creation.

Q

Could you elaborate on the various initiatives undertaken by you that are contributing towards sustainable mobility and reducing your carbon footprint?

A

At Spark Minda, we have committed ourselves to pursuing the creation of a more sustainable future. We follow a comprehensive strategy for sustainability and are led by the tenet of 'Transforming towards Sustainable Mobility'. Through judicious use of resources including electricity, water, and raw materials, we have actively implemented several initiatives to reduce our environmental impact. By integrating these practices into our business operations, we aspire to ensure ecologically responsible value creation by the group.

Our all-encompassing sustainable operations strategy entails responsible material management, energy management, GHG emissions reduction, water and effluent management and waste management, all of which contribute to reducing our carbon footprint.

By sustaining a responsible value chain, we are consistently creating innovative products and ensuring proper lifecycle management of each product. Besides, we strongly promote sustainable and local sourcing to limit our environmental impact.

Recognising the shifting dynamics in the auto component manufacturing sector, we are focusing on lightweight manufacturing, carbon emissions and the gradual transition to electric vehicles. Our team has made great strides in the EV space by setting up an in-house R&D facility for EV solutions that are high-quality, scalable and cost-effective. This further enhances our contribution towards a sustainable future.

Q

Automakers are now increasingly embracing circular economy goals, which also involve end-to-end supply chain visibility. What steps are you taking to assist your Tier III and small suppliers in lowering their carbon footprint?

A

Our Environment, Social and Governance (ESG) framework has been designed in alliance with the needs of our stakeholders. It allows us to collaborate with suppliers and encourage them to accelerate efforts for reducing their carbon footprint. For instance, to reduce wastage in the packaging process, we are closely working with our supplier where we have tried to replace 'single-use' boxes with reusable bins and promote the reuse of packaging materials. We use recycled metals which is utilised by the auto component suppliers.

Q

Is the Company planning to explore newer markets in the upcoming year? If yes, please share the details.

A

Yes, we endeavour to explore new partnerships with global suppliers to enhance access to latest technologies and introduce innovative solutions to the Indian market. Our objective in the years ahead is to secure alliances that will provide us with access to the latest technologies, enabling us to bring innovative solutions to the Indian market. Through these joint ventures, we aim to leverage our strengths and resources to create value for all stakeholders involved. We believe that by working with leading global suppliers, we can enhance our competitiveness and advance our mission to drive growth and innovation in the Indian market.

Q

What kind of measures are adopted by the Company to enhance its operational efficiency, output and ensure customer satisfaction?

A

We have implemented lean manufacturing techniques to improve our operational efficiency and reduce waste. It has helped to streamline our production processes and sustain the quality of our products. Moreover, to boost productivity and keep the consistency and quality of the finished products intact, we have automated our manufacturing processes. It has resulted in faster turnaround times, reduced lead times and improved delivery performance.

We also regularly solicit customer feedback to identify areas of improvement. In addition to this, we conduct internal audits at regular intervals to ensure process optimisation.

Q

Major automotive component makers are diversifying aggressively to get into the electrification space; what is your group's roadmap?

A

We are fully equipped to seize the opportunities presented by the Electric Vehicle (EV) sector. Spark

Minda has already introduced advanced versions of our legacy solutions for flagship products such as wiring harnesses, digital clusters, keyless locking systems along with other advanced products designed for modern EVs. Currently, 95% of our revenues come from products that are ICE to EV agnostic, offering us significant headroom to quickly scale up the EV segment. We are also offering customised products such as DC converters, battery chargers and motor controllers. Besides, collaborations with industry partners have empowered us to introduce superior quality, scalable and cost-effective EV solutions to the Indian market. Our teaming with EVQPOINT, an EV solution provider from Bengaluru, is one such notable collaboration.

Innovation will be the primary driving force for the next phase of our growth. Our R&D team, therefore, maintains a singular focus on projects that entail the conceptualisation to design and development of advanced products, including products specifically used by EVs.

Q

What is your outlook for the automotive industry in India?

A

We remain bullish about the future prospects of the Indian auto industry owing to strong local demand. In the near future, we expect continuous infrastructure spends, combined with improved fleet utilisation and profitability to drive strong order books for most players. It is expected to introduce a slew of new launches. Additionally, the premiumisation trend in two-wheelers and other segments is anticipated to continue in the years ahead. Exports, however will remain challenging in certain geographies due to on going geo-political scenarios which we will negate by venturing into diverse geographies.

Q

Could you please outline your strategies to drive the business forward?

A

Our foremost priority is to capitalise on the requirements emerging from the rapidly evolving EV industry. To fulfil this objective, we look forward to building a robust portfolio of products suitable for electric vehicles and as stated earlier. Spark Minda is progressing swiftly in this direction.

Focusing on technological advancements via internal R&D and global strategic alliances, we are relentlessly nurturing our relationship with existing customers while also onboarding new clients. Additionally, through cost effectiveness and the digitalisation of business operations, we are trying to bolster operational excellence. Moving forward, our persistent emphasis on driving innovation to design and deliver new-age products will pave the path for a transformative journey – guiding us to build a better future for generations to come.

Our diverse business verticals

Mechatronics

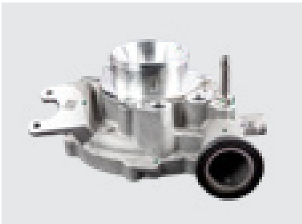

Ignition Switch cum Steering Lock


Keyless Entry


Mechatronics Handle


Immobiliser - Fuel Tank Cap


Aluminium Die Casting


Compressor Housing


Alternator


Starter Motor

Information and connected systems


Clusters – Mechanical, Digital – LED & TFT


Wiring Harness


Connectors


Sensors – Speed

Plastics and interiors


Air Vent


Cup Holder


Louvers

Plastics and interiors

Glove Box

Structural Parts

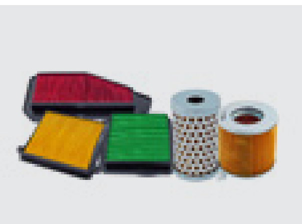
Aftermarket

Helmet

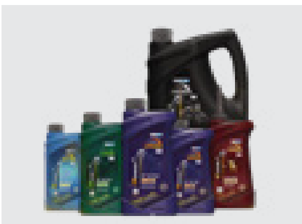
Fiber parts

Wiper blades

Ball Bearing



Two-wheeler air filter



Lubricant

Electric Vehicles and Electronics

DC-DC Converters

Battery Chargers

ITS

Telematics

Innovation-led R&D

Spark Minda established its own state-of-the-art facility, the Spark Minda Technical Centre, in Pune and Bangalore to facilitate the technological advancement of the existing Group businesses. The Company will also implement initiatives targeted at electronification as well as strengthen and expand the Group's presence as a complete automotive system solutions provider.

The Centre nurtures innovation and actively pursue opportunities in the area of new-generation technologies like connected, autonomous, electric mobility solutions, body control and multi-function controllers, smart security and vehicle access solutions and also keeps an eye on incubation of future technologies like deep learning, artificial intelligence, internet of things, smart vehicles technologies, prognosis and diagnosis.

Spark Minda's engineering team can be classified into two functions: customer engineering and advanced engineering. The advanced engineering team specialises in futuristic subjects and develops our technology roadmap.

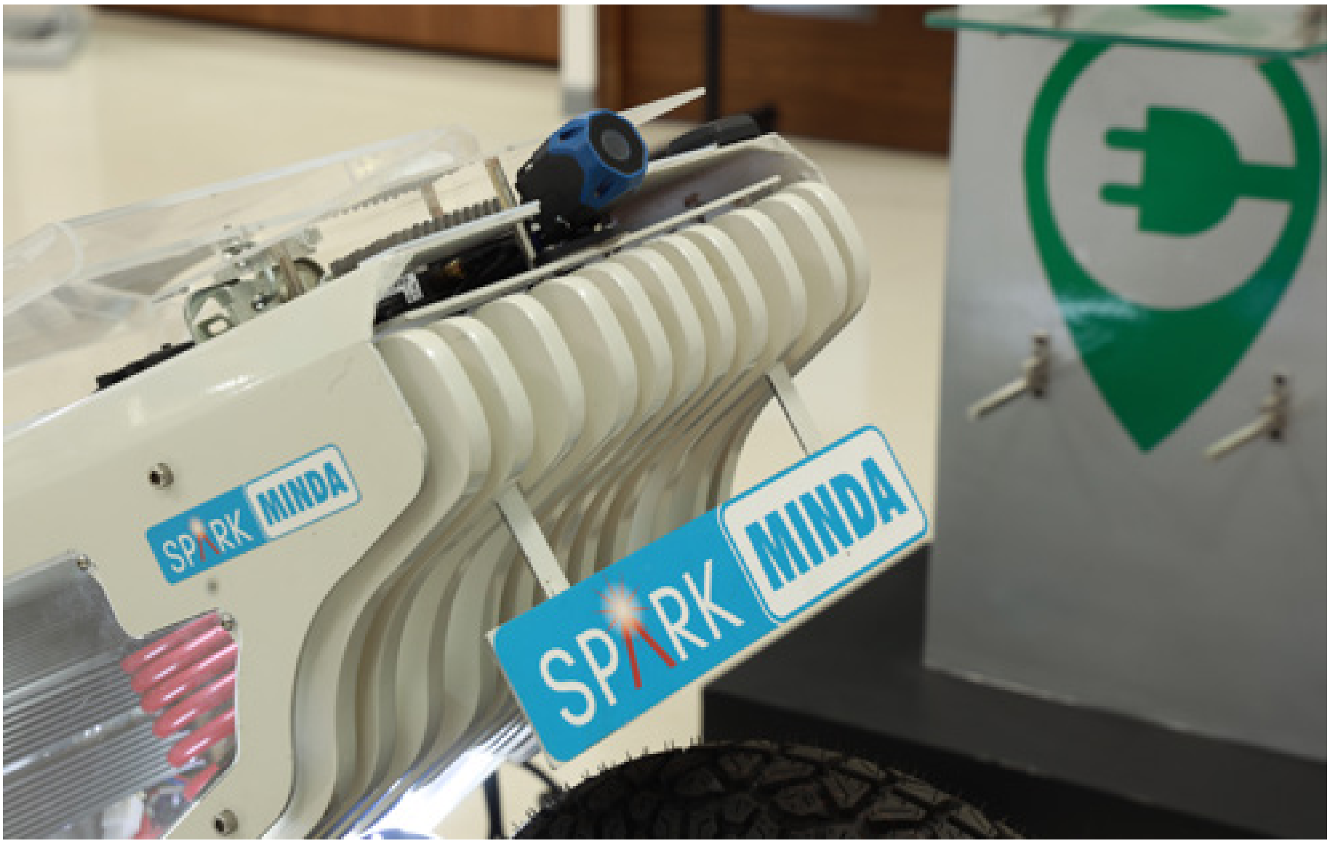
Several innovation awareness sessions have been organised to inform our personnel of the benefits of patenting their ideas. We have effective search tools for each of our business verticals; for instance, ORBIT Intelligence conducts an innovative technology search on the advanced engineering products that we are developing at SMIT, Pune, and SMIT, Bangalore.

Spark Minda implemented several initiatives at the group level to strengthen the internal R&D team. The company organised the Idea Innovation Competition, encouraging design and process-related ideas from each of the business verticals, which helped it foster an innovation culture. To motivate team members, the competition winners were also awarded with gold, silver, and bronze prizes, as well as certificates of appreciation and momentos.

32

Patents filed

Technology Driven Product Transformation



Advance safety systems

As a technological advancement for strengthening automotive safety, our engineering team is working to provide our customers in the Indian market with next-generation advanced driver assistance systems (ADAS) solutions for rear view cameras and park assist solutions, 1 and 4 channel Around View Monitoring system (AVM), driver monitoring systems (DMS), occupant monitoring systems, NeoDAS, and other products, complying with future regulatory requirements.

Instrument clusters

Instrument clusters evolved from analog mechanical dials and gauges to fully digital clusters with sophisticated digital graphical renderings. TFT and touch-screen-based connected clusters are no longer a luxury, but rather the norm. Digital instrument clusters enable manufacturers to differentiate their products by providing customers with infinite options of bespoke styles, moods, themes, and even animation. Additionally, fully digital instrument clusters are now essential parts of consolidated cockpit domain controllers.

EV components

EV components such as DC-DC converters, battery chargers, and charge protection devices gained traction in response to the transition of traditional vehicles to electric vehicles (EVs), which has also piqued interest in developing cutting-edge products such as high-power DC-DC converters, on board and off board Battery Chargers.

Display systems in Commercial Vehicles

Secondary displays can be useful in Passenger Vehicles and even off-road vehicles in the right circumstances. They can display information including maps, GPS data, vehicle performance data, and camera feeds from multiple angles, which can help drivers navigate difficult terrain and avoid obstacles. At Spark Minda, we are working with major domestic and global Tractor OEMs.

The increasing demand for electric vehicles, ubiquitous 4G connectivity, and favourable government policies and schemes related to design and manufacturing are fuelling the demand for connected telematics devices for different mobility applications. Spark Minda, in collaboration with Loconav is providing telematics solutions to major Indian OEMs today and developing 5G telematics solutions in the future.

Key to keyless systems

Spark Minda is pioneer in indigenously designed and developed Keyless entry solutions for 2-wheeler. It is the only company in India to offer designed, developed and made in India solution for Keyless entry into a 2-wheeler vehicle. We, at Spark Minda are looking to further transform our offerings to the two-wheeler Smart PEPS market and offer secure encrypted key management, locking and unlocking vehicles.

Ensuring product safety while encouraging innovation

When it comes to product safety, we adhere to ISO standards and other regulatory requirements to ensure that our products are safe and free from vulnerabilities. We implement product security measures by incorporating cybersecurity aspects into our products. To achieve this, a dedicated team of cybersecurity experts has been formed to address vehicular as well as web security aspects.

Building a future-ready organisation

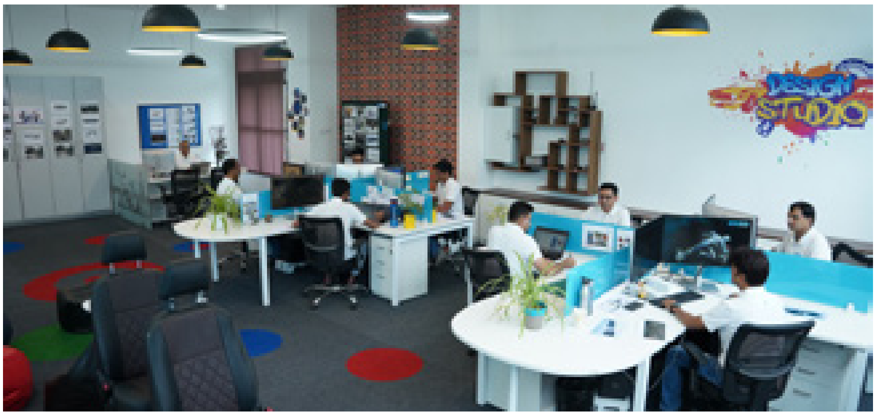
We, at Spark Minda, aspire to be the industry leader by diversifying our existing product line, embracing niche technological breakthroughs, and developing innovative products in the emerging EV space.

2-wheeler Demonstration Electric Vehicle (EV)

The 2-wheeler Demonstration Electric Vehicle (EV) is made indigenously using a congregation of our products. This 2-wheeler is a versatile vehicle that showcases our technology prowess by plugging into our major product portfolio. This is a successful demonstration of our in-house product development skills across various domains, including vehicle access, ADAS, instrument clusters, wiring harness, telematics, DC-DC converters, battery chargers and sensors.

Design Studio

Through a research-based approach, our design studio services offer best-in-class user experiences for enhanced aesthetics, product premiumisation, and higher value to end-users and customers. The user-centric design approach, combined with design thinking and consideration for technological improvements, helps create winning products in the market. We partner with OEM Design Studios on product development and leverage our expertise and capabilities to produce more meaningful and fruitful design solutions.



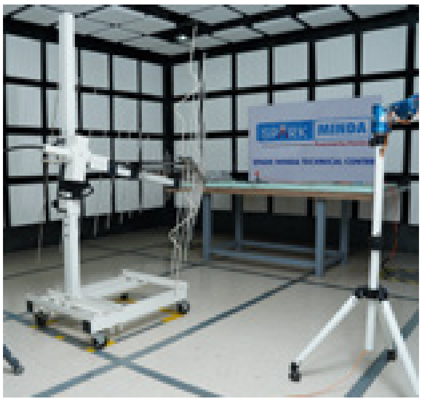
EMI/EMC Lab

Customers expect their automotive electronic sub-assemblies (ESA) to work flawlessly in the presence of electromagnetic interference. The SMIT EMC Lab analyses the ability of electrical and electronic equipment to operate as intended when in proximity to other devices. Testing enables manufacturers to diagnose and fix unexpected electromagnetic interference and compatibility issues to avoid expensive redesigns later. We offer testing services for different international and national standards, such as ISO, CISPR, ECE R10, AIS, JASO, and OEM-specific test standards.

Enhancing electrification, connectivity and safety

At Spark Minda Technical Centre (SMIT), we are driving innovation in sustainable mobility by developing advanced technologies and products. Our team of skilled engineers collaborates with academic institutions and research organisations to advance EV technologies and promote sustainable mobility. SMIT has gained recognition as a leading workplace in the industry and has developed differentiated solutions like keyless entry systems, connected mobility solutions, ITS, digital clusters, DC-DC converters, battery chargers, and 2W ADAS.

We have partnered with leading EV charger company EVQ Point to reduce time to market for onboard and offboard chargers. Collaboration with Ride Vision and Daesung is underway to develop ADAS solutions for the Indian automotive market.



Strategic Partnerships

Spark Minda enters into a TLA with Daesung Eltec ADAS

We have partnered with Daesung, Korea, to bring Next-Gen Advanced Driver Assistance System (ADAS) solutions to the domestic automotive market. This partnership has positioned us ahead of the technology curve by allowing us to offer localised ADAS solutions for the Indian market. This agreement is in line with our vision of becoming a future ready ADAS solutions provider. ADAS is a critical, futuristic technology that is already exhibiting early signs of adoption in the Indian market. With this TLA, we will be one of the early movers providing localised solutions in the domain, backed by cutting-edge, futuristic technology.

India's automobile industry is progressing towards an era of autonomous vehicles, making Advanced Driver Assistance Systems (ADAS) necessary. Our strong presence in the domestic market, coupled with Daesung's expertise will revolutionise the Indian Automobile industry and make the overall driving experience better and safer. This partnership is a successful convergence of two key priority areas- technology and customer centricity.

Technology Support by

Daesung in Product and Process Design, development & validation and manufacturing line set-up

Spark Minda's Strong Presence and Daesung Technology

Strengthen existing relationship with OEM's and provide in roads into new customers

Next Gen ADAS Solution

Provides localised solution for the Indian Market

The strategic association will offer the following products for passenger vehicles, commercial vehicles and off-road segments. These include:

- Advance Driver Assistance System (ADAS)
- Around View Monitoring System (AVM), including Driver Monitoring System (DMS), Lane Departure Warning System (LDWS) and Front Collision Warning System (FCWS) for Passenger Vehicles and Commercial Vehicles
- NeoDAS for off-road vehicles

Spark Minda enters into a TLA with LocoNav India

We have signed a partnership with LocoNav, a cutting-edge technology company that offers AI-powered telematics software, subscriptions and devices, to provide customers with a comprehensive solution that includes web and mobile applications for Android and iOS platforms. LocoNav will be our technology partner for telematics systems as part of the agreement, providing us with white-labelled software and assistance in software customisation and the creation of mobile application user interfaces.

Vehicle connectivity is a major trend in the automotive industry, and a comprehensive telematics solution is at the heart of this megatrend.

Founded in 2015, LocoNav has swiftly emerged as a leading player in the telematics sector, with a strong focus on integrated vehicle management to make seamless fleet operations accessible to every business. Their white-labelled software, coupled with our intensive expertise in manufacturing telematics devices, will bring significant synergies for both companies, making us a preferred choice for integrated telematics services, especially suited for Indian markets.

- Integration of Telematics Software with our Telematics devices makes us a 'Complete Solution Provider'
- Faster Development, Time-tested, Lower Cost
- Increase in Kit Value of existing customers and access to new customers
- Opportunity to increase Aftermarket business

Our customer centric approach

With a deep understanding of our customers' needs and preferences, we strive to exceed their expectations and build enduring relationships. Through personalised interactions, innovative solutions and a commitment to continuous improvement, we aim to create a customer-centric culture that fuels our success in the automotive industry.

Deepening customer engagement with targeted initiatives

Customer engagement initiatives

- We have conducted frequent leadership connect sessions with our major clients with the objective of gaining their trust while sharing our ideas as we respond to their feedback.
- With the assistance of Key account managers, we have developed a point of contact between the customer and the Spark Minda technical team.
- To showcase our technical expertise and product line, we focused more on Tech Shows, which are one-stop show events held at customer locations.

Changing consumer preferences

We are adapting to changing consumer preferences by developing cutting-edge solutions that enhance the driving experience while addressing environmental concerns. By identifying shifting consumer trends and catering to them, we continue to thrive in the competitive automotive market and deliver products that exceed consumer expectations.

Throughout the year, we have been focusing on addressing the PESTEL factors impacting the auto industry.

P E S T E L

Political

Adhering to the government's regulatory standards for the production of auto components.

Economic

Providing affordable EV solutions.

Social

Adapting to changing consumer behaviour through innovation.

Technological

Incorporating the latest technological advancements into our operations.

Environmental

Working towards reducing carbon footprint and improving energy efficiency.

Legal

Strictly adhering to safety standards and regulations minimising legal risks.

Our strategy

To nurture enduring relationships with our customers, we design well-thought-out customer engagement strategies. Our leaders stay informed of the latest industry developments, enabling us to offer cutting-edge solutions and technologies to our clients.

At Spark Minda, our Senior management professionals are often invited to speak at and be interviewed at premier industry forums, fostering trust and credibility. We maintain regular industry engagement through articles and other touchpoints, while also participating in industry events, trade shows and exhibitions. We have offices in Japan, ASEAN, and Europe, which enables us to communicate with customers globally while leveraging global knowledge and collaborations.

Collaborations

At Spark Minda, we rely on collaboration and strategic partnerships to drive innovation. We execute Joint Ventures (JVs) and Technical License Agreements (TLAs) with industry leaders, enabling us to leverage their expertise and resources for new product development and solutions. By incorporating customer feedback into these collaborative efforts, we deliver cutting-edge solutions that address evolving market demands.

Systematic approach to provide solutions

We also prioritise developing optimised, off-the-shelf and cost-effective product solutions for our customers. By carefully analysing and incorporating customer feedback, we identify areas for improvement and develop products that provide enhanced value and efficiency. This approach ensures that our customers receive reliable and affordable solutions that meet their requirements without compromising on quality.

Supply chain

At Spark Minda, supply chain is one of the strong pillars to ensure that customers demand is met at right time, in right quantity and at right cost.

Digitalisation

At Spark Minda, digitalisation has emerged as the latest trend in the field of supply chain management, we are actively embracing this transformative approach. Recognising the potential for enhanced efficiency and streamlined operations, we have significantly increased the utilisation of ERP systems within our supply chain. This shift has enabled us to achieve higher levels of efficiency and productivity by automating various activities through the ERP platform.

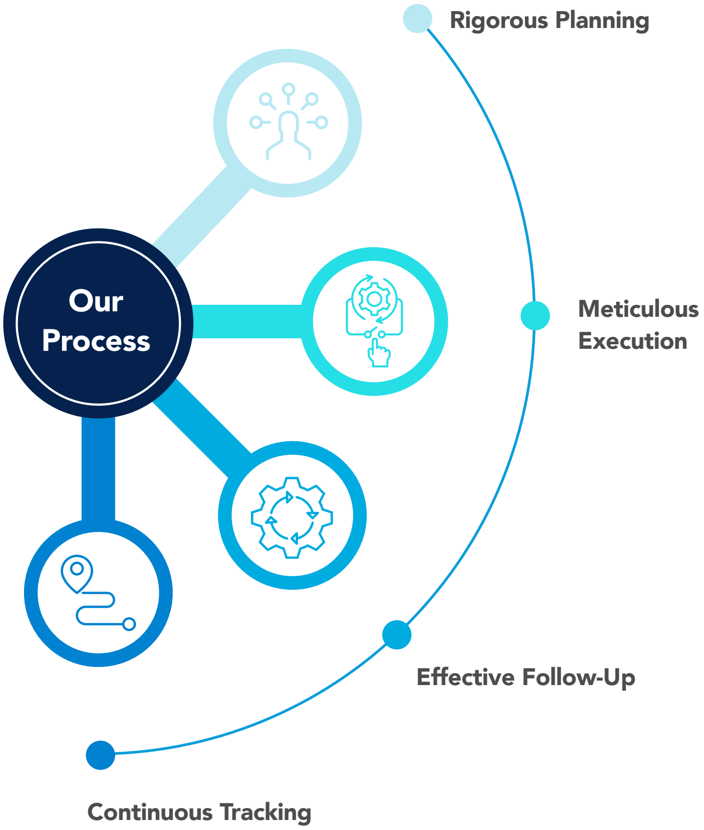
Efficient control process

We are committed to adopt the industry best practices to ensure efficient control processes within our supply chain. One of the key factors contributing to this efficiency is the on-time flow of information. We emphasize the importance of timely communication throughout the supply chain to facilitate effective planning, tracking, and execution of operations.

To ensure high-quality child parts, Spark Minda employs a double-check approach. This includes both incoming inspection and process inspection to maintain strict quality standards.

The company's Supplier Quality Assurance (SQA) team leads these initiatives by conducting periodic checks, reviews, and audits.

Our Zero-defect initiative @ suppliers' location has been uniquely designed and are under implementation to improve quality, delivery, and response.



Inventory management

Our inventory management is a crucial aspect of our supply chain operations, with the Production Planning and Control (PPC) team leading the way. Supported by the Supply Chain Management (SCM) team, we strive to optimise our inventory management practices and achieve higher efficiency. Our PPC team takes on the responsibility of effectively planning and controlling inventory levels to ensure smooth production and timely delivery of products.

We employ industry best practices and advanced techniques to forecast demand, monitor stock levels, and coordinate with suppliers to maintain optimal inventory levels.

Environmental, Social and Governance (ESG)

Putting ESG principles into practice

Sustainability has become a business imperative for companies across the globe. At Spark Minda, we consider this an opportunity and have framed a strategic ESG roadmap to ensure our sustained growth. We have identified material topics and grouped them into ESG focus areas. Our corporate strategy comprises five pillars: ethical business, sustainable operations, a responsible value chain, care for people and inclusive growth. Staying true to our commitment, we execute these strategies with due diligence.

Upholding our business ethics

At Spark Minda, we are committed to upholding the highest standards of ethical behaviour and regulatory compliance. We strive to earn the trust of our stakeholders by conducting our business ethically and adhering to our Company's code of conduct. We have a zero-tolerance policy towards corruption across all levels of the Company and understand that our success is dependent on the trust that our stakeholders have in our vision and capabilities. By conducting ourselves with integrity and transparency, we nurture lasting relationships that will help us achieve our goals.

Operating sustainably

In keeping with our commitment to conducting our business responsibly, we have implemented various measures, including material management, energy management, emission reduction, water management and waste management. By carefully managing these operational aspects, we have been able to minimise our overall environmental footprint. We firmly believe that by taking a proactive approach to environmental stewardship, we can help shape a more sustainable future for ourselves and future generations.

233865 GJ

Energy consumed

33797 GJ

Renewable energy consumed

Caring for our people

We put our people at the core of everything we do and are endeavouring to create a diverse and inclusive work environment that fosters both personal and professional growth. As we realise how critical it is to ensure the health and safety of our people, we make it our foremost priority to ascertain that our workplace is safe and secure.

To facilitate the career development of our people, we offer numerous training and learning opportunities to help them enhance their skills and stay abreast of the latest industry trends. As a responsible organisation, we remain fully committed to protecting human rights and take this responsibility very seriously. By prioritising the well-being and growth of our personnel, we aspire to build a more positive, inclusive and sustainable workplace for all.

16,000 +

Employees

Building a responsible value chain

Sustainability for us is more than just a compliance concern and we strive to incorporate it into every aspect of our business. Apart from consistently developing innovative products and solutions to reduce our environmental impact, we are also meticulously managing the lifecycle of our products to ensure they are as sustainable as possible. Additionally, we are working diligently to source our materials locally, as this helps us minimise our carbon footprint and promotes the upliftment of our local communities.

Corporate Social Responsibility

At Spark Minda, we believe that success goes hand in hand with responsible business practices, which is why our commitment to corporate social responsibility drives our every endeavour, aiming to create a sustainable future for all stakeholders.

Spark Minda Foundation

Our foundation has a clear mission to drive community development by focusing on key areas such as skilling, women's empowerment, healthcare, the empowerment of People with Disabilities (PwDs), and environmental sustainability. With an unwavering dedication to our goals, we implement impactful programs that bring about tangible and positive change in society. One such program is Aakarshan, our skill development initiative. Aakarshan is operational in multiple states across India, including Uttarakhand, Uttar Pradesh, Haryana, Maharashtra, and Tamil Nadu. The program has a profound objective of empowering the youth by providing them with the necessary training and skills to thrive in their chosen fields.

Saksham Program-Empowerment of People with Disabilities

Our primary objectives are to provide accessible and assistive technology to People with Disabilities (PwDs), ensuring they have the necessary tools and resources to enhance their independence and quality of life. Our program focuses on skilling facilitation and on-the-job training in various manufacturing functions. We work towards creating employment linkages for people with disabilities in the industry. We collaborate with partner organisations to organise job fairs specifically for PwDs, promoting inclusivity and diversity in the workforce.

16,500+

PwDs were reached through Saksham initiatives

1000+

PwDs were employed across Spark Minda Group

Mega camp for the empowerment of People with Disabilities

At Spark Minda, we organised a transformative 10-day mega camp from 1st to 10th February 2023 in Noida, Uttar Pradesh, aimed at empowering individuals with disabilities (PwDs). We facilitated various initiatives to empower PwDs, including UDID (Unique Disability ID) registrations support, skilling programs, and employment support. Notably, renowned companies such as Amazon and Big Basket provided employment opportunities, further enhancing their prospects for a better livelihood. Over 20 NGOs, corporate foundations, and government organisations collaborated together on this programme.

Our collaboration with the Ministry of Social Justice and Empowerment of Persons with Disabilities proved instrumental in connecting us with the Artificial Limbs Manufacturing Corporation of India (ALIMCO). Through this partnership, we have planned to distribute motorised tricycles to PwDs post the camp enabling them to enhance their mobility and independence. Our project named "Keys on Wheels" was also introduced during the camp in collaboration with IIT Bombay and Minda Silca Engineering Private Limited (MSEPL). This project showcased a customised tricycle prototype that holds immense potential for entrepreneurship among PwDs.

2,800

PwDs were reached during this camp

Camp to empower PwDs in Jammu and Kashmir

We collaborated with the Indian Army to organise a transformative six-day camp in Kupwara, Jammu & Kashmir, a region recognised as an aspirational district. This collaboration aimed at empowering individuals with disabilities (PwDs) in various areas, including Terhgam, Bohipora, Kupwara, Gulrez, Gulgam, Dudi, Machhal, and more. Through our collaboration with the Indian Army, we were able to reach out to and make a lasting impact on the lives of individuals with disabilities in Kupwara.

400+

PwDs reached during this initiative

Case study

Hadiya, a 13-year-old girl from Handwara, faced numerous challenges since her birth. Diagnosed with cerebral palsy and hearing impairment, she experienced delayed developmental milestones and struggled with basic functions like standing and walking. Her family lived in a hilly region with limited accessibility and affordability, making it challenging to access specialised care and resources for her condition. The lack of a hearing aid further compounded her difficulties in communicating with her family. The camp organised for the empowerment of people with disabilities proved to be a ray of hope for Hadiya. During the camp, she received her first hearing aid, which had previously been unattainable due to financial constraints. The moment she heard her parents call out her name for the first time, tears of joy filled her eyes, marking a pivotal moment in her life. Her experience at the camp has ignited a passion within her, and she now aspires to become a lawyer. Hadiya's journey showcases the transformative impact of Spark Minda Foundation's initiatives in empowering individuals with disabilities. Spark Minda Foundation remains dedicated to empowering more lives like Hadiya's, making a positive difference and fostering inclusivity in society.

Aakarshan Skill Development Programme

We are committed to provide quality education and skills training to underprivileged children and youth, with a special focus on empowering women in rural and semi-urban areas of India. Our programme, based on the 4E concepts of Education, Employment, Entrepreneurship, and Empowerment, aims to uplift marginalised sections of society, particularly the youth and women, enabling them to lead lives of dignity and financial independence.

With the objective of achieving socio-economic empowerment and fostering economic inclusion, our program focuses on providing skills and knowledge to individuals from underprivileged backgrounds. Through our Aakarshan Skill Development centres located in Uttar Pradesh, Maharashtra, Tamil Nadu, Uttarakhand, and Haryana, we offer various courses such as Tailoring, Industrial Tailoring, Spoken English, Computer and Tally, as well as Beauty Culture and Wellness training.

13000+

Individuals were provided training till date

I would like to share my wonderful experience with Spark Minda Foundation. I was looking for a job and realised that I needed to improve my computer skills and English-speaking abilities to increase my chances of getting hired. A friend recommended Spark Minda Foundation, and I decided to join their training programs. The courses at Spark Minda Foundation were exactly what I needed. I learned essential computer skills and improved my spoken English through their well-structured and comprehensive training. The instructors were knowledgeable and supportive, making the learning process enjoyable. After completing the course, the team at Spark Minda Foundation went above and beyond to assist me in finding a job. Their guidance and support were invaluable in securing a position as a supervisor at Sigma Corporation. I am incredibly grateful for their help and the opportunities they provided me.

~ Bhavnish

I want to share my inspiring journey with Aakarshan Skill Development Centre. After moving to Rudrapur with my family, I realised that we needed more financial stability to provide a better future to our children. I was always been passionate about the beauty and wellness industry, so when I heard about the Beauty Wellness course offered by Aakarshan, I knew it was a golden opportunity for me. I enrolled in the course with determination and a strong desire to become an entrepreneur. Throughout the training period, I learned various beauty techniques and acquired essential skills to run my own parlour. As the course was coming to an end, I took a leap of faith and opened my parlour in the local area. The support and training I received from Aakarshan Skill Development Centre were instrumental in my success. I am grateful for the opportunity.

~ Neeta Lohani

World on Wheels Digital Education Programme

We have partnership with HP India, has launched an innovative initiative called HP World on Wheels (WoW) to promote digital inclusion and learning in rural India. This program aims to bridge the digital divide and advance digital literacy, e-education, and entrepreneurship training among the underprivileged communities. Our project involves the deployment of 48 self-contained, Internet-enabled digital inclusion and learning labs in rural areas.

These labs are housed in mobile buses, which are equipped with solar panels on the roof, allowing them to operate entirely on solar energy. The buses serve as "Common Service Centres (CSC)" and travel to different villages, bringing digital education and citizen services directly to the doorstep of rural communities. The focus of the WoW Digital Education Programme is to promote online learning for students from classes 1 to 12. The program includes specialised batches, such as Tally GST and a special batch for women, to cater to the specific needs and promote computer literacy among different segments of the population.

300+

Students attended awareness workshop

Business Integrated Prison Project

Our movement is built on the principle of reformative justice, understanding that individuals deserve a second chance to reintegrate into society. To reduce crime and create a more equitable society, we focus on providing inmates with skills and economic opportunities. As part of this effort, we have established an automotive manufacturing factory within the prison grounds. We establish the production of inventories, instruct convicts, maintain the product supply chain, and pay salaries.

By imparting technical skills and knowledge to inmates, we empower them with the means to support themselves and their families. The Project goes beyond punishment and incarceration by offering inmates the chance to gain meaningful employment within the prison walls. By generating income, inmates can contribute to the financial well-being of their families, even while serving their sentences.

Names of the prisons where facilities are operational-

- Yerwada Central Prison, Pune – Female
- Yerwada Central Prison, Pune – Male
- Harsul Central Prison, Aurangabad – Female
- Nagpur Central Prison, Nagpur-Male

150+

Prison inmates are covered under this program

Awards and Recognition

In our journey towards corporate social responsibility, Spark Minda has been honoured with prestigious awards that recognise our commitment to making a positive impact on society. In 2019, Minda Corporation Limited (MCL) was bestowed with the National CSR Award by the Ministry of Corporate Affairs, a significant recognition presented by the former President of India and the finance minister. Continuing our dedication to responsible practices, in 2021, the Institute of Company Secretaries of India (ICSI) honoured MCL with the 6th National CSR Award. This esteemed recognition, presented by the Honourable Home Minister of India, further affirmed our commitment to Corporate Social Responsibility. Building upon these achievements, in 2022, our Aakarshan Skill Development Programme received the 9th National CSR Times Award.

Board of Directors

Mr. Ashok Minda 1
Chairman & Group CEO

Mr. Aakash Minda 2
Executive Director

Mr. N K Modi 3
Executive Director

Mr. Rakesh Chopra 4
Independent Director

Mr. Avinash P. Gandhi 5
Independent Director

Mr. Ravi Sud 6
Non- Executive/Non-Independent Director

Mr. Ashok Kumar Jha 7
Independent Director

Mrs. Pratima Ram 8
Independent Director

Mr. Ashok Minda 1

Chairman & Group CEO

Mr. Ashok Minda brings more than 38 years of expertise in the automotive component sector. His forward-thinking approach guaranteed that the company expanded into a multifaceted and multi-product automotive component organisation with a national footprint and global recognition. Under Mr. Minda's vision and creative leadership, the Group is expanding on a worldwide platform with a diverse product range and comprises numerous enterprises in India and internationally. He has an excellent record of cooperating with key global auto component companies from the United States, Germany, Japan, and France. Mr. Minda has also been important in the development of greenfield projects in Indonesia, Vietnam, and various parts of India.

Mr. Aakash Minda 2

Executive Director

Mr. Aakash Minda is the Executive Director of Group Finance and Strategy, as well as the CEO of Plastics & Interiors and Electronic Manufacturing Excellence. Aakash Minda graduated with honours from the Cox School of Business in France and the Indian School of Business. He began his career with the Schaeffler Group as a management trainee. His initial responsibility at Spark Minda was to oversee the newly acquired Minda Autoelektrik Ltd. He led the Spark Minda's European subsidiary, Minda KTSN Plastic Solutions GmbH & Co, as its Managing Director, and was essential in strengthening the Company's cash flow and working capital. In June 2020, he was named CEO of MCL's Interior Plastic segment.

He was appointed to the Board of Directors in September 2020 as Executive Director for Strategy and Finance. Both the Group Marketing and Group Technology functions began working directly with him in FY23.

Mr. N K Modi 3

Executive Director

Mr. Naresh Kumar Modi is a company secretary and a chartered accountant. Prior to joining Spark Minda Group, he worked for E&Y and Birla Group, amassing over 34 years of diverse expertise. He has over 25 years of experience in Spark Minda Group and has held a variety of internal positions in strategy, finance, human resource, and operations, among other business sectors. He served as the CEO of the Information & Connected System vertical, Group CHRO, and Business Head at Minda Stoneridge Instruments. Additionally, Mr. N K Modi was in charge of the development of standard procedures and policies for the material function as well as effective vendor management, supplier risk management, and strategic sourcing at the group level. Mr. N K Modi currently serves as the division's CEO for Starter Motors and Alternators.

Rakesh Chopra 4

Independent Director

Mr. Rakesh Chopra has an MBA from Cranfield University in the United Kingdom and is a Chartered Accountant (England & Wales). He has a wealth of expertise spanning over 40 years and is currently the Director of GPR Enterprises, Kempty Cottages, Pragma Holdings, Bharat Gears, and Cleantec Infra. Chairman and founder member of the Indraprastha Cancer Society, which operates the Rajiv Gandhi Cancer Hospital & Research Centre.

Mr. Avinash P. Gandhi 5

Independent Director

Mr. Avinash P. Gandhi is a mechanical engineer who graduated from the Birla Institute of Technology. He also attended the IIMs and the Administration Staff College of India to complete management programmes. He has a wealth of experience spanning more than 50 years working in a variety of capacities at top auto firms as a strategic advisor, director, and other senior managerial positions. He now serves on the boards of Lumax Industries, Action Construction Equipment Limited, Zook Electric Vehicles Private Limited, and Uni Products (India) Limited, among others.

Mr. Ravi Sud 6

Non- Executive/Non-Independent Director

Mr. Ravi Sud holds an MBA from IIM Ahmedabad in addition to a bachelor's degree in commerce with honours. Additionally, he is FCS and AICWA certified. Mr. Ravi Sud has over 35 years of experience working in the automotive industry in a variety of positions, including General Manager, Company Secretary, Senior Vice President, and CFO. He has experience in finance, accounting, secretarial work, legal work, internal audit work, investor relations work, and evaluating merger and acquisition options as well as putting together profitable joint ventures and investment opportunities. As an operational partner at Phi Capital at the moment, Mr. Ravi Sud provides portfolio firms with advice on matters of strategy, financial management, including cost control, and a review of audit and MIS systems and procedures. Additionally serves on the boards of Eto Motors Private Limited and Innovative Design Solution Private Limited.

Mr. Ashok Kumar Jha 7

Independent Director

Mr. Ashok Jha, an IAS officer from the 1969 batch, has served in the Civil Services for 39 years. Mr. Jha formerly served in significant capacities within the State and Central Governments of India, notably as the Government of India's Finance Secretary. He is a well-known authority on handling policy matters for important government agencies handling economic difficulties. He is currently a member of the Setco Automotive Xpro India Board of Directors.

Mrs. Pratima Ram 8

Independent Director

Mrs. Pratima Ram graduated from Bangalore University and has a master's degree from the University of Virginia in the United States. She held the positions of Country Head (U.S. Operations) in New York as well as Chief Executive Officer of SBI's South Africa Operations. She oversaw mergers and acquisitions at SBI Capital Markets as well. She now serves on the boards of Cadila Pharmaceuticals, Minda Instruments Ltd., Manappuram Home Finance, Manappuram Finance Limited, Subex Account Aggregator Services Private Limited, Benefitsklub Technologies Private Limited, Avaali Solutions Private Limited, and GPS Renewables Private Limited.

Guided by visionary leaders

Vinod Raheja

Group Chief Financial Officer

Vinod Raheja received his Bachelor of Commerce (B.Com) from Kurukshetra University and is a Chartered Accountant. His career spans more than 30 years, and as Chief Financial Officer, he has held positions with well-known companies including Shriram Pistons & Rings Ltd. and Akums Drug & Pharmaceuticals Limited. He oversees the financial operations at Spark Minda and has a significant impact on strategic finance, group budgeting, accounting and taxation, fund management, secretarial and legal, risk management, and information technology. At the company, he has been successful in creating a top-notch finance and accounting staff.

Ajay Singhroha

Group Chief Human Resources Officer

Ajay Singhroha holds PGDM in HR from Symbiosis university, Pune and Masters of Labour Law from Pune University. With over 25 years of industry experience, he has worked with some of the best-known brands including Bombardier, Philips, HUL and General Motors. He has rich experience in areas like Industrial Relations & Labour Laws, Talent & Performance Management, Total Reward (C&B), Organisation Design, Negotiations, Organising & Influencing skills etc. At spark Minda he is responsible to lead the Group HR function by strategising and developing the people and growth agenda of the group including workforce planning, building a robust talent pipeline, ensuring growth driven and performance-oriented culture, and promoting workplace inclusion.

Ashim Vohra

Group Chief Operation Officer

Ashim Vohra, an engineer by training, has worked at Spark Minda for more than 33 years and has over 36 years of extensive industrial expertise. He formerly held the positions of CEO of the Die Casting division and COO of the Mechatronics sector. He played a key role in turning around the company and growing it to new heights as the CEO of the Die Casting division. He is the Group Corporate Leader for Business Excellence and Manufacturing Engineering at Spark Minda. He oversees the creation, enhancement, and compliance with systems and procedures. He also holds the top position in the verticals of manufacturing and industrial engineering, including process IT enablement.

Suresh D

Chief Technological Officer, Spark Minda Group and CEO of Spark Minda Technological Centre

Suresh D graduated from Coimbatore's Bharathiar University with a BE in electronics and communication. He has over 22 years of experience in the automotive sector as a hard-core R&D professional with experience in a variety of roles, including the creation of automotive goods, engineering, and industrialisation. He has performed R&D work for reputable businesses like Pricol and Bosch. He led the setup of hardware development and product development outside of India for the automotive industry while serving as the Chief Engineer at Bosch India before to joining Spark Minda. He was in charge of developing several Electronic Control Units for automotive engine management systems. He joined the Company in 2016 and as the CEO of SMIT, he drives the advance engineering and research projects and is responsible for the new products' design and development for all group verticals.

Neeraj Mahajan

Group Chief Marketing Officer

Neeraj Mahajan completed a PGDBM in Sales and Marketing and a PG Diploma in Industrial and Personnel Relations from Bhartiya Vidya Bhawan in New Delhi. He has more than 30 years of industry expertise and has worked with numerous reputable vehicle brands, including Genacvo LLC-UAE, Sona BLW, Al Naboodah Group & Arabian vehicle Co., Toyota Kirloskar Motors, Kirloskar Brothers, and ARB Bearing. He was the Chief Marketing Officer for JTEKT in India before joining Spark Minda. He has extensive experience and knowledge in areas such as strategy, business planning and operations, new company growth, Greenfield projects, distribution channel setup, and establishing customer-focused companies. He is the Group Marketing Head Director at Spark Minda, with the responsibility of making Spark Minda one of the most trusted and valuable automotive brands in India.

Arvind Chandra

CEO, Mechatronics

Arvind Chandra possesses an MBA in Marketing & Strategy from the University of Michigan as well as an MS in Industrial Engineering & Management from Oklahoma State University. With more than 27 years in the business, he has experience working with prestigious organisations including Wabco Corporation, Faurecia Corporation, Delphi Corporation, and General Motors. He ran AC consultancy & Investments, a consultancy company with operations in Germany and Spain, prior to joining Spark Minda. He assisted organisations like Toyota and Aptiv, among others, in changing their business strategies to facilitate the disruption of the powertrain and digital industries. He joined Spark Minda at the beginning of 2020 to lead the organisation's Mechtronics vertical, where he is in charge of carrying out the vertical's commercial plans.

Sumit Doseja

CEO, Information & Connected System

Sumit Doseja did his Masters in systems operations from IMT, Ghaziabad and Bachelors in Engineering Marathwada University, Maharashtra. He also holds Diploma in Production management from N.I.I.H.R.D.-Chennai. He has a wealth of knowledge creating and expanding varied business portfolios thanks to his more than 27 years of involvement in multi plant operations. He is expert in handling all the major OEM's and After Market Operations, Quality Assurance and Business expansion across key geographies like North America, ASEAN. Also, he is proficient in implementation of all the tools and techniques on the shop floor executed in line to benefit the Business co-aligned with the organisation goals and objectives. During his past journey, he had been accountable for the execution of various Green-field projects across regions right from Construction till Operation stage within stipulated cost and time targets. He oversees the Information and Connected Systems vertical of Spark Minda and is in charge of creating the vertical's strategy roadmap and business plan. Mr. Doseja is an effective communicator with excellent relationship management skill, strong analytical problem solving and organisational abilities.

Sanjay Gupta

CEO, MIL, EME & SMGM

Sanjay Gupta is a graduate from Delhi College of Engineering, and he holds an MBA from the Indian School of Business, Hyderabad. He is a Technologist at heart and holds multiple U.S. patents and numerous technical & business publications.

He is a seasoned semiconductor professional with more than 27 years in the Tech-Industry. Prior to joining Minda he has worked with Motorola as semiconductors design engineer; NXP Semiconductors as Vice President Engineering & Managing Director (India). Sanjay is committed to the development of the electronics & semiconductor ecosystem in India and has been vocal about the importance of the government-industry-academia partnership in key industry forums. He is also a Board member and Chairman of the IESA Executive Council of IESA Executive Council which is the highest Apex body for the Indian Electronics & Semiconductors Association and leading critical Industry charters like Automotive CiG.

At Spark Minda, he is responsible for Advanced Technologies BU focusing on Hi-Tech Automotive products for EV, ADAS, Clusters, Sensors, and connected e-mobility. Also, he is the key driver of strategic roadmap and establishing business plan & partnerships.

Arun Nagpal

CEO, Aftermarket Division

Mr. Arun Nagpal has around 30+ years of industry experience, having worked with Mrida Group as Managing Director and Luminous Power Technologies Ltd as CEO. He's currently 61 years old. He has earned his PGDM from Indian institute of Management, Calcutta and B.E. in Mechanical Engineering from COEP Technological University. He spearheaded an initiative called the Paradigm Shift to bring in a new perspective to the business; as part of his current assignment with Spark Minda, he will essentially work together with the team internally and our distribution network externally to explore the Next Paradigm for Spark Minda AMD. Mr. Arun had a long association with the Minda Group in the past, at a time when Spark Minda and Uno Minda had a combined after-market operation through Switch Masters Ltd and later Minda Autocare Ltd.

Awards and accolades

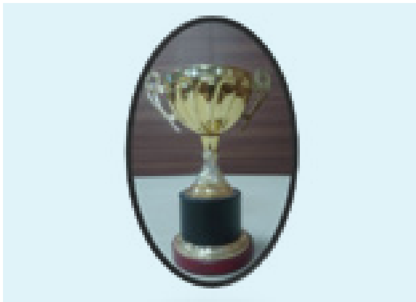
TPM Strong Commitment award.... Awarded by CII TPM Club

Platinum Award by CII to MCL Pantnagar

Gold Award by QCFI

Quality Circle 18 nos awards received by QCFI

Gold Awards by QCFI in CCQC-2022 Pune chapter

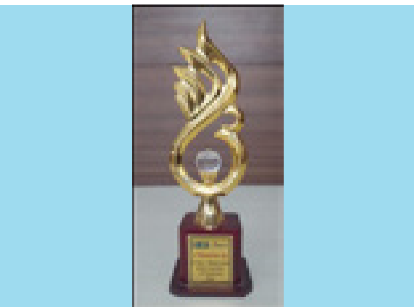


5th CII Kaizen Competition Gold Award in design_quality

Gold Award by QCFI to WHD Pune

MIL received 4 gold _ 4 silver awards in CCQC Pune chapter

16th Bava Kaizen Competition 1st Runner Up in quality_



16th Bava Kaizen Competition 1st runner up in the quality_

42nd CII National Kaizen Competition – Platinum Winner_(1)

42nd CII National Kaizen Competition – Platinum Winner_

Corporate information

BOARD OF DIRECTORS

ASHOK MINDA
Chairman & Group CEO

AAKASH MINDA
Executive Director

N. K. MODI
Executive Director

ASHOK KUMAR JHA
Independent Director

PRATIMA RAM
Independent Director

RAKESH CHOPRA
Independent Director

AVINASH P. GANDHI
Independent Director

RAVI SUD
Nominee Director

GROUP CHIEF FINANCIAL OFFICER

Vinod Raheja

COMPANY SECRETARY & COMPLIANCE OFFICER

Pardeep Mann

STATUTORY AUDITOR

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

SECRETARIAL AUDITOR

Ranjeet Pandey & Associates,
Company Secretaries
A-62, Basement, Defence Colony,
New Delhi-110024, India

COST AUDITOR

Chandra Wadhwa & Co.,
Cost Accountants
204, Krishna House, 4805/24,
Bharat Ram Road, Daryaganj, New
Delhi-110002, India

INTERNAL AUDITORS

Protiviti India Member Private Limited
Chartered Accountants

Grant Thornton Bharat LLP
Chartered Accountants

REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Private
Limited
D-153/A, 1st Floor, Okhla Industrial
Area, Phase - 1, New Delhi – 110 020,
India.

BANKERS

Citi Bank
HDFC Bank Limited
ICICI Bank Limited
IndusInd Bank Limited
Kotak Mahindra Bank Ltd.
Standard Chartered Bank

REGISTERED OFFICE

A-15, Ashok Vihar, Phase-I,
Delhi-110052

CORPORATE IDENTIFICATION NUMBER (CIN)

L74899DL1985PLC020401

WEBSITE & E-mail

www.sparkminda.com
investor@mindacorporation.com

Management Discussion and Analysis

Global economic overview

In 2022, the global economy saw a mixed landscape characterized by a combination of favourable and challenging factors. According to the International Monetary Fund (IMF), the global economy expanded by 3.4% during the year. Notably, emerging markets and developing economies acted as key contributors to this growth, driven by robust demand for exports, rising commodity prices, and supportive monetary and fiscal policies implemented in these regions. These factors collectively propelled the expansion of emerging markets and developing economies, bolstering global growth.

However, the global economy also faced headwinds that posed challenges. Persistent trade tensions between the developed economies and geopolitical instability were a prominent factor. Inflationary pressures mounted across the globe due to increasing commodity and energy prices. Moreover, political uncertainties in key economies added further complexity and unpredictability to the global economic landscape.

However, the central banks' monetary policies are expected to bear fruit, leading to a decline in global inflation. Emerging markets and developing economies (EMDEs), including India are powering ahead in many cases, with growth rates expected to witness a significant upsurge this year.

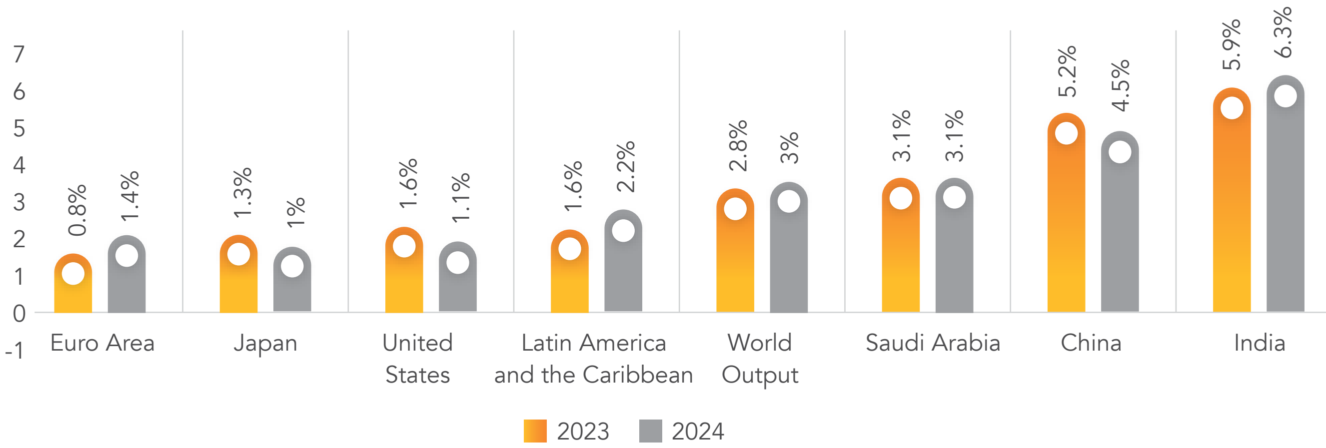
Outlook

There are positive signs that indicate a slow yet steady recovery from the pandemic-induced shocks and supply-chain bottlenecks. Growth rates Q4FY23 vs Q4FY22 have increased from an expected 2.8% in 2022 to 4.5% in 2023, which suggest that growth in many emerging markets and developing economies is now accelerating.

Strong demand from emerging markets and developing economies presents a potential avenue to offset the slowdown experienced in advanced economies. These regions continue to exhibit resilience and offer opportunities for growth through robust domestic consumption and export activities. Additionally, the continuation of accommodative monetary policies in these countries can act as a catalyst for economic expansion, promoting investment and consumption.

According to the IMF, India, along with China, is expected to drive 50% of global growth in 2023.

Growth Rates (World and Major Countries)



[Source: IMF World Economic Outlook, April 2023]

Indian economic overview

2022-23 was a landmark year for the Indian economy. While the global business environment faced slowdown on the back of high-interest rate environment. India's growth continues to be resilient with it becoming the world's fifth largest economy. The strong growth of 7.3% was driven by robust demand from both domestic and international consumers, supported by a favourable business environment. India has also seen significant growth in its manufacturing sector in recent years. The government has launched several initiatives like to promote manufacturing, including the "Make in India" campaign. The country has invested heavily in infrastructure development in recent years, including construction of highways, airports, and ports. These investments have helped to improve connectivity and logistics, making it easier for businesses to operate in the country. However, the economy encountered challenges, including rising inflation and supply chain disruptions. Though the country's inflation is largely tied to the global supply chain disruption, the RBI increased the repo rate by 250 basis points FY23 to control it.

In summary, the Indian economy encountered a blend of favourable and challenging conditions in 2022. As the analysis extends to 2023, it reveals a landscape of risks and opportunities that hinge upon effective policymaking. Navigating these challenges while capitalizing on available opportunities will play a pivotal role in shaping the trajectory of the Indian economy in the coming year.

Outlook

The Indian economy growth is underpinned by several factors that will contribute to its expansion. Notably, strong domestic demand is expected to play a pivotal role, driven by factors such as rising incomes, low unemployment rates, and a favourable credit environment. Additionally, the Indian government has implemented measures to stimulate investment, including increased public spending on infrastructure, regulatory simplification, and tax incentives for businesses. Furthermore, the Indian economy is poised to benefit from robust exports, buoyed by rising global demand for Indian goods and services as well as the depreciation of the rupee.

However, it is important to acknowledge the risks that could potentially impact the economy in 2023 are rising inflation and higher interest rates. These risks have the potential to drive up energy and food prices and disrupt global supply chains, thereby affecting the Indian economy.

To summarize, the economy is expected to sustain its growth in 2023, supported by various factors. However, risks such as inflation and geopolitical uncertainties require careful management by policymakers.

Industry overview

Indian Automotive Industry

Industry Overview

The Indian automobile industry has emerged as a key indicator of the country's economic performance and technological advancements. With its robust presence in heavy vehicles manufacturing, India has established itself as a global leader, ranking first in 2 wheeler and tractors, second in bus manufacturing, third in heavy truck manufacturing and fourth in passenger vehicle market. With an estimated worth of over $222 billion, the Indian automotive industry contributes 8% to the country's total exports and accounts for 7.1% of its GDP.

The Indian automobile industry ended on a positive note in FY23, emerging as a success story by bouncing back from the challenges posed by the pandemic, subdued demand, and supply chain constraints.

The PV segment recorded its highest production of over 4.6 million units in FY23, with two primary factors driving the growth - strong demand and relaxation of supply chain constraints leading to a rise in production. Consumer preference and demand in the PV segment are increasingly skewed towards SUVs, which have witnessed a YoY growth of over 30%. However, the sale of compact cars has seen minimal growth, and the sedan segment has performed poorly with negative growth in sales volume.

The CV segment saw a major upturn in sales volume in FY23, driven by robust demand and growth in major economic activities, including infrastructure and construction industries.

Tractor demand across markets recorded consistent strong production volume in FY23 at 1.1 million units, up 12% YoY. The segment is seeing some saturation but is expected to pick up ahead and grow in low single digit in FY24.

Indian 2W industry witnessed strong growth in FY23 growing by 9.2% over FY22. In FY23, total production of 2W grew to 19.5 Mn. This industry witnessed its peak in terms of production volume in FY19, and then had 2 years of low production volumes mainly due to sluggish demand due to COVID and other economical parameters.

But now the demand in 2W is strong and going forward also 2W industry is expected to grow consistently. The demand is expected to be led both in mass-market segment and medium to high end segments.

The electric vehicle (EV) segment showed significant growth potential, with major companies entering the market and new models being introduced across vehicle segments. The adoption of EVs is gaining prominence as the focus shifts toward sustainable transportation. 2 wheeler EV industry reached a penetration of 5% - 6% in FY23 and is expected to reach penetration of 40% - 50% by 2030. With this penetration India is expected to produce more than one crore EV 2 wheelers per annum by 2030. Despite strong growth in EVs, the ICE segment was largely unaffected.

Despite few headwinds related to high borrowing cost, uncertainties in inflation etc. Indian Automotive industry is expected to perform well across segments. The key growth drivers for this industry remains high domestic demand, favorable consumer sentiments, high infrastructure spend by govt and premiumisation in Vehicles (which is offering varied choices to the consumer) which is expected to bring growth across segment.

100% FDI is permitted through the automatic route in automotive sector.[1]

Government initiatives

The Government has rolled out numerous initiatives to encourage the adoption of Electric Vehicles (EVs) in a multi-layered mobility system. It has launched a Production-linked incentive (PLI) scheme by investing USD 10 billion to enhance the domestic manufacturing of displays and semiconductors. The Government is also providing an impetus to the EV market by investing ₹ 10,000 crore in the Faster Adoption and Manufacturing of (Hybrid) Electric Vehicles (FAME-II) scheme. Likewise, Bharat Stage VI (BS VI) emission standards for vehicles have been announced by the Government. These measures are expected to substantially reduce carbon emissions and traffic pollution. In addition to EVs, the Government has allocated funds to develop smart cities with integrated public transit systems.

Company overview

Minda Corporation is a leading manufacturer of automotive components in India with significant global footprint. The Company was founded in 1985 and is the flagship business of Spark Minda, which was a constituent of the former Minda Group. It has 34 Plants and offices in India and overseas. The Company has strategically placed itself at multiple locations to remain closer to the customer for better servicing.

The Company offers a diverse range of products including Mechatronics, Information and Connected Systems, Plastics and Interiors, Aftermarket, Electronics Manufacturing Excellence and Spark Minda Green Mobility.

With a formidable talent pool, comprising workforce of more than 16,000 individuals, the Company is engaged in supplying auto components to various vehicle segments like 2 Wheelers, passenger vehicles, commercial vehicles, and off-road vehicles.

Minda Corporation remains steadfast in its commitment to serving different vehicle segments within the automobile industry. The Group has shown remarkable growth on Y-o-Y basis with revenue growing by 45% to ₹43,001 million in FY23 verses ₹ 29,759 million in FY22. This can be attributed to the strong and diversified portfolio, Product Premiumisation across business verticals, consistently increasing kit value, focus on in house research and development, robust launch pipeline that drives sustainable future growth and strong order book.

For India, 2023 will be known as the year for "safer cars" as the government has lined major regulations which has kicked in from 1st April 2023 onwards. Spark Minda keeps its laser sharp focus on the changing regulatory norms and have successfully inducted change to OBD2 norms.

The Company's vision is to become a dynamic, innovative and profitable global automotive component manufacturer that is recognised as the preferred supplier and employer, creating value for all stakeholders.

9
Partnerships

34
Plants/Offices

16,000
Workforce

250+
(50% filled in last 5 years)
Patents as of FY23

The Company has entered into a Technology Licence Agreement (TLA) with DAESUNG, a prominent automotive electronics company based in Korea, with the aim of bringing the Next Gen Advanced Driver Assistance System (ADAS) solutions to the Indian automotive market. This partnership places Spark Minda ahead of the technology curve by providing localised ADAS solutions for the Indian market through cutting-edge technology offered by Daesung Eltec combined with Spark Minda's capabilities.

Furthermore, through this collaboration, Spark Minda has acquired a competitive edge by offering customised ADAS solutions for the Indian market. This falls in line with the Company's objective of becoming a major provider of next-generation ADAS solutions by integrating the latest technologies into its operations.

In addition to the ADAS partnerships, the company also entered into Technology License Agreement (TLA) with LocoNav for white-labelling of Telematics Software for both

[1](https://www.investindia.gov.in/foreign-direct-investment)

Web & Android/iOS platforms. Spark Minda will integrate LocoNav developed software with its inhouse developed telematic devices to provide OEMs with a complete solution. This exclusive collaboration will enable Spark Minda to be ahead of technology curve with customised solutions to suit Indian OEM's.

As part of the alliance, LocoNav will be the technology partner for telematic systems to Spark Minda and shall provide with white labelled software and would also assist Spark Minda in software customizations and mobile application user interface. With this Spark Minda aims to strengthen their technological advantage and concentrate on providing clients with products and system solutions under one roof.

Financial performance

Minda Corporation reported yet another year of resilient performance that outperformed the industry. The Company generated revenue from operations of ₹ 43,001 million, marking an increase of 45% on an annual basis. The Company has recorded a 57% growth in EBITDA from ₹ 2,946 million in FY22 to ₹ 4,615 million in FY23. The Company's EBITDA margin stood at 10.7%, which has improved by 83 basis points from FY22. The Company delivered consistently double double-digit EBITDA margin for the 11th consecutive quarter*. In addition to this, Spark Minda has registered ₹ 2,845 million Profit after tax for FY23.

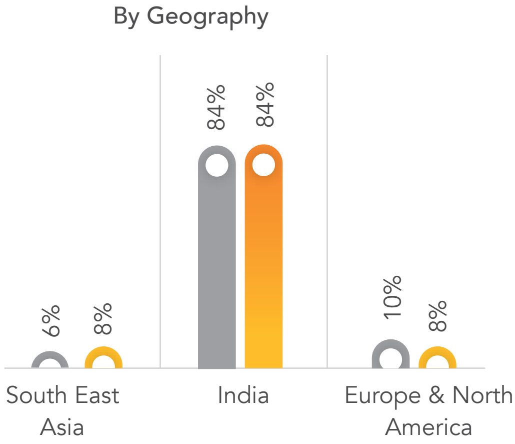
*barring Q1FY22 impacted by covid

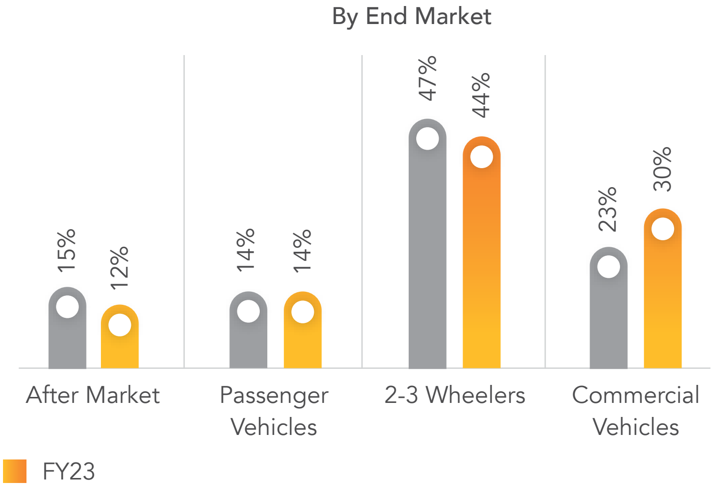
The Mechatronics and Aftermarket division of the Company generated improved revenue of ₹ 20,611 million in FY23 vs ₹ 16,873 million in FY22, attributable to an increase in share of business and increasing kit value on the back of product premiumisation. The Mechatronics division recorded a growth in EBITDA margin from 12.3% in FY22 to 13.5% in FY23.

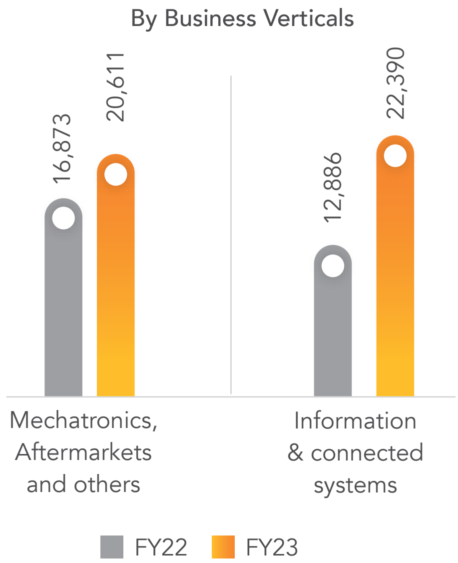
The Information and Connected Systems division pegged revenue of ₹ 22,390 million in FY23 vs 12,886 million in FY22 with an increase in EBITDA margin from 6.7% in FY22 to 8.2% in FY23. The growth in revenue was supported by demand from Domestic market. Margins in the division are improving steadily due to component localisation.

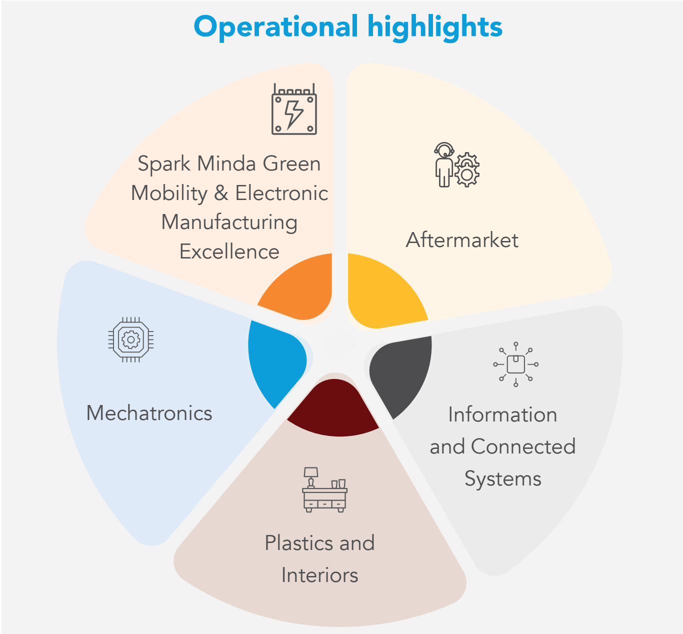
The Company's India operations have maintained their dominance, accounting for 84% of the revenue. India is followed by Europe and North America, which is roughly 8%. Additionally, South east Asia contributing 8% to the revenue. Segment wise the Two and three-wheeler segment contributes approximately 44% of the revenue while PV, CV and aftermarket contributing 14%, 30% and 12% of the revenue respectively. By business vertical the Mechatronics and aftermarket represents around 48%, while information and connected systems contributes about 52% of the revenue.

Revenue Breakdown - FY2023









Mechatronics

The Company's core business involves the production of a range of security products, including lockset both mechanical and Keyless, mechatronics handles, immobilisers system, compressor housings, aluminium die-cast, starter motors & alternators. Further, to capitalise on the opportunities arising due to the rapid growth of electronic components in automobiles, the Company continues to concentrate on creating solutions that offer enhanced safety and convenience. It prioritises creating technologically advanced products that make a meaningful contribution in order to enhance customer satisfaction and drive operational excellence.

During the year the division won 101 awards and accolades at various big forums like CCI, QCFI, ACMA and various customer awards.

Product portfolio	Key divisions/ companies	Key customers	No. of plants	Plant locations
Ignition Switch cum Steering Locks, Smart Key Systems, Mechatronics Handles and Immobiliser System, Die Casting Components, Starter Motors and Alternators	Security System	Bajaj Auto, Ashok Leyland, TVS, Yamaha, Honda Motors & Scooters, Suzuki Motors, Hero MotoCorp, Triumph, Ola Electric, JCB, M&M etc.	4	Pune, Noida, Pantnagar, Aurangabad
	Die-Casting	Bajaj Auto, BorgWarner, Endurance, Garrett Motion, Keihin India, M&M, Brembo, Turbo Energy etc.	3	Pune, Greater Noida
	Starter Motors and Alternators	Escorts, Magneton, Information Technology Laboratory, Tractors and Farm Equipment (TAFE), CNH	1	Bawal
	ASEAN Business	Yamaha, Suzuki, Kawasaki, Piaggio	2	Indonesia, Vietnam
	MINDA VAST Access System Limited	Maruti Suzuki, Tata Motors, Mahindra & Mahindra, Nissan	2	Pune, Manesar

₹25,500 million

Order wins for mechatronics in FY23

Divisions

- Security system
- Die-casting
- Starter motors and alternators
- ASEAN business
- MINDA VAST Access System Limited

Security system

Spark Minda is a leader in the segment of lock and key sets for two-wheelers in India. Its security system division is a major supplier in Electronic, Mechanical and Connected Vehicle access control for two-wheelers (gasoline and electric) and off-road vehicles, with a market share of more than 40% for the domestic 2W market.

The Company serves all the major Original Equipment Manufacturers (OEMs) globally with a comprehensive product line that ranges from mechanical to electronic access control systems. For improved vehicle security, the Company produces locksets with a variety of key applications, including conventional keys, two-track keys, four-track keys, snake-biting keys and smart keys.

Change in technology trends, regulatory mandates, rapid changing customer expectations, need for differentiating products by OEMs and increasing cost reduction pressures from OEM's, the division has further intensified its focus on In-house Design and Development capability for Electronic & Mechanical Security Systems, with focus on product Innovation, reliability & first time through approach will further increase to achieve zero defects in complete product life cycle – Zero defect initiative drive started across the group and Zero defect product policy will be adopted as our winning mantra.

Strong patent portfolio

The Company's relentless focus on Intellectual Property Rights (IPR) creation is the prime reason for the strength in the patent portfolio. The patents portfolio till FY2023 stands tall at 130 patents in this division.

World class in-house R&D facility - SMIT

The investment in the state-of-the-art, in-house R&D facility Spark Minda Technical Centre (SMIT) in Pune and Bangalore continues to yield rich dividends, in terms of enriching the IPR portfolio and enhancing product line.

Proximity to Customers

The facilities are strategically located in close proximity to customer locations, providing us with an inherent edge by saving on valuable time and transportation costs. The Company has maintained a firm grip on market share in the domestic market and continues to show good growth in exports. The focus is to expand this division by

- Further market penetration in domestic, as well as International
- Product development i.e. Mechanical to Mechatronic
- Market Development i.e. entry into ATV/Off-Road in various overseas market and also into E-Bike/ERickshaw
- Expanding SOB with existing domestic & global customers by
  - Early engagement with the customer to understand the value attributes
  - Providing differentiated products which are high in content.

Die-casting

The Die-casting division of the Company is a key producer of Aluminium and Zinc die-cast and manufactures components for the global automotive and non-automotive industries. This division constitutes 17% of the Company's total revenue. In addition to prototyping, tool design and manufacturing, casting simulation, core making, die casting, shot blasting, powder coating, assembly and multi-process foundry services, the Company through this division also offers end-to-end solutions to its clients.

The Company manufactures following products through its state-of-the-art manufacturing facilities:

GDC: Upper Bracket and Handle holders for 2W, Compressor Housings for Turbochargers, Engine Mounting Brackets for 4W, Intake Manifolds, Brake Callipers, Tandem Master Cylinders for brake application, Housings for steering mechanism, Thermo Housing for water and Oil pump application

LPDC: Cylinder Heads and Upper Bracket for 2W

HPDC: Master Cylinders for 2Wbrake application, Seal plates for Turbochargers, Starter motor cover, Head Cover

Zinc: Ignition lock, Fuel Tank cap parts for 2W and 4W Gravity Die Casting (GDC), Low Pressure Die Casting (LPDC), High Pressure Die Casting (HPDC) and Zinc Hot Chamber Casting

As the Company has a promising export market, it will continue to focus on exports to generate new revenue streams, boost profitability and expand its current manufacturing capacity. The Company has received orders for EV die casting products from both export and domestic OEMs.

Going forward, the Company intends to further diversify its offerings into the EV space as light weighting plays an important role into an EV vehicle. The Company's rich expertise and knowhow will assist in this diversification. It will be a strategic move towards strengthening the Company's core competencies.

Spark Minda is also helping the OEMs and Tier 1 supplier to meet the changes in regulations, which are taking place in fuel injection, braking and emission system. To enhance the competency, the division is implementing automation in a phased manner, optimizing machining cost and other cost including lowering the raw material cost.

Starter Motors and Alternators

The Company's Starter Motors and Alternators division caters to several OEM clients domestically and internationally. For the construction of starter motors with offset Gear-Reduction technology (GRS) is employed. These Starters built on GRS technology are fast replacing Direct-Drive technology Starter motors in various segments. This is because GRS Starter motors are lighter and more compact in dimensions compared to Direct-Drive motors. This technology delivers high specific torque and starting speed and a faster start ability for the engine, making it the best choice for OEM clients of late.

Alternators are traditional, ventilated variants that find application in various industries, including stationary engines, farming machinery and tractors. These alternators are built with the utmost attention to ensure output stability for continuous battery charging while operating in a variety of working conditions and applications.

To increase profitability, the division is focused on product and value engineering. The engineering team is reducing product development time and expense by using 'Virtual Product Validation' during the product development process. It is continuing to develop products with weight optimisation that will help it save material.

The Company has installed multiple testing activities that will support in offering best in class products at the best value price performance. Salt Spray Chamber, Engine Control Unit, Hot Chamber and Thermal Shock Chamber are to name a few.

ASEAN business

The Company's ASEAN business is conducted through two locally incorporated subsidiaries namely PT Minda

Automotive (Indonesia) and Minda Vietnam Automotive Co. Ltd. These Companies cater to the large and growing markets in the ASEAN region, with Greenfield manufacturing facilities in Indonesia and Vietnam. This helps the Company to live up to its core philosophy of being 'near to the customer' and 'supplying the best quality products'. With the plants, the Company supplies not only to OEMs in Indonesia, Malaysia, Vietnam, Singapore, Philippines, China, Japan, etc., but also to OEMs in distant Brazil and Columbia. It is a testimony to the success of the vision of the Company.

The Companies supply a wide range of products to its customers including Ignition switch (with or without Magnet Shutter), Fuel Tank Cap, Side Cover Lock, Seat Latch / Locks. It remains a one-stop solution for Lock, Wiring Harness, Speedometer, EV and other group products from one facility in ASEAN. During the year, the Company continued its philosophy of investing in automation and tools to ensure early vendor involvement, develop new channels for raw material procurement and develop best products for the business. The technological capability of the Companies is backed up by a strong R&D teams in India, with a design office in Japan.

MINDA VAST Access System Limited

Minda VAST Access Systems Private Limited is a 50:50 joint venture between VAST, USA and Minda Corporation Limited and is headquartered at Pune. VAST, USA is a well renowned global supplier of security / access control products for the motor vehicle industry and is one of the global market leaders in the security / access systems. VAST is an alliance of three organizations and related operating entities that is directed by a single management team in order to effectively serve global customers. The organizations of VAST are WITTE Automotive from Velbert, Germany; STRATTEC Security Corporation from Milwaukee, WI; and ADAC Automotive from Grand Rapids and MI, USA.

With new technologies, focus on electric vehicles, autonomous driving, the automotive industry is witnessing structural and rapid changes. It is imperative to meet these challenges with innovation across product segments and conceptualize, design, develop new and unseen products, components and systems. The Company has been successful in moving with the changing trends, i.e. shift from Mechanical to Mechatronics; and developing products with the help of SMIT and VAST like bracket less handles, electric steering column locks, power lift gates. The JV also has state of the art robotic paint shop. Inhouse tool making capabilities along with product testing and validation enhances the core engineering capabilities of the company. New product development and penetration to new customers - both in the domestic and global markets, remain the key strategies for growing this business.

Information and Connected Systems

The Company has an extensive range of high-quality products that are tailored to meet the needs of major Indian and international Original Equipment Manufacturers (OEMs). The products in this business vertical includes wiring harness, instrument clusters (speedometers), junction boxes, sensors like location, temperature, speed and Exhaust Gas Temperature (EGT) sensors.

Product Portfolio	Key divisions/ companies	Key customer	No. of plants	Plant locations
Wiring Harness, Connectors, Terminals, Components; Instrument Clusters, Dashboard, Sensors like speed, temperature, position, pressure, exhaust gas etc;	Wiring harness	TVS, Ashok Leyland, Bajaj Auto, Honda Motorcycles & Scooters, Hero Moto Corp, Piaggio etc.	10	Pune, Greater Noida, Pillaipakkam, Kakklur, Murbad, Pithampur, Haridwar, Mysore, Hosur
	Component	In-house Divisions, JV Companies	1	Greater Noida
	Minda Instruments Limited	Tata Motors, M&M, Bajaj Auto, TVS, Daimler, Stellantis, Ashok Leyland, HMSI etc.	2	Pune, Chennai

₹ 47,000 million

Order wins for Information & connected system in FY23

Divisions

Wiring Harness

The Wiring Harness division strives towards enhancing the wiring harness designs through cost-effective engineering and boost labour productivity. These factors give an impetus to offer top-tier and dependable products at reasonable prices. The division produces a wide range of wiring harnesses, battery cables, wiring sets, connectors and terminals. Furthermore, the division offers a complete solution from design to successive delivery to their customers with competence. Additionally, it offers connectivity solutions for off-road vehicles and every sector of the automobile industry.

During the year under review, the Company has achieved a milestone by launching products on wiring harnesses that comply with OBD2 norms for two-wheeler Original Equipment Manufacturer (OEM) customers in India. On top of that, the division has also manufactured EV wiring harnesses for a large domestic tractor manufacturer and a key global technology OEM. The manufacturing in the wiring harness division is focused on innovation, cost-cutting and overhead reduction in addition to delivering items of the finest calibre.

Minda Instruments Limited

Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) is a wholly owned subsidiary of Minda Corporation Limited. It was earlier, a joint venture between Minda Corporation Limited and Stoneridge Inc, USA, a leading manufacturer of electronic instruments and automotive sensors which was acquired entirely by Spark Minda in FY22. The strategic move is in line with the company's vision to grow in advanced technological products i.e. Sensors & Clusters.

It also gives a free access to highly growing global market of clusters and sensors. Moving ahead, the company is looking to grow in connected clusters/cockpits, 7+ inch screen space, providing more features to the end consumers (with special focus in PV space). During the year under review, the company added more EV customer. The company believes, in future one of the key drivers of growth for the cluster segment will be the product premiumization like 7 inches plus digital TFT which enhances consumer experience and meet their aspirational needs along with helping in customer penetration. During the year company got a major breakthrough in this space with TFT cluster order from a key OEM in India. The facility has all of the cutting-edge equipment, testing, and support facilities needed to produce any sort of instrument in accordance with customer specifications.

Furukawa Minda Electric Private Limited

Furukawa Minda Electric Private Limited (FME) is a 75:25 joint venture between Furukawa group of Japan and Minda Corporation Limited. Furukawa Minda Electric Private Limited has over ten years of experience in the Indian automotive industry and is a reputable manufacturer of wiring harnesses and steering roll connectors for passenger automobiles used by Japanese four-wheeler clients for their airbag systems. In addition to the Wiring Harness, the Company is a pioneer in India's Steering Roll Connectors (SRC) technology. The company is enthusiastic about its future growth prospects given the boost in demand and tightening of emission control norms.

Plastic and Interior

The Plastic and Interior division was established in 2017 after acquiring expertise in value added plastic technologies like kinematics and light-weighting from Minda KTSN. The division includes a vast product range like air vents, glove boxes, centre consoles, cup holders, ash trays, louvers, oil slumps, cylinder heads, and battery trays. The company has deployed unique methods for vehicle construction and weight reduction in order to improve vehicle performance. With the successful localisation of technology, the company revenue growth has outperformed the industry growth multiple times. The company also added futuristic air - vent designs while exploring ways to incorporate similar designs into other platforms. Already in a rapid growth phase, the interior plastic division is presented with tremendous growth opportunities with emphasis on light weighting and feature improvements that have led to a rise of use of plastics in vehicles.

Product Portfolio	Key divisions/ companies	Key customers	No. of plants	Plant locations
Air Vents, Glove Boxes, Centre Consoles, Cup Holders, Ash Trays, Louvers, Oil Slumps, Cylinder Heads, And Battery Trays	Plastic & Interior	Mahindra & Mahindra, Maruti Suzuki, Cummins	2	Greater Noida, Gujarat

Aftermarket

The Company has a strong presence in the Aftermarket space as it markets and sells all products manufactured by its group companies and also offers certain outsourced products. The products include locks, lubricants, filters, clutch plates, bearings, wiper blades, Brake Shoes, and cables at segments including 2W, 3W, PV, tractors, CV and off-road vehicles. The Company continued to invest in strengthening its brand profile in the segment along with a strong focus on developing its dealer network. With a robust all-India network of more than 500 business partners, the Company has access to over 10,000 retail network in the country. The Company rolled out new promotional schemes for weaker products in various regions to beef up the product sales in these regions. Further, the Company is steadily building its presence in the aftermarkets in countries like Sri Lanka, Nepal, Bangladesh, Africa and Latin America.

Last year, Spark Minda forayed into B2C space with launch of 17 helmet models with 145 variants in the Indian retail market. The company added more than 50 distributors in the last year and plans grow its network to 200 distributors in the coming year. Apart from this the company also launched 1500 fiber parts that is Plastic-molded, painted components for two-wheelers to meet the growing demand of 2W riders across the country. This number is targeted to increase to 2400 in the next two years, representing the largest range of fiber parts available in the country.

Apart from this, the Company also enhanced its warehousing capacities with the aim to cut down fulfilment time from 25-30 days to a reasonable time period and taking the satisfaction levels among customers. Automation is another area where the business will focus along with implementing Power BI tool to get data till the city level.

Spark Minda Green Mobility Systems and Electronic Manufacturing Excellence

Spark Minda via its 100% wholly owned subsidiary Spark Minda Green Mobility Systems (SMGM) focuses on products specifically catering to the EV Segment i.e Battery Chargers, DC-DC Converters. Apart from this the division also focuses on high tech products like Telematics and Intelligent Transport System (ITS). SMGM is also in the advanced stages of development of products such Battery Management System (BMS), Motor Controllers and VCU's etc. During FY22 the Spark Minda Green Mobility acquired 26 percent equity stake in charging solutions start up EVQPOINT Solutions for exclusive technology and manufacturing partnership for battery chargers and EV supply equipment.

Electronic Manufacturing Excellence helps deliver inter-disciplinary products in the connected mobility and IoT space such as PCB's assembly. It is the Company's in-house R&D centre SMIT, together with the acquisition of a start-up in 2018, El-Lab, that has enabled it to develop the latest devices and solutions, bringing stateof- the art technologies to the automotive linked mobility management devices and solutions domain.

In FY23 the company also entered into TLA with Daesung Eltec, a prominent automotive electronics company based in Korea, with the aim of bringing the Next Gen Advanced Driver Assistance System (ADAS) solutions to the Indian automotive market for Passenger Vehicle, commercial vehicle and off road vehicle segment. This partnership places Spark Minda ahead of the technology curve by providing localised ADAS solutions for the Indian market through cutting-edge technology offered by Daesung Eltec combined with Spark Minda's capabilities. The company also has a TLA with Israel based company Ride Vision for two-wheeler ADAS.

Additionally, in FY23 Spark Minda has entered into a Technology Licence and Agreement (TLA) with LocoNav for white-labelling of Telematics Software for both Web & Android/iOS platforms. The company will integrate LocoNav developed software with its inhouse developed telematic devices to provide OEMs with a complete solution. As part of the alliance, LocoNav will be the technology partner for telematic systems to Spark Minda and shall provide with white labelled software and would also assist Spark Minda in software customizations and mobile application user interface.

The vertical will enable the company to remain ahead of technology curve with customised solutions to suit Indian OEM's and also enables it to capitalise on the shift towards electric mobility and strengthen its position as a one stop shop as a comprehensive solutions provider.

Product portfolio	Key divisions/ companies	Key customers	No. of plants	Plant locations
DC-DC convertor, Battery charger, Motor controller, Intelligent Transport system, Telematics, Connected Clusters, MFECU, Vehicle Control Unit (VCU)	Spark Minda Green Mobility Systems and Electronic Manufacturing Excellence	Ashok Leyland, Ampere, Polarity, Etergo, Ola Electric, Bajaj	1	Pune
Rod Antenna, Micro Pole Antenna, Shark Fin Antenna, LF Antenna	Minda INFAC Private Limited	Maruti Suzuki, Hyundai, KIA, Stellantis	1	Pune

Minda INFAC Private Limited

Minda INFAC Private Limited is a joint venture between Minda Corporation and INFAC Elecs co. Ltd., Republic of Korea for manufacturing of antennas for automotive sector. Minda INFAC specialises in the production of antennas through a chain of operations starting from designing, conceptualizing, developing, manufacturing to installing and assembling In addition to this, Minda INFAC also provides testing services, distribution, promoting and marketing in both wholesale and retail segment. The Company manufactures a wide range of cutting-edge antennas, such as the Micro Pole Antenna, GPS Antenna, Combi Shark Fin Antenna, Glass Antenna, Switch Assembly and LF Antenna. Minda INFAC private limited produces antennas locally at the Company's set up state-of-the-art manufacturing facility in Pune.

Opportunities

Advanced Driver Assistance System (ADAS) solutions

The automotive industry in India is undergoing a significant shift towards advanced safety and driver assistance systems. This trend presents an opportunity for the Company to expand its offerings and cater to the unmet demand for Advanced driver-assistance systems (ADAS) solutions. The Company's collaboration with DAESUNG, a prominent automotive electronics firm, makes it well-positioned to take advantage of this opportunity and provide localised ADAS solutions for the Indian market.

Telematics Systems

With greater demand for connected mobility and smart transport solutions, there is an opportunity for the Company to expand its capabilities and become a leading provider of telematics systems. The Company's recent technical collaboration with LocoNav India is a step in this direction. Also, further expansion of its offerings in this segment could help the Company gain a competitive advantage in the market.

Electric Vehicle Components and Systems

With the shift in Indian market towards electric vehicles, there is an opportunity for the Company to develop specialised components and systems for this burgeoning sector. This could include components such as battery management systems, electric powertrain components and charging infrastructure components. As the market for electric vehicles grows in India, the Company could consolidate its position as a key player in this space.

Government Initiatives

The Indian government has provided enhanced impetus in this sector by rolling out numerous favourable initiatives such as Make in India, the Automotive Mission Plan 2026 and the National Electric Mobility Mission Plan (NEMMP) 2020. These programmes are expected to benefit the automotive industry. Additionally, the recent introduction of a battery swapping policy allows for depleted electric vehicle batteries to be replaced with fully charged ones at designated charging stations, thereby increasing the feasibility of electric vehicles for potential buyers. To establish the Electric Vehicle Supply Equipment (EVSE) infrastructure for electric vehicles, several public sector entities, ministries and the railways are collaborating to manufacture components and develop robust infrastructure.

Rising Demand

The automotive industry is witnessing a surge in demand owing to various factors, such as an increasing disposable income and a young, aspiring population. Moreover, the availability of credit and financing options has made owning a vehicle more accessible. The demand for commercial vehicles has also grown due to upbeat activity in the infrastructure sector.

In addition to this, the Company has secured orders from various segments, with electric vehicle orders comprising over 20% of the total orders received during FY2023.

Challenges

Dynamic Technology Landscape

The automotive industry is evolving rapidly, with new technologies and innovations emerging all the time. The Company will need to stay abreast of these developments and modify its offerings accordingly. This may require significant investment in R&D, as well as the ability to quickly bring new products and services to market.

Intense Competition

The automotive industry in India is highly competitive and it is expected that the Company may face stiff competition from established players in the market. To compete efficiently, the Company will need to differentiate itself by offering quality products and services at competitive prices.

Regulatory Challenges

India's automotive industry is subject to a range of complex regulations and standards. The Company will need to ensure that its products and services meet all relevant regulations, which may require significant investment in compliance.

S. No.	Particulars	FY23	FY22	% of change	Reason of change
1	Debtor Turnover (days)	42	50	-19%	-
2	Inventory Turnover (days)	74	71	4%	-
3	Interest coverage ratio	8.09	6.70	17%	-
4	Current Ratio	1.25	1.53	-23%	-
5	Debt Equity Ratio	0.25	0.04	82%	Increase in ratio is due to new loans taken during the year for capex requirements.
6	EBITDA Margin	10.70%	9.90%	7%	-
7	Net profit margin	6.62%	6.45%	3%	-
8	Return on net worth	17.9%	14.4%	19%	-

Human Resources

The Company acknowledges its human capital as the key to its success. It is committed to attracting and retaining the best talent in the industry and providing them with a supportive and empowering work environment. Throughout the course of their employment with the Company, it encourages its people to explore novel and exciting opportunities. The Company has also made sincere efforts to increase the representation of women in senior positions within the organisation, while simultaneously prioritising performance-based measures to drive the Company's success.

The Company has implemented a digitalization process for all lateral hiring to enhance efficiency and ensure transparency. Nurturing Talent is a fundamental core value of the Company, which emphasizes the provision of growth opportunities and support for both individual and team developments. The Company releases internal job postings for employees to discover growth opportunities within the organization. In the fourth quarter, a total of 80 jobs were internally posted, resulting in more than 20 successful selections.

The Company introduced the Young Spark campus program in order to attract young engineers, trainees and professionals to the automobile component industry. This year, the Company aims to on board over 100 young talents into the organization. To promote the culture of development and competency mapping for existing roles, the Company places a strong emphasis on the Learning Management module called LMS Gurukul. To achieve the organizational business plans, the Company has implemented the Associates Learning Development Plan and the Supervisor Skill Development Program at a group level. These plans span a period of 2-3 months and are designed to enhance employee relations, foster knowledge and skill development, nurture and build capabilities and promote learning within the plant.

When it comes to employee engagement, the Company begins the process of developing a long term strategy through a bottom-up approach, which eventually leads to the fulfilment of individual goals. This process helps create alignment throughout the entire organization. The progress towards these goals is monitored and reviewed during the annual SMC meet. The theme for this year's meet was centred around DIL which implies Disrupt, Innovate & Lead.

As part of its talent management approach, the Company combines various elements such as performance management, succession planning, employee engagement and rewards into a single calendar. The output of one element serves as the input for another, resulting in the development of future leaders and the careful evaluation of leadership skills. The success of this initiative is evident from the fact that a total of 141 employees were promoted with an equal number being job rotated.

The Company has also adopted Safety First as its motto as a crucial component of its health and safety policy for employees. The primary objective is to achieve Zero Injuries in the workplace. First Aid and Fire Fighting Training, as well as proactive and need-based health check-ups, are integral to the Company's governance. In the post-Covid pandemic era, the Company remains vigilant and monitors the progress of its Safety initiatives through robust Safety Committees across all locations. Additionally, the Company has implemented three medical policies at the Group Level, catering to employees, their parents and dependent family members.

16,000+

Total employees

Risk Management

The Company has a comprehensive framework for risk management in place aimed at safeguarding the welfare of its stakeholders by identifying, scrutinising and managing potential business risks. This involves a variety of approaches, including risk identification surveys, analysis of the business environment and soliciting feedback from both internal and external stakeholders. The fundamental objective of the Company's Risk Management framework is to ensure that potential risks are identified and addressed in a timely and efficient manner, while also retaining the ability to adjust to changing business demands.

Risk Category	Risk Description	Mitigation
Macro-economic risk	The Company may experience a decline in revenue generation if there is a slowdown in the macro-economic region or industry in which it operates, or if there are unfavourable changes in the regulatory scenario.	The Company has implemented a strategic diversification plan to reduce its reliance on any single location, product or industry. This plan includes expanding its presence across geographies, pitching into new customers and increasing kit value via product Premiumisation. Moreover, maturing EV market will give an added push to the growth as 95% of the company's product portfolio is power train agnostic.

Exchange rate risk	A proportion of the Company's revenue originates from export activities and is subject to foreign currency fluctuations. As a result, any adverse movement in exchange rates could have a negative impact on the Company's profitability.	To reduce the risks associated with currency rate fluctuations, the Company participates in hedging activities and uses forward contracts.
Human resource risk	The nature of the Company's operations involves substantial intellectual capital, emphasising the need to attract, retain and develop highly skilled personnel. This is also essential to maintaining a competitive advantage within the industry and ensuring the Company's long-term manufacturing sustainability.	The Company prioritises fostering a people-centric and performance driven culture. To this end, it has put in place multiple programmes aimed at promoting employee health and safety, fostering engagement and facilitating skill development.
Cyber security and Data Privacy	The Company is exposed to the risk of critical cyberattacks, which could potentially result in the loss of critical information. Such an event could have an adverse financial impact on the Company's overall business.	The Company is proactively strengthening its data and information security protocols to mitigate the risks posed by cyberattacks.
Market risk	Changes in the automotive industry, consumer preferences, or economic conditions could impact demand for the Company's products.	The Company invests ~2% of its revenue into research and development to keep itself abreast with the changing dynamics in the auto industry. Team of more than 450 engineers across verticals keeps an eye on the latest trends in the automobile sector

Business outlook

The Company remains optimistic about the auto sector's outlook, primarily due to strong signs demand in the domestic market. The Company will prioritise automation over manual lifting to reduce its reliance on human labour while improving quality, productivity, efficiency and profitability. Additionally, the Company's primary goal is to discover ways to enhance the manufacturing capabilities both internally and with its suppliers. Moreover, the Company aims to expand their heritage portfolio, while simultaneously pursuing new business endeavours through consistent R&D.

Internal control systems

The internal control systems of the Company are adequate considering its business nature, size and complexity of operations. To adapt to the evolving needs, the Company has increased its emphasis on the Corporate Audit and Governance (CAG) function, which now has an expanded scope covering various areas, such as establishing corporate governance policy and an internal control framework, conducting internal, management and IT audits, drafting and implementing policies and procedures, ensuring compliance with environmental laws, as well as reviewing and reporting statutory compliances.

The Company has implemented a rigorous set of internal controls to guarantee the protection of all assets against unauthorised use or disposal, as well as ensure that transactions are authorised, promptly recorded and reported. The sufficiency of the internal control systems is regularly evaluated by the Company. Internal controls have been developed to ensure the transparency and adequacy of financial and other records along with reliable resources for producing financial reports and other data.

The Audit Committee of the Company assesses the sufficiency and efficacy of its internal control framework and oversees the execution of audit suggestions, particularly those aimed at enhancing the Company's risk management strategies and systems.

Disclaimer

The MDA section may contain forward-looking statements regarding future prospects. These statements involve various known and unknown risks and uncertainties, which may result in material differences between actual results and the forward-looking statements. In addition to changes in the macro-environment, the emergence of a global pandemic such as COVID, can introduce unforeseen, unprecedented, unascertainable and continuously evolving risks to the Company and its operating environment. The estimates and figures presented in the report are based on certain assumptions made by the Company, taking into account internal and external information that is currently available. However, the factors underlying these assumptions can change over time, leading to corresponding changes in the estimates on which they are based. It should be noted that forward-looking statements only reflect the Company's current intentions, beliefs, or expectations as of the date on which they were made. The Company is not obligated to revise or update any forward-looking statements in light of new information, future events, or other factors.

Board's Report

To
The Members,

Your Directors have pleasure in presenting to you the 38th (Thirty Eighth) Annual Report and the audited financial statements for the year ended 31st March, 2023.

FINANCIAL RESULTS

(₹ in Million)

Particulars	Standalone		Consolidated	
	31.03.2023	**31.03.2022**	**31.03.2023**	**31.03.2022**
1 Income				
(a) Revenue from operations	34,924	27,348	43,001	29,759
(b) Other income	419	463	158	242
Total income	**35,343**	**27,811**	**43,159**	**30,001**
2 Profit from operation before Interest, Depreciation, Other Expenses, taxes and share of profit/ (loss) of joint ventures/associate	7,818	6,201	9,131	6,500
3 Finance costs	388	305	407	309
4 Depreciation and amortization expense	1,100	1,028	1,381	1,120
5 Other expenses	3,830	3,088	4,358	3,313
6 Exceptional Income	(250)	-	-	327
7 Profit from operations before share of profit of joint ventures/ associate and taxes	2,250	1,780	2,985	2,085
8 Share of profits of joint ventures/associate (net of taxes)	-	-	(99)	74
9 Profit from operations before income tax	2,250	1,780	2,886	2,159
10 Tax expense				
(a) Current tax	-	463	243	547
(b) Deferred tax	(160)	(66)	(196)	(90)
(c) Tax adjustments related to earlier years	4	(219)	(6)	(217)
Total tax expense	**(156)**	**178**	**41**	**240**
11 Profit/(loss) for the year	**2,406**	**1,602**	**2,845**	**1,919**
12 Other comprehensive income				
(a) Items that will not be reclassified subsequently to profit or loss				
- Remeasurement of defined benefit liabilities	9	(8)	12	(4)
- Valuation gain/(loss) for fair value through comprehensive income equity	(90)	-	(90)	-
- Income tax relating to items that will not be reclassified subsequently to profit or loss	20	2	20	1
- Share of remeasurement of defined benefit liabilities (net of tax) of an associate and joint ventures	-	-	-	1
- Net other comprehensive income not to be reclassified subsequently to profit or loss	(61)	(6)	(58)	(2)
(b) Items that will be reclassified subsequently to profit or loss				
- Exchange Difference in translating financial statement of continuing foreign operations	-	-	45	31
13 Other comprehensive income for the year (net of tax)	(61)	(6)	(13)	29
14 Total comprehensive income for the year	**2,345**	**1,596**	**2,832**	**1,948**

For details, refer Notes to Accounts forming part of this Annual Report.

COMPANY PERFORMANCE

The financial statements have been prepared as per the IND-AS prescribed by the Institute of Chartered Accountants of India (ICAI).

Standalone Financials: During the year under review, your Company has achieved turnover of ₹ 34,924 Million against ₹ 27,348 Million during previous year registering a growth of 27.70 %.

The Company has reported a Profit of ₹ 2,406 Million as against Profit of ₹ 1,602 Million during previous year with an increase of 50.19% over the previous year.

Consolidated Financials: During the year under review, your Company has achieved a consolidated turnover of ₹ 43,001 Million against ₹ 29,759 Million during previous year registering a growth of 44.50%.

The Company reported a Profit of ₹ 2,845 Million from continuing operations as against Profit of ₹ 1,919 Million earned during previous year with an increase of 48.25% over the previous year.

DIVIDEND

The Board of Directors of your Company has recommended a final dividend of ₹ 0.80 per equity share (i.e. @ 40%) on 239,079,428 Equity Shares of ₹ 2/- each fully paid up for the year ended March 31, 2023. The dividend proposal is subject to the approval of members at the ensuing Annual General Meeting scheduled to be held on July 27, 2023. This is in addition to the interim dividend of ₹ 0.40/- per equity share (i.e. @ 20%) declared by the Board in its meeting held on February 08, 2023. The total dividend for FY 23 aggregates to ₹ 1.20/- per equity share (i.e. @ 60%) as against ₹ 1 per share (i.e. @ 50%) per equity share paid for the last year.

DIVIDEND DISTRIBUTION POLICY

In line with Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, your Company has formulated a Dividend Distribution Policy which is available at the Company's website i.e. https://sparkminda.com/wp-content/uploads/2020/04/Dividend-Policy.pdf

INDUSTRY UPDATE

FY23 ended on a positive note for Indian automobile industry, emerging as a success story by bouncing back from the challenges posed by the pandemic, subdued demand, and supply chain constraints. With growth in overall automobile domestic sales of 12.5% in 2022-23, the industry recorded highest passenger vehicle sales with an annual growth of 25.4%. Commercial Vehicles and Three-Wheelers posted growth of 27% and 13% respectively, driven by higher off-take of Passenger Carriers. The Two-wheelers segment grew by a moderate 9%, after witnessing de-growth for previous three consecutive years. These segments are yet to reach the pre-pandemic levels. The automotive industry is witnessing a surge in demand owing to various factors, such as an increasing disposable income and a young, aspiring population and upbeat activity in the infrastructure sector.

Moreover, the availability of credit and financing options has made owning a vehicle more accessible. Favorable Policy initiatives ranging from impact of new PLI Schemes, encouraging announcements in Budget, forward looking Logistic & Foreign Trade Polices and recently announced Gas pricing Guidelines would go a long way in supporting the growth of the Industry.

CREDIT RATING

India Ratings & Research (Ind-Ra) and CRISIL have assigned below credit ratings to the Company:

Rating Agencies	Instrument	Ratings
India Ratings & Research	Term Loan	IND AA-/Stable (Affirmed)
	(Fund-based and Non-fund-based) Working Capital Limits	IND AA-/Stable/ IND A1+ (Affirmed)
CRISIL	Long-term Rating	CRISIL AA-/Stable
	Short- term Rating	CRISIL A1+ (Reaffirmed)

India Ratings & Research (Ind-Ra) has re-affirmed the credit rating during the year under review whereas CRISIL has upgraded the long-term rating from CRISIL A+/Positive to CRISIL AA-/Stable and re-affirmed the short-term rating.

SHARE CAPITAL

The paid-up Equity Share Capital as on 31st March, 2023 is ₹ 478,158,856/- (Rupees Four Hundred Seventy-Eight Million One Hundred Fifty-Eight Thousand and Eight Hundred Fifty-Six Only) divided into ₹ 239,079,428/- (Two Hundred Thirty-Nine Million Seventy-Nine Thousand Four Hundred Twenty-Eight only) Equity Share of ₹ 2/- each. The authorized share capital of the Company is ₹ 1,577,000,000 (Rupees One Thousand Five Hundred Seventy-Seven Million Only) and the authorized share capital of the Company has been re-classified as divided into 692,500,000 (Six Hundred Ninety-Two Million and Five Hundred Thousand only) equity shares of ₹ 2/- (Rupees Two only) each aggregating to ₹ 1,385,000,000/- (Rupees One Thousand Three Hundred Eighty-Five Million Only) and 240,000 (Two Hundred and Forty Thousand) preference shares of ₹ 800/- (Rupees Eight Hundred only) each aggregating to ₹ 192,000,000/- (Rupees One Hundred Ninety-Two Million Only).

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. During the year under review, the Company has transferred the unclaimed dividend (final) of ₹ 34,445.80 (Thirty-Four Thousand Four Hundred and Forty-Five Rupees point Eighty Paisa Only) for the year 2014-15 and the unclaimed dividend (interim) of ₹ 34,008.20 (Rupees Thirty-Four Thousand Eight and Twenty Paisa Only) for the year 2015-16 to IEPF. Year-wise amounts of unpaid / unclaimed dividends transferred to IEPF and the corresponding shares, is provided in the Shareholder Information Section of Corporate Governance Report and are also available on Company's website at www.sparkminda.com.

The details of the nodal officer appointed by the Company under the provisions of IEPF Rules are available on the website of the Company i.e. https://sparkminda.com/wp-content/uploads/2023/01/Investor_Grievance_Redressal_Policy.pdf.

EMPLOYEE STOCK OPTION SCHEME 2017

Your Company with the objective of introducing a long-term incentive tool to attract, motivate, retain talent and reward loyalty, formulated Minda Corporation Limited Employee Stock Option Scheme 2017 ("ESOP 2017") for grant of a maximum of 53,41,840 stock options to the eligible employees of the Company. Nomination and Remuneration Committee of the Company has granted total 44,87,646 stock options to the eligible employees of Minda Corporation Limited and its subsidiaries (Refer note 2.41) of notes to accounts in financial statements. A certificate from the secretarial auditors of the Company that the Scheme has been implemented in accordance with the applicable SEBI Guidelines and the resolution passed by Members would be placed at the Annual General Meeting for inspection by Members. There is no material change in the scheme, the same follows the applicable regulations. The necessary disclosure pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits and sweat equity) Regulations 2021 with regard to Employee Stock Option Scheme of the Company is available at Company's website i.e. https://sparkminda.com/wp-content/uploads/2023/07/ESOP_Annexure_2022-23.pdf.

DEPOSITS

The Company has neither invited nor accepted any deposits from the public falling within the preview of section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the year. There is no unclaimed or unpaid deposit lying with the Company as on March 31, 2023.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report (MD&A) for the year under review, as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of this Annual Report.

CORPORATE GOVERNANCE

Your Company follows the highest standards of Corporate Governance best practices. It adheres to and has implemented the requirements set out by SEBI's Corporate Governance norms. A separate section on Corporate Governance forms a part of the Directors' Report.

A certificate confirming the compliance of conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from Ranjeet Pandey & Associates, Practicing Company Secretaries, is forming part of the Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

As per SEBI Circular dated May 10, 2021, a Business Responsibility and Sustainability Report is attached and forming part of this Annual Report.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act, 2013 ("the Act") and Indian Accounting Standard (Ind AS) 110 on Consolidated Financial Statements read with Ind AS 28 investment in associate and joint ventures and Ind AS 112 on disclosure of interest in other entities, the audited consolidated financial statement is provided in the Annual Report.

The performance of the Company on consolidated basis is also discussed at length in the Management Discussion and Analysis, which forms part of this Directors' Report.

DIRECTORS / KEY MANAGERIAL PERSONNEL- APPOINTMENT, RE-APPOINTMENT & RESIGNATION

During the year under review, there was no change in the composition of the Board of Directors and Key Managerial Personnel of the Company.

Mr. Ashok Minda (DIN: 00054727) was re- appointed as Chairman & Group CEO of the Company w.e.f August 01, 2022 for a period of 3 (Three) years as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors in their meeting held on May 17, 2022 which was approved by the shareholders in the last AGM of the company held on July 28, 2022.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ashok Minda (DIN: 00054727), Chairman and Group CEO of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Upon his appointment, he will continue to act as Chairman & Group CEO of the Company.

The Company has received declarations of independence from all the Independent Directors confirming that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that they meet the criteria of independence.

The Board is of the opinion that all the Independent Directors of the Company are persons of integrity and possess relevant expertise and experience (including the proficiency) to act as Independent Directors of the Company. The Independent Directors of the Company have confirmed that they have registered with the Indian Institute of Corporate Affairs, Manesar and have included their name in the databank of Independent Directors within the statutory timeline as required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Details of the Familiarization Programme Module for Independent Directors is provided in the Corporate Governance Report forming part of the annual report of the Company.

The Board of Directors in their meeting held on August 12, 2019 has designated Mr. Avinash Parkash Gandhi as the Lead Independent Director of the Company. The role of the Lead Independent Director is available on the Company's website: https://sparkminda.com/wp-content/uploads/2022/04/Role-of-Lead-Independent-Director.pdf

PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS

The Board of Directors has made a formal annual evaluation of its own performance and that of its committees pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The evaluation was done based on the evaluation criteria formulated by Nomination and Remuneration Committee which includes criteria such as fulfilment of specific functions prescribed by the regulatory framework, adequacy of meetings, attendance and effectiveness of the deliberations etc.

The Board also carried out an evaluation of the performance of the individual Directors (excluding the Director who was evaluated) based on their attendance, participation in deliberations, understanding the Company's business and that of the industry and in guiding the Company in decisions affecting the business and additionally in case of Independent Directors based on the roles and responsibilities as specified in Schedule IV of the Companies Act, 2013 and fulfilment of independence criteria and independence from management. The actions emerging from the Board evaluation process were collated and presented before the Chairman of Nomination and Remuneration Committee as well as the Board. Suggestions/feedback concerning strategic, governance and operational matters are actioned upon by the team.

As part of the evaluation process, the performance of non-independent directors, performance of the Board as a whole, performance of the Committee(s) of the Board and the performance of the Chairman was evaluated by the Independent Directors in a separate meeting of independent directors held on March 28, 2023 considering the views of other directors.

BOARD AND AUDIT COMMITTEE MEETINGS

During the year under review, 4 (four) Board Meetings, 8 (eight) Audit Committee Meetings were convened and held apart from other Committee's meetings of the Company. The details of all the meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The calendar of Board and Committee Meetings were prepared and circulated in advance to the Directors.

COMMITTEES OF THE BOARD

As on March 31, 2023, there are 7 (seven) Committees of the Board viz: Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Corporate Social Responsibility & Sustainability Committee, Risk Management Committee, Executive Committee and Investment Committee. A detailed note on the composition of the Board and its Committees is provided in the Corporate Governance Report section of this Annual Report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Pursuant to the provisions of section 134(3)(e) and Section 178(3) of the Companies Act, 2013 and the SEBI Listing Regulations, the policy of the Company on Directors' appointment and remuneration, including the criteria for determining qualification, positive attributes, independence of directors and other matters like Board Diversity are given on the website of the Company at https://sparkminda.com/wp-content/uploads/2020/04/Nomination-Remuneration-and-Board-Diversity-Policy.pdf

The salient features of the Remuneration and Board Diversity Policy are as under:

a) To determine remuneration of Directors, KMP, other senior management personnel and other employees, keeping in view all relevant factors including industry trends and practices.

b) If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V and other applicable provisions.

c) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

d) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

e) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

f) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

g) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

h) The remuneration / compensation / commission etc. to the Whole-time Director, KMPs and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.

i) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act. The loans/advances to employees shall be in accordance with the conditions of service applicable to employees and are also in accordance with the Group Human Resource Policy.

j) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

k) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors confirm that:

a) In the preparation of the annual accounts, the applicable accounting standards have been followed and no material departure was made for the same. The financial statements of the Company for the financial year ended March 31, 2023, have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 (the "Act"), read with the relevant rules made thereunder and other accounting principles generally accepted in India;

b) Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period ended on March 31, 2023;

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

d) The annual financial statements have been prepared on a going concern basis;

e) Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

f) Proper systems had been devised to ensure compliance with the provisions of all applicable laws and were adequate and operating effectively.

NATURE OF BUSINESS

There has been no change in the nature of business of your Company during the year under review.

CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct ("the Code") applicable to Directors, Independent Directors and Senior Management Personnel. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code is available on the Company's website at the link: https://sparkminda.com/wp-content/uploads/2020/04/Code-of-Conduct.pdf. The Chairman & Group CEO of the Company has given a declaration that the member of Board of

Directors and Senior Management Personnel have affirmed compliance with the code of conduct of the Board of directors and Senior Management in terms of Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

TRANSFER TO RESERVES

During the financial year under review, there was no transfer to General Reserve by the Company.

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year ended on March 31, 2023 were on an arm's length basis and in the ordinary course of business under Section 188(1) of the Act and the Listing Regulations and hence a disclosure in Form AOC-2 in terms of clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is not required. Details of the transactions with Related Parties are provided in the accompanying financial statements note no. 2.40 of Standalone Financial Statement & 2.39 of Consolidated Financial Statement) in compliance with the provision of Section 134(3)(h) of the Act. The policy on Related Party Transactions as approved by the Board may be accessed on the Company's website at the link: https://sparkminda.com/wp-content/uploads/2022/02/Annexure-XII-Related_Party_Transactions_Policy.pdf

PARTICULARS OF INVESTMENTS MADE, LOANS GIVEN, GUARANTEES GIVEN AND SECURITIES PROVIDED

Pursuant to Section 134(3)(g) of the Companies Act, 2013, particulars of loans, guarantees or investments and securities provided under Section 186 of the Companies Act, 2013 along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement (Please refer to Note 2.39A & 2.39B for contingent liability & Note 2.37 to Consolidated Financial Statements).

During the year under review the Company has given loan of ₹ 17 Crore (Rupees Seventeen Crore Only) to Spark Minda Green Mobility Systems Private Limited (Subsidiary Company) at a rate of interest of 8.0% and upon such terms and conditions as may be mutually agreed upon between the Company and Minda Corporation Limited (Refer Note 2.14 of Standalone Financial Statements).

The Company has not given any guarantee or provided any security during the financial year. During the year under review, your Company has invested in 1,91,40,342 (One Crore Ninety One Lacs Forty Thousand Three Hundred Forty Two) equity shares of ₹ 1 (One) each aggregating to ₹ 4,000 million (Four Hundred Crores). Please refer Note 2.4 of Standalone Financial Statements and Consolidated Financial Statements.

CORPORATE SOCIAL RESPONSIBILITY

Your Company has the policy of giving back to the society and has carried a host of CSR activities this year. In line with the requirement of Section 135 of the Companies Act, 2013, your Company is having a Corporate Social Responsibility & Sustainability Committee. The details of Committee are provided in Corporate Governance Report. The CSR Policy of the Company is available on its website at the link: https://sparkminda.com/wp-content/uploads/2020/04/Policy-on-Corporate-Social-Responsibility.pdf

Spark Minda Foundation (A wholly owned subsidiary of the Company) a non-profit Company registered under Section 8 of the Companies Act, 2013 is the implementing agency for implementation of CSR activities. The details of the CSR initiatives undertaken during the financial year ended 31st March, 2023 and other details required to be given under section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended are given in **Annexure-I** forming part of this Report.

A detailed discussion on CSR Projects and initiatives are included as a separate section in the Annual Report.

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

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

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The percentage increase in remuneration, ratio of remuneration of each director and Key Managerial Personnel (KMP) (as required under the Companies Act, 2013) to the median of employees' remuneration, as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given at **Annexure-III** to this Report.

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate exhibit forming part of this report and is available on the website of the Company.

The Annual Report and accounts are being sent to the shareholders excluding the aforesaid exhibit. Shareholders interested in obtaining this information may access the same from the Company website or send a written request to the Company at investor@mindacorporation.com.

In accordance with Section 136 of the Companies Act, 2013, this exhibit is available for inspection by shareholders at the website of the Company and at the Registered Office of the Company during business hours on all working days, 21 days before the Annual General Meeting and copies may be made available on request.

STATUTORY AUDITORS AND REPORT

At the Annual General Meeting held on July 09, 2021, M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005) were appointed as Statutory Auditors of the Company to hold office till the conclusion of the 41st Annual General Meeting of the Company to be held in the calendar year 2026.

The Board of Directors of the Company as per the recommendation of Audit Committee has approved the remuneration payable to S. R. Batliboi & Co. LLP, (FRN:301003E/E300005), Chartered Accountants for the year 2023-24 at ₹ 89,00,000/- (Rupees Eighty-Nine Lacs Only) plus taxes and out of pocket expenses as Statutory Audit fees.

Audit Reports on Standalone Financial Statements and Consolidated Financial Statements are self- explanatory and do not call for any further comments under Section 134 of the Companies Act, 2013. The Auditors Report to the shareholders for the year under review does not contain any qualification. No frauds have been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

SECRETARIAL AUDITORS AND REPORT

Ranjeet Pandey and Associates, Company Secretaries (FCS-5922; C.P. No. 6087) were appointed to conduct the secretarial audit of the Company for the financial year 2022-23 as required under Section 204 of the Companies Act, 2013 and Rules made there under. The Secretarial Audit Report for financial year 2022-23 forms part of this Annual Report as **Annexure-IV** to this Directors' Report. There is no observation or Negative qualification in the report except the following: -

One of the Independent Director with his wife purchased 469 (Four Hundred Sixty-Nine) equity shares of the Company at the aggregate value of ₹ 1,00,744 (Rupees One Lakh Seven Hundred Forty-Four) in the market during the closure of trading window. On becoming aware, proper intimations were given by the Company to Stock Exchange regarding the non-compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015, Board of directors of the Company was appraised and due penalties were imposed on the independent director and his wife by the Company.

Your directors are of the opinion that the aforesaid observations is self -explanatory and do not call for further explanation.

However, as per the information from the Independent Director these shares were purchased by Motilal Oswal (PMS) by virtue of Power of Attorney issued to them by the Independent Director and his spouse during the closure of trading window. Hence, violation of Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015. On becoming aware, proper intimations were given by the Company to Stock Exchange regarding the non-compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015, Board of directors of the Company was appraised and due penalties were imposed on the designated person.

An awareness campaign had been launched across all Designated Persons in the Company to avoid such violation in future.

No frauds have been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

COST AUDITORS

The Board of Directors has appointed Chandra Wadhwa & Co., Cost Accountants as Cost Auditors (Firm Registration No. 00239) for conducting the audit of cost records made and maintained by the Company for the financial year 2023-24 pursuant to Section 148 of the Companies Act, 2013.

In accordance with the provisions of section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration payable to the Cost Auditor for financial year 2023-24 is required to be ratified by the members; the Board recommends the same for approval by members at the ensuing AGM.

No frauds have been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

LISTING

Equity Shares of your Company are presently listed at National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). The Annual Listing fees for financial year 2023-24 have been paid to the concerned Stock Exchanges.

SECRETARIAL STANDARDS

During the year under review, the Company has complied with the provisions of the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively.

ANNUAL RETURN

The Annual Return of the Company in accordance with Section 92(3) of the Companies Act, 2013 is available on the website of the Company at https://sparkminda.com/annual-returns/

PERFORMANCE OF SUBSIDIARIES

The consolidated financial statements of the Company prepared in accordance with the Companies Act, 2013 and applicable accounting standards form part of the Annual Report. The consolidated financial statements include the financial statements of its subsidiary Companies.

During the year under review, there is no company which has become or ceased to be its Subsidiary, Joint Ventures or Associate Company. The details of subsidiaries, associates, Joint Ventures as on March 31, 2023 is as under:-Subsidiaries	1) Minda Europe B.V., Netherlands 2) Spark Minda Foundation 3) P T Minda Automotive, Indonesia 4) Minda Vietnam Automotive Co. Ltd., Vietnam 5) P T Minda Automotive Trading, Indonesia 6) Almighty International PTE Limited, Singapore 7) Spark Minda Green Mobility Systems Private Limited 8) Minda Instruments Limited, India
Jointly control entity / Associate	1) Minda Infac Private Limited 2) Minda Vast Access Systems Private Limited, India 3) Furukawa Minda Electric Private Limited, India 4) EVQ Point Solutions Private Limited

Pursuant to the provisions of section 136 of the Companies Act, 2013, the financial statements including consolidated financial statements along with the relevant documents and audited accounts of subsidiaries are available on the website of the Company at https://sparkminda.com/annual-reports-of-subsidiaries/

Pursuant to section 129 of the Companies Act, 2013 a statement in Form AOC-1, containing the salient features of the financial statements of the Company's subsidiaries is attached with the financial statements. The statement provides details of performance and financial position of each of the subsidiaries. The contribution of the subsidiaries to the overall performance of the company is given in the consolidated financial statements.

The Financial Statements of the subsidiaries shall be made available to the shareholders seeking such information and shall also be available for inspection at its Registered Office.

The Policy for determining material subsidiaries as approved may be accessed on the Company's Website in investor section: https://sparkminda.com/wp-content/uploads/2020/04/Policy-on-Material-Non-Listed-Subsidiary.pdf

ADEQUACY OF INTERNAL FINANCIAL CONTROL

Internal financial control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, timely prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The Company has put in place well defined procedures, covering financial and operating functions. Delegation of authority and segregation of duties are also addressed to ensure that the financial transactions are properly authorized. Further the Company has an integrated ERP system connecting head office, plant and other locations to enable timely processing and proper recording of transactions. Physical verification of fixed assets is carried out on a periodical basis. The Internal audit department reviews the effectiveness of the internal control systems and key observations are reviewed by the Audit Committee. These, in the view of the Board, are designed to collectively provide an adequate system of internal financial control with reference to the financial statements commensurate with the size and nature of business of the Company.

RISK MANAGEMENT

The company has developed and implemented a detailed risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company as required under the Companies Act, 2013 read with Regulation 21 of the Listing regulations.

The Company has constituted a Risk Management Committee of the Board comprising of an executive director, a Non-executive director (Nominee Director) and an independent director of the Company as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee reviews the risk management initiatives taken by the Company on quarterly basis and evaluate its impact and the plans for mitigation. During the year, the Committee met on June 10, 2022, September 23, 2022, December 12, 2022 and March 29, 2023. The Risk Management Policy can be accessed on the Company's website at the link: https://sparkminda.com/wp-content/uploads/2022/02/Annexure-XIIA-Risk_Management_Policy.pdf

This policy forms part of the internal control and corporate governance process of the Company. Basically, the aim of this policy is not to eliminate risks, rather to mitigate the risks involved in the Company activities to maximize opportunities and minimize adversity by considering the following: -

- Identification of risk, define ownership with clearly defined roles and responsibilities;
- Balance between the cost of managing risk and the anticipated benefits;
- Contributing to more efficient use/allocation of capital and resources;
- To encourage and promote a pro-active approach towards risk management;
- Identifying any unmitigated risks and formulating action plans for its treatment through regular review.

HUMAN RESOURCES

While 2022-23 was the year of accelerating the digital adoption in Human Resources function, the focus was accentuated towards nurturing talent. In FY 2023-24, SPARK MINDA GROUP is on a mission towards relentlessly investing in technological advancements in HR arena to enhance employee experience by raising the bar of every process.

Talent Acquisition & Internal Job Postings: To improve efficacy and adhere transparency, all lateral hiring is being digitalized. From the initial steps of manpower requisition to selection process, all process is being captured with appropriate particulars. Our Core Value is "Nurturing Talent" focuses on providing growth opportunities and support for development of self as well as team. The Internal Job postings are released to be applied by employees to find "Growth Opportunity within the Organization".

Young Spark: The "Young Spark" Campus program was launched to attract young engineers, trainees and professionals to the automobile component industry. The program is now unified in the annual HR calendar. This year the target is to bring 100+ Young Spark into the organization.

Diversity & Inclusion: We are pivoting towards Diversity & Inclusion to balance the development of Talent with equal opportunity. SPARK MINDA always endeavors to recruit diversified talent to bring strategic thinking process. "Women in Leadership Role" is an immensely important project incorporated in HR operation for this current year.

HR strategy for Future Readiness: An integrated approach to attract, motivate, engage and retain the right people in the right place at the right time is embedded in our HR strategy to drive our future readiness. Our company's competitiveness is clearly impacted by People Manager's ability to Build High Performing Team, Drive Strong Performance Culture, Nurture Internal Talent by effectively deploying the process with adequate tools

Performance Management: SPARK MINDA drives to cultivate and stimulate the environment of "Performance-Oriented Culture" which is constantly impelling to "Pay for Performance. SMART Goal setting with proper periodical Check-In's is the foremost factor to drive "Passion for Excellence".

Talent Management: Our organization integrates the Performance Management process, Succession planning, Employee engagement, Rewards in one calendar. The output of one will be the input of other resulting the generation of future leaders which is meticulously driven to incubate the leadership acumen.

Talent Review: People Managers act in accordance with Talent Cards of employees to drive the Individual Development Plan for HiPo's and Performance Improvement Plan for low performers. The Company always maintains a conducive and open environment for Talent Review discussions. SPARK Minda has a legacy to discuss the plan of 30:60:90 days with Senior Management Committee and Executive Committee members

Job Rotation: Job Rotation is part of the core values – "Nurturing Talent". Each year a set of Talent is being rotated between location / function to provide employees an enriched experience. This is enabled by the Talent Review Council's.

Future Ready People Managers Capability Building: All people managers act as Talent Champions who believe in our Company's vision of being a "Preferred Employer". As Talent Champions, we consider employees as equal owners & stakeholders resulting in a "People-Centric Talent Management Process". This aims to build a rich and vibrant inclusive work-culture and also continue to nurture employees towards greater efficiency.

Training and Development Plan: Skill enhancement has been at the core of our organisation which is clearly visible through our comprehensive strategy towards training. Latest technological and process disruptions are appraised. SPARK MINDA emphasizes on Learning Management module: LMS Gurukul to thrive the culture of development and competency mapping for existing roles.

To accomplish organizational business plans, "Associates Learning Development Plan", "Supervisor Skill Development Program" have been institutionalized at a Group Level, spread across a period of 2-3 months with an objective of Strengthening in the area of employee relations, Knowledge & skill developments, Nurturing and capability building, Learning within the Group/Plant.

A structured 6-month intervention "Managerial development Plan -MDP" & "Managerial Excellence Program - MEP" has been initiated to assist experienced managers to move to next Level of leadership. These Program are planned across all manufacturing units by Subject Matter Experts and Trainers.

Workforce planning: Spark Minda emphasizes on the process of analyzing, forecasting, and planning workforce supply and demand, assessing gaps, and determining target talent management interventions to ensure the accomplishment of strategic objectives. This year HR initiative is to compass the Indirect Head Count ~ 25% of total Business Vertical Head Count.

LTS: Our Company prepares a Long-Term Strategy for next 3 to 5 years based on the trend and performance of group with respect to market and technology. The guidelines are issued on annual basis and target is to complete the LTS exercise in January every year.

Budget: Every business vertical while preparing the budget needs to follow the best practices and should align the budget with Industry forecast & Long-term Strategy of the group for the subjected year. Detailed, zero-based, realistic, forward-looking & benchmarked with main competitor's financial metrics.

Culture: Our Culture is an important part of our existence – We encourage innovation, experience sharing, confronting fearlessly, challenging status quo and taking ownership. We trust our people and we believe that the demonstration & investment in trust is the ultimate expression of care. Emphasis and Evaluation is being considered for setting an agile structure and development to balance all around sustainability.

Engagement: Spark Minda onsets "VIBE" as a social platform of employee engagement. VIBE acts as "MINDA Facebook" to wish birthdays, anniversaries, circulate notice, organise quiz and to upload events and engagements at group level.

ESG: To balance the development among social, economic and environmental sustainability, various activities in CSR and employee engagement covered to ensure attainment of Sustainable Development Goals.

Policies and Value: Our organization is proud of "Living Our Values" – "Passion for Excellence", "Nurture Talent, competency and willingness", "Respect and Humility". These are engrained in every employee and in their every action. We celebrate our essential values through policies and procedures implemented with utmost discipline. POSH – Prevention of Sexual Harassment and Whistle-blower Policy are some of our foremost policies. We ensure the safety of our employees as a priority, and are committed towards ensuring a harmonious and productive work environment.

We follow a Culture of Strategic Thinking, Business Acumen, Enabling Change, Passion & Execution, Team Orientation and being 'One SPARK MINDA GROUP' which enable us to be a closely-knit group.

AWARDS

During the year under review, your Company has received awards and recognitions, which have been mentioned in Award section of this Annual Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Our Company is committed to the highest standards of ethical, moral and legal business conduct. Accordingly, Vigil Mechanism/Whistle Blower Policy was formulated which provides a platform to all the stakeholders (employees, directors, customers, vendors etc.) of group to raise their genuine concerns & grievances, to build and strengthen a culture of strong governance, transparency and trust within the organization by disclosing information internally without fear of reprisal or victimization. The purpose of this Policy is to provide a framework to promote responsible whistle blowing by stakeholders. The policy is consistent with the relevant provisions of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges in India. The policy also provides direct access to the whistle blower ombudsman and Chairperson of the Audit Committee through e-mail, post and telephone for reporting any matter and no personnel has been denied access to the audit committee during the year under review. The Audit Committee reviews reports including action plan under this policy.

During the year, Company's Compliance programme was further strengthened by assessing the existing policies and procedures from an Anti-Bribery and Anti-Corruption perspective. Based on the assessment, Company further instituted in place an Anti-Bribery and Anti-Corruption ("ABAC") policy in line with the leading industry practices and applicable laws such as The Prevention of Corruption Act, 1988, The Foreign Corrupt Practices Act (US), 1977 and the UK Bribery Act, 2010. Subsequent to the institutionalization of the ABAC policy, Company plans to conduct entity-wide trainings educating the employees about the applicability of laws, importance of its abidance and guidance in place to safeguard Company from the associated risks.

The policy encourages the employees and other parties to report, which he/ she believes; shows serious "Concern / Disclosure" without any fear of retaliation within the company.

The same has also been displayed on the website of the Company and the link for the same is: https://sparkminda.com/wp-content/uploads/2022/04/Whistle_Blower_Policy_unsigned.pdf

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE POLICY

As per the requirement of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act')" and Rules made there-under, your Company has constituted Internal Complaint Committees (ICC). The Company has zero tolerance for sexual harassment at workplace. While maintaining the highest governance norms, the Company has also appointed external independent persons, who have requisite experience in handling such matters. During the year, the Company has received 1 (One) complaint of sexual harassment, which has been resolved.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOP referred to in this Report.
3. Neither the Executive Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries. Ms. Pratima Ram, Independent Director of the company also holds position of Independent Director on the board of Minda Instruments Limited (Formerly known as Minda Stoneridge Instruments Limited) receives sitting fee for attending Its Board/Committee Meetings.
4. No significant material orders have been passed by the regulators or court(s) or tribunal(s) which would impact the going concern status of the Company and its future operations.
5. No such order is passed by any Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.
6. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with status at the end of the financial year: NOT APPLICABLE
7. Details of difference between the amount of valuation done at the time of one-time settlement and valuation done while taking loan from the Banks or Financial Institutions along with reasons thereof: NOT APPLICABLE
8. Your Company has not given, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any shares in the Company.

EVENT OCCURRED AFTER BALANCE SHEET DATE

No major events have occurred after the date of balance sheet of the Company for the year ended on March 31, 2023.

MATERIAL CHANGES AND COMMITMENTS

Pursuant to Section 134(3)(l) of the Companies Act,2013 there is no material change and commitment, affecting the financial position of the company which has occurred between the end of the financial year i.e. March 31, 2023 and the date of this report.

APPRECIATIONS AND ACKNOWLEDGMENTS

Your Directors place on record their appreciation of the invaluable contribution made by the Company's employees which made it possible for the Company to achieve these results. They would also like to take this opportunity to thank customers, dealers, suppliers, bankers, financial institutions, business associates and valued shareholders for their continued support and encouragement.

For and on behalf of the Board of
Minda Corporation Limited

Sd/-
Ashok Minda
Chairman & Group CEO
DIN: 00054727

Place: Noida
Date: May 19, 2023

ANNEXURE I - TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company.

The Company's focus areas are Education & Skill Development, Empowerment of persons with disability, Health & Wellness and Environmental Sustainability. The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. A detailed discussion on Company's CSR Policy and Activities is provided in 'CSR and Sustainability' section of Annual Report.

2. Composition of CSR & Sustainability Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR & Sustainability Committee held during the year	Number of meetings of CSR & Sustainability Committee attended during the year
1.	Ms. Pratima Ram	Chairperson (Independent Director)	(2) Two	(2) Two
2.	Mr. Avinash Parkash Gandhi	Member (Independent Director)		(2) Two
3.	Mr. Ashok Minda	Member (Chairman & Group CEO)		(2) Two

3. Provide the web-link where Composition of CSR & Sustainability committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

CSR Policy can be viewed at the following link:

https://sparkminda.com/wp-content/uploads/2020/04/Policy-on-Corporate-Social-Responsibility.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any-

Sl. No.	Financial Year	Amount available for set- off from preceding financial years (In J)	Amount required to be set- off for the financial year, if any (In J)
1.	2022-23	Nil	Nil

6. Average net profit of the Company as per section 135(5) ₹ 1,252.97 Million

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 25.06 Million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: ₹ 1.37 Million#

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

The Surplus amount as shown in the above table belongs to Spark Minda Foundation, a section 8 Company (Operating Agency) which is taking up all CSR projects on behalf of the Company

8. (a) CSR amount spent or unspent for the financial year:

Amount Unspent (₹ In million)

Total Amount Spent for the Financial Year. (₹ In Million)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
46.79	NIL	NIL	NIL	NIL	NIL

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Project duration	Amount allocated for the project (₹ in millions)	Amount spent in the current financial Year (₹ in millions)	Amount transferred to Unspent CSR Account for the project as per Section 35(6) (₹ in millions)	Mode of Implementation – Direct (YES/ NO).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Aakarshan- Skilling & Education Livelihood	Education	Yes	Tamil Nadu Haryana Uttrakhand	Chennai Gurgaon Pantnagar	Ongoing	10.47	12.59	Nil	NO	Spark Minda Foundation	CSR00003384
2	Saksham- Empowering of People with disability	Empowerment of Disable person	Yes	Maharashtra & Uttar Pradesh	Pune & Noida	Ongoing	29.78	31.93	Nil	NO	Spark Minda Foundation	CSR00003384
3	Admin Exp	Education/ Empowerment	Yes	Haryana	Gurgaon	Ongoing	2.12	2.27	Nil	NO	Spark Minda Foundation	CSR00003384
	TOTAL						**42.37**	**46.79**	**Nil**			

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Nil

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/ No)	Location of the Project.		Amount spent for the project (J in millions)	Mode of Implementation – Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
NIL									

(d) Amount spent in Administrative Overheads: **NIL**

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

(f) Total amount spent for the Financial Year: ₹ **46.79 Million (Spent through implementing agency)**

(g) Excess amount for set off, if any: ₹ **21.73 million**

Sl. No.	Particulars	Amount (₹ in Million)
(i)	Two percent of average net profit of the company as per section 135(5)	25.06
(ii)	Total amount spent for the Financial Year	46.79
(iii)	Excess amount spent for the financial year [(ii)-(i)]	21.73
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	1.37
(v)	Amount available for set off in succeeding financial years	21.73

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (₹ in Million)	Amount spent in the reporting Financial Year (₹ in Million)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (₹ In million)
				Name of Fund	Amount (₹ in Million)	Date of transfer	
1	2022-23	5.81	5.81	Nil	Nil	Nil	Nil

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in Million)	Amount spent on the project in the reporting Financial Year (₹ in Million)	Cumulative amount spent at the end of reporting Financial Year (₹ in Million)	Status of the project - Completed /Ongoing.
1	1	Aakarshan-Skilling & Education _Livelihood	2020-21	4 years	10.47	12.59	43.76	Ongoing
2	2	Saksham-Empowering of People with disability	2020-21	4 years	29.78	31.93	51.59	Ongoing
3	3	Admin Expenses	2020-21	NA	2.12	2.27	2.57	Ongoing
	TOTAL				**42.37**	**46.79**	**97.92**	

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

    (a) Date of creation or acquisition of the capital asset(s). No Capital Assets - Nil

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

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

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). - NA

For Minda Corporation Limited

Sd/-
Ashok Minda
Chairman & Group CEO
DIN: 00054727

Place: Noida
Date: May 19, 2023

For CSR & Sustainability Committee of Minda Corporation Limited

Sd/-
Pratima Ram
Chairperson of CSR Committee
DIN: 03518633

Place: Noida
Date: May 19, 2023

ANNEXURE II - TO DIRECTORS' REPORT

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

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

a) Steps taken or impact on conservation of energy

Wiring Harness Division

1	Uses of VFD operated air compressors
2	Uses of LED lights
3	Uses of Motion Sensors in office AC's and office Lights
4	Uses of RO reject water in washrooms to reduce the usage of fresh water & to reduce the working of water pump
5	Uses of Energy efficient air guns
6	VFD in Semi-auto crimping machines
7	Uses of servo motor
8	Uses of sequential timers in heat sealing machines
9	Power Factor Maintaining by Utility
10	Day sensor for boundary lighting
11	Uses of timer to control multiple exhaust fans with 4 hrs. interval

Security System Division/Die Casting Division

1	Countermeasure taken to reduce power Loss -Thermal mapping of all High load Equipment's and Furnace's.
2	IOT Base System placed to have real time Monitoring & Arrest the Leakages in Pneumatic Lines.
3	Industrial 4.0 Incorporated into in DCD plant (Greater Noida & EMS system at SSD plant (PN) to Monitor and improve the Machine Efficiency and Utility Efficiency.
4	Replacing the Convectional AC fans to BLDC (Bruch less direct Current) -Highly Efficient Fans
5	Use of LED lights.
6	Use of Motion Sensors to switching lights OFF in absence of any body.
7	Modification of electric circuit to auto off machines to stop the machine in idle condition.
8	Installation of VFD operated air compressors.
9	Use of Energy efficient air guns.
10	Use of RO reject water in washrooms to reduce the usage of fresh water & to reduce the working of water pump.
11	Addition accumulators in power pack to stop the hyd. pump
12	Installation of servo motor & servo pump and replacing Induction Motor.
13	Installation of catalytic convertor in PNG line to ensure proper burning of gas.
14	Use of sequential timers to alternate switching of AC where multiple AC works
15	Power savings through open access (installed 6MW project)
16	Reduce Air consumption through reduced air pressure as per requirement of fixtures
17	Control of cooling tower fan with temperature requirement
18	Implementation of IE3 motors
19	Maintaining power factor unity
20	Installation of thyristor in holding furnace panels for efficient use of electricity.
21	Solar synchronize with DG to reduce running.
22	Installation of solar pump.

Starter Motor & Alternator Division

1	VFD in Blower & Exhaust to reduce energy consumption
2	AC panel schedule running time controlled from utility
3	Schedule running time for CFM Exhaust unit

b) The steps taken by the Company for utilizing alternate sources of energy

Security System Division/Die Casting Division

1	Installation of roof top solar system 7131 KWp till March 2023 Group Level. 200KWp solar expansion in SSD Pantangar.
2	Procurement of electric power through open access system. (DCD GN & DCD Pune - 6.5 MW)
3	Switching of LPG to PNG in canteen
4	Switched from Diesel fired burners to electric operated furnaces.
5	Switching from diesel from Hybrid fuel system for Generators.
6	Use of sensor-based faucets in toilets for wash basins and urinal pots

c) The capital investment on energy conservation equipment

Security System Division/Die Casting Division

Capital Investment	Amount (₹ in Lacs)
Equity infusion in Solar power plant	302.00
Installation of IOT -Industry 4.0	25.00
Infra development for energy saving projects	10.00
DG running syn. with solar when grid supply not available	15.50
Florescent based paint booth lightings converted into LED based Lights	4.50
CFL based high bay lights replaced into LED based Lights in paint shop	2.00
Use of single Elgi-55 high efficiency compressor with auto synchronizing with GA-22	3.00
Energy efficient compressor installation	15.00
Installation HVLS fan	14.00
Installation of fuel catalyst	3.50
Conversion of convention pump to servo pump	3.50
Conversion of sklener furnace to energy efficient tower furnace	95.00
Air gun interfacing with machine cycle	2.00
Grand Total	**499.0**

B. TECHNOLOGY ABSORPTION:

Sr. No.	Plant/ Division	Details of technology and the efforts made towards technology absorption;	The benefits derived like product improvement, cost reduction, product development or import substitution;
1.	SPARK MINDA TECHNICAL CENTRE (SMIT)	**1. 4-Wheeler Passive Entry & Passive Start Systems (PEPS) with smart access concept** Transformation of the lock set to become the full access solution provider is the theme. Latest digital technologies are shaping up, hence using " Phone as a key " is emerging as a future technology in the segment. Providing Digital key management, Access for entry and starting the vehicle is met through various secured authentication protocols. This technology used the BLE (blue tooth) , advance UWB (Ultrawide band) & NFC (Near field communication) and controlling the ESCL (electronic Steering locks) through the CAN network of the vehicle. Multiple Demos have been Conducted by company to OEMS & dedicated vehicle demos (Cars) are prepared to showcase the technology. The company has been working further in enhance next level technological updates in meeting global Standard specifications. The Company has made the following efforts for technology absorption: - • Technology mapping being done by working with technical partners & customers, Active involvement of Advance engineering team with Global Tech partners & Certification bodies to understand & maintain latest technology updates. • Dedicated team at SMIT Pune for Design, Development & Validation for meeting the performance and reliability requirements at Platform Level. • Technical consultants (Subject matter experts) are consulted on regular basis to guide engineers on various technical areas like cyber security frame work & ISO 26262 safety requirements • Technical standards, manuals & check sheets being made/updated on regular basis to build strong knowledge base of product technology. • Dedicated Project Charters are followed for Enhancing maturity of Product. • Engineers are assigned to dedicated technical trainings needed for Product Domain from Internal & external faculties.	• There is a significant increase in number of customers oriented towards Vehicle security and access system technology products. • This inculcated a grand opportunity to advance tech center SMIT, to push towards product development in Platform engineering and enhance the customer involvement by means of enquiries. • The increased number of Enquiries also helps to evaluate the right costing for product domain due to multiple screening & provide best cost competitive offerings towards customer. • Provides an increase in the kit value per vehicle and thus an opportunity for revenue raise. • Provides a better security and theft protection level to the end customers

Sr. No.	Plant/ Division	Details of technology and the efforts made towards technology absorption;	The benefits derived like product improvement, cost reduction, product development or import substitution;
		2. Advance Driver Assist Systems (ADAS) ADAS Advance Driver Assist Systems, Engineering team is working to bring next generation advanced driver assistance systems (ADAS) solutions to its customers in the Indian market for Rear View Camera & park assist solutions, Single and four Channel AVMs, Driver monitoring systems (DMS), occupant Monitoring Systems, NeoDAS etc. Company is working on establishing products & feature requirements, development & validation requirements, setting-up design & manufacturing line for 4 wheelers, 2 wheelers & commercial vehicles. The Company has made the following efforts for technology absorption: - • Engineers are working closely with regulatory bodies to understand the need of the country and to see how the company can provide a solution to the problem • Team is absorbing the technology by closely working with the relevant global partners through the technology agreement • Active involvement of the companies advance engineering team with certification bodies to understand & maintain latest technology updates. • Dedicated Advance Engineering team at SMIT Pune for Design, Development & Validation for meeting the functional and performance requirements at product Level. • Technical consultants (Subject matter experts) are consulted on regular basis to guide engineers on various technical areas like cyber security frame work & ISO 26262 safety requirements • Engineers are assigned to dedicated technical trainings needed for Product Domain from Internal & external faculties.	• Provides an increase in the portfolio for the company and additional kit value per vehicle and thus an opportunity for revenue raise. • Provides a better safety protection level to the end customers
		3. Keyless Entry System (2 Wheeler) : Smart Key This is another transformative step for the company by providing the comfort function such as key less entry solution for the two-wheeler segment. This is a needed solution due to the premiumization effect happening in the vehicles. This concept provides the secured and encrypted key management, locking and unlocking the vehicle, vehicle finder function via LF/RF & Bluetooth (BLE) based Key FOB and EHL (Electronic Handle lock) or ESCL (electronic Steering locks) Additionally,	• There is a significant increase in number of customers oriented towards Vehicle security and access system technology products. To be specific, Mobile phone as Key and NFC backup solutions in 2-wheelers are getting massive customer enquiries. • Gain advantage by early entry in market with these features deployed on 2-wheeler segment.

Sr. No.	Plant/ Division	Details of technology and the efforts made towards technology absorption;	The benefits derived like product improvement, cost reduction, product development or import substitution;
		Team is working on optimization of EHL/I-EHL function with improved motor characteristics, overall efficiency and lock cycle life/ reliability, BLE & LF/RF Key FOB battery life enhancement and optimization Multiple Demos have been done for the OEMs in India and globally. The company has been working further to enhance next level technological updates in meeting global Standard specifications. The Company has made the following efforts for technology absorption: - • Dedicated team at SMIT Pune for Design, Development & Validation for meeting the performance and reliability requirements , our engineers have filed 44+ patents in this product to ensure the technology is at its best • Technical consultants (Subject matter experts) are onboarded to work on the latest demands and expectations of the customers • Technical standards, manuals & check sheets being made/updated on regular basis to build strong knowledge base of product technology. • Dedicated Project Charters / Maturity Matrix are followed for Enhancing maturity of Product. • Engineers are assigned to dedicated technical trainings needed for Product Domain from Internal & external faculties. • VAVE efforts to enhance the product features and optimize value to customer and to ensure that affordability targets are achieved.	• The increased number of Enquiries also helps to evaluate the right costing for product domain due to multiple screening & provide best cost competitive offerings towards customer. • Provides an increase in the kit value per vehicle and thus an opportunity for revenue raise. • Provides a better security and theft protection level to the end customers
		4. Intelligent Transport System (ITS 3.0) Intelligent Transport System (ITS) refers to the integration of advanced technologies and communication systems into transportation infrastructure, vehicles, and operations to improve efficiency, safety, and sustainability. ITS is designed to provide real-time information to drivers, passengers, and transportation authorities to optimize the use of existing infrastructure and resources. ITS can include a range of technologies like Advanced Traffic Management Systems (ATMS), Intelligent Vehicle Systems (IVS), Advanced Traveler Information Systems (ATIS), Electronic Payment Systems (EPS) & Smart Parking Systems. Overall, ITS aims to make transportation safer, more efficient, and more sustainable, by leveraging advanced technologies to optimize the use of existing infrastructure and resources.	• Customer Traction had increased for ITS and multiple RFQs are in receipt, which helps to evaluate the right costing for product domain due to multiple screening & provide best cost competitive offerings towards customer

Sr. No.	Plant/ Division	Details of technology and the efforts made towards technology absorption;	The benefits derived like product improvement, cost reduction, product development or import substitution;
		Using Artificial intelligence (AI) and machine learning (ML) to improve video analytics capabilities, enabling integrated MNVR systems to automatically detect and flag potential security threats or suspicious behavior. Edge computing and Cloud-based computing to enable greater scalability and flexibility for integrated MNVR systems, allowing for seamless expansion of storage capacity and processing power as needed. The Company has made the following efforts for technology absorption: - • Technology mapping, benchmarking being done by working with technical partners & OEMs. Active involvement of Advance engineering teams & Certification bodies to understand & maintain latest technology updates and comply Regulatory Norms • Dedicated team at Bangalore for Design, Development & Validation for meeting the performance and reliability requirements by OEMs • Technical standards, manuals & check sheets being made/updated on regular basis to build strong knowledge base of product technology. Regulatory are scanned with latest Amendments for UBSII & IS16833. • Dedicated Project Charters are followed for Enhancing maturity of Product. • Engineers are assigned to dedicated technical trainings needed for Product Domain from Internal & external faculties.	• As a result of this, SMIT has been given the opportunity to improve the specifications of the Platform with the assistance of involvement from customers who have made enquiries. • Solution provides the needed security as per AIS 140 levels and meets the safety demands
		5. Telematics Gateway with 4G connectivity Telematics may offer a variety of benefits to original equipment manufacturers (OEMs) as well as their customers. Telematics can, for instance, provide real-time tracking of vehicles, remote diagnostics of vehicles, and even automated emergency response services in the event of an accident. In-car entertainment and navigation systems, as well as more advanced driver assistance features, are all possible applications for telematics, which can also be used to enable these technologies. In general, the original equipment manufacturer (OEM) market is an exciting and dynamic space for telematics innovation, and we can anticipate that this sector will continue to experience growth and development in the years to come.	• Customer Traction had increased for Telematics and multiple RFQs are in receipt, which helps to evaluate the right costing for product domain due to multiple screening & provide best cost competitive offerings towards customer • Competing with global brands and showcasing technology competency to OEM.

Sr. No.	Plant/ Division	Details of technology and the efforts made towards technology absorption;	The benefits derived like product improvement, cost reduction, product development or import substitution;
		The company is working on establishing products and feature requirements, setting up design and manufacturing lines for Telematics development and validation requirements. Company has made the following efforts for technology absorption: - • Dedicated team at Bangalore involved in Design, Development and Validation for meeting platform requirement and the performance as per expectations from the OEMs • Technology mapping, benchmarking being done by working with technical partners & OEMs. Active involvement of Advance engineering teams of OEMs for deployment of the requirements are addressed. • Upgradation of technologies from 2G – 4G – 5G and necessary tools and documents are made available for development and testing • Engineers are assigned to dedicated technical trainings needed for Product Domain from Internal & external faculties.	• As a result of this, SMIT has been given the opportunity to improve the specifications of the Platform with the assistance of involvement from customers who have made enquiries. • Solution provides the needed security as per AIS 140 levels and meets the safety demands
		6. Multifunction Electronic Control Units (MFECU) Electronic Control Module in automotive, makes use of the vehicle's bus system (CAN, LIN, etc.) to communicate with different ECUs in the vehicle. This module can be considered to be the brain controlling different parts (different ECUs) by sending and receiving signals through the nerves (vehicle BUS). An Electronic Control unit, may act as a gateway or hub in order to interact with different ECUs. This mitigates the need for cabled plug-in connection between ECUs within the vehicle. The Company has made the following efforts for technology absorption: - • Working actively on three customer programs and few are in discussion stage. • Product mapping is being done through competitor benchmarking and discussions with OEM. Technology road map is devised with global technology trends in focus with Zonal / Domain Controllers • Dedicated team at SMIT Pune for Design, Development & Validation for meeting the performance and reliability requirements at Platform Level. • Technical consultants (Subject matter experts) are consulted on regular basis to guide engineers on various technical areas like ISO 26262 safety requirements wherever is applicable • Technical standards, manuals & check sheets being made/updated on regular basis to build strong knowledge base of product technology.	• Customer Traction had increased for MFECUs. Three active customer programs are on-going and multiple RFQs are in receipt, which helps to evaluate the right costing for product domain due to multiple screening & provide best cost competitive offerings towards customer • Competing with global brands and showcasing technology competency to OEM. • As a result of this, SMIT has been given the opportunity to improve the specifications of the Platform with the assistance of involvement from customers who have made enquiries.

Sr. No.	Plant/ Division	Details of technology and the efforts made towards technology absorption;	The benefits derived like product improvement, cost reduction, product development or import substitution;
2.	**WIRING HARNESS & Connection Systems**	Owing to proliferation of EV in India MCL wiring harness division's key focus area has been on the EV related product and capability development. MCL's effort is on creating the know-how, standards and specification and product portfolio to align with the EV requirements. Pertaining to same MCL is working on. • Company has developed an optimized design solution in wiring harness for electric vehicle two wheelers • Company has developed the power distribution unit (PDU) for low voltage and high voltage applications. Company has got their designed approved by one OEM and the Proto Part is ready and proto validation completed, Vehicle level trial is plan in this financial year. MCL - Wiring Harness Division one of the most integral component are the connections systems. Due to stringent regulations and electronification of not only the passenger cars but also other segments like 2W, 3W and CV, there is increased need for more circuits in WH in limited space. This challenge calls for miniature design of connection systems to accommodate more no. of circuits in the same limited space. Such miniature connectors are as of now mostly imported and that itself poses challenge of cost, lead time and inventory management. The following miniature series of connector which are under different stage of design and development. o 040, 025, 060 & 070 Series o 20+ miniature connector developed o 16-Pin ECU Header These components goes as an integral part of the overall wiring harness systems and provides the OEM's the required edge in the localization and affordability	• Customer Traction had increased for wiring harness business and multiple RFQs are in receipt, which helps to evaluate the right solutions to the OEM's keeping the affordability in mind • Competing with global brands and showcasing technology competency to OEM. • Provides the localization benefit to the OEM's as per the FAME II policy demand
3.	**INTERIOR PLASTIC DIVISION**	The company is working on establishing products and feature requirements, setting up design and manufacturing lines for interior plastics and kinematics area by developing the right solutions for the Indian Market ❖ Key Product development areas:- • Development of Kinematic mechanisms for Automotive Interior Air Louvers for the platforms • Products design to meet the Structural and regulatory requirements	• Product Improvement • Weight Reduction • New Design concepts

Sr. No.	Plant/ Division	Details of technology and the efforts made towards technology absorption;	The benefits derived like product improvement, cost reduction, product development or import substitution;
		• Light weighting metal to plastic conversion Automotive Interior and Engine components • New Design and development for EV and Battery chargers ❖ Advantages :- • New product applications for the increased product line for the emerging new platforms in Passenger and Commercial Automotive platforms • Light weight applications of parts are meeting the requirement of engine efficiency and metal to plastic conversion supporting the Bs 6 requirements • Engagement with the EV strategy ❖ Future Plan of Action • Electronic Integration in Plastics and Kinematic along with Motorised application • New Utility Enhancement with interior comforts like Console with value added mechanism	

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

(A) 4-Wheeler Passive Entry & Passive Start Systems (PEPS)

a.	The details of technology imported	Digi key App Technology is partially imported during last 2 years. All other component Technologies and Products were developed by the Company on its own.
b.	The year of import	2022
c.	Whether the technology been fully absorbed	Absorbed in Internal POC (Proof of concept) projects.
d.	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Enhance in POC & plan to acquire a Pilot customer project

(B) Advance Driver Assist Systems (ADAS)

a.	The details of technology imported	Technology is imported. All other component parts & Product integration are in development by the Company on its own
b.	The year of import	2023
c.	Whether the technology been fully absorbed	Current POC (Proof of concept) work is in progress to Absorb.
d.	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Create POC in first Step

(iv) The expenditure incurred on Research and Development

(₹ in Million)

Particulars	2022-23	2021-22
a. Capital Expenditure	51	13
b. Recurring Expenditure	440	349
c. Total	491	362
d. Total R & D expenditure as a percentage of total turnover	1.41%	1.32 %

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

i) EXPORT ACTIVITIES

MCL Global Business sales grew by 18.5 % in FY 22-23.

New Products business acquired for export markets in USA & Europe for products like Wiring Harness, Smart Key Solutions, Telematics and Mobile App along with Aluminum HPDC parts.

MCL appointed official for Europe In Milan, Italy to enhance customer connect and business growth in European Union Countries.

EV business booked for Aluminium Die Cast, Wire Harness, DC-DC convertors, and many other group products are under finalization for EV Tier1 & EV OEM's like sub components for EV Motors.

Engagement initiated with various Tier1 & OEM's in ICE & EV space in USA & Europe for developing business for wiring Harness, Smart Key Solutions, ESCL, Telematics, Starter Motors & Alternators, Al Die cast Parts, Connectors & Terminals, Customized Connectors. Various products shows & technology shows organised in USA, UK, Austria, Germany & Italy for such products.

ii) TOTAL FOREIGN EXCHANGE USED AND EARNED

Foreign Exchange Used:

(₹ in Million)

Particulars	2022-23	2021-22
a) Travelling & Conveyance	22	3
b) CIF value of import	3440	1932
c) Legal & Professional	4	6
d) Repair & Maintenance (P&M)	0	2
e) Others	74	194

Foreign Exchange Earned: -

(₹ in Million)

Particulars	2022-23	2021-22
a) FOB value of Exports	3395	2080
b) Royalty	59	43
c) Financial Assistance Fee	-	-
d) Interest/Dividend income	-	-
e) Technical Know-how and Service Income	93	70

For and on behalf of the Board of
Minda Corporation Limited

Sd/-
Ashok Minda
Chairman & Group CEO
DIN: 00054727

Place: Noida
Date: May 19, 2023

ANNEXURE III - TO DIRECTORS' REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23, are as under:

Sl. No.	Names	Designation	% increase in Remuneration in the Financial Year 2022-23	Ratio of remuneration of each Director/ to median remuneration of employees for financial year 2022-23
1	Mr. Ashok Minda*	Chairman & Group CEO	5.31%	94
2	Mr. Aakash Minda	Executive Director	24.54%	58
3	Mr. N.K. Modi	Executive Director	(49.83%)	44
4	Mr. Vinod Raheja	Group CFO	$	59
5	Mr. Ashim Vohra	COO	(10.57%)	45
6	Mr. Pardeep Mann	Company Secretary & Compliance Officer	8.92%	11
7	Mr. Avinash P Gandhi	Independent Director	(6.21%)	5
8	Mr. Rakesh Chopra	Independent Director	(9.35%)	4
9	Mr. Ashok Jha	Independent Director	(2.48%)	5
10	Ms. Pratima Ram	Independent Director	0.40%	4

Note:

i) *Above remuneration of Mr. Ashok Minda is considered without Commission paid on Profit which is ₹ 4.95 Crore.

ii) $ Since Mr. Vinod Raheja was appointed as Group CFO of the Company w.e.f. February 04, 2022, hence no increment was done during the year 2022-23.

iii) The median remuneration of employees of the Company during the financial year was ₹3.23 Lacs (Previous year ₹ 3.37 Lacs).

iv) In the financial year, there was a decrease of 4.14 % in the median remuneration of employees.

v) There were 2943 nos. of permanent employees on the roll of Company as on March 31, 2023.

vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management.

vii) The above remuneration of Independent Directors includes Commission on profit @ ₹ 6,00,000 per director and Sitting fee for attending Board/ Committee Meetings.

For and on behalf of the Board of
Minda Corporation Limited

Sd/-
Ashok Minda
Chairman & Group CEO
DIN: 00054727

Place: Noida
Date: May 19, 2023

ANNEXURE IV - TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

For the financial year ended on 31st March, 2023

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

To,
The Members,
Minda Corporation Limited,
A-15, Ashok Vihar, Phase – 1,
New Delhi – 110052

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

Based on our verification of **Minda Corporation Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made there under;

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

iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;

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

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

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

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended;

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

vi) The Company is an automotive components manufacturer with a product portfolio that encompasses Safety, Security and Restraint Systems; Wiring Harness, Die- casting, Plastic Interior Systems and Driver Information & Telematics Systems for auto OEMs across the globe., The company being an automotive components manufacturer, there is no sector specific law applicable on the Company.

We have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards issued by the Institute of Company Secretaries of India;

ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observations:

1. One of the Independent director with his wife purchased 469 (Four Hundred Sixty-Nine) equity shares of the Company at the aggregate value of ₹ 100744 (Rupees One Lakh Seven Hundred Forty-Four) in the market during the closure of trading window. On becoming aware, proper intimations were given by the Company to Stock Exchange regarding the non-compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015, Board of directors of the Company was appraised and due penalties were imposed on the independent director and his wife by the Company.

We further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice has been given to all directors/members of the committee, as the case may be, to schedule the Board Meetings including committee meetings during the financial year under review, agenda and detailed notes on agenda were sent properly before the scheduled meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meetings.

All the decisions have been carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the financial year under review.

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

We further report that, during the audit period, the Company has:

(i) given shares to its employees and officers from Minda Corporation Limited Employees Stock Option Scheme Trust under Employee Stock Option Plan and necessary compliances of the Act was made;

(ii) declared and paid dividend in accordance with the provisions of the Act and necessary compliances of the Act was made

FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES

Sd/-
CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN: F005922E000338122

Place: New Delhi
Date: May 19, 2023

This report is to be read with our letter of even date which is annexed as **Annexure-I** and forms an integral part of this report.

Annexure-I

To,
The Members,
Minda Corporation Limited,
A-15, Ashok Vihar, Phase – 1,
New Delhi – 110052

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES

Sd/-
CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN: F005922E000338122

Place: New Delhi
Date: May 19, 2023

SECRETARIAL AUDIT REPORT

MINDA INSTRUMENTS LIMITED (MATERIAL SUBSIDIARY OF MINDA CORPORATION LTD) FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of
Minda Instruments Limited
(Formerly Known as Minda Stoneridge Instruments Limited)
A-15, Ashok Vihar, Phase - I, Delhi North West,
Delhi – 110 052.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Minda Instruments Limited (Formerly Known as Minda Stoneridge Instruments Limited) (CIN: U74899DL1995PLC066645)** having its registered office at A-15, Ashok Vihar, Phase - I, Delhi North West, Delhi – 110 052 (hereinafter called the "Company") for the Financial Year ended on March 31, 2023 (the "audit period"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, registers, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;

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

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

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

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

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent compliances applicable to material unlisted subsidiary.

(i) As informed by the Management, the Company being an automotive components manufacturer, there is no sector specific law applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2)

The Institute of Company Secretaries of India, with which the Company has generally complied with.

During the audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;
- Adequate notice is given to all the Directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance except for certain meetings which were called at a shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting; and
- All Resolutions (including Circulars) of the Board of Directors and its Committees are approved on the basis of majority and are duly recorded in the respective minutes. There were no dissenting views by any member of the Board of Directors during the Audit Period.

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

We further report that during the audit period:

(i) the Company has obtained the approval of members under Section 185(2) of the Act by way of Special Resolution passed at the Extra-Ordinary General Meeting held at shorter notice on February 13, 2023 to grant inter-corporate Loan of ₹ 50 Crores (Rupees Fifty Crore Only) to Minda Corporation Limited, Holding Company;

(ii) Pursuant to the provisions of Sections 203 and 179(3) of the Act, the Board of Directors of the Company in their Meeting held on February 6, 2023, had appointed Mr. Sanjay Gupta as the Chief Executive Officer and Ms. Ankita Degaonkar as the Company Secretary of the Company; and

(iii) the Board of Directors of the Company in their Meeting held on February 6, 2023, had declared an Interim Dividend of ₹ 18.49/- (Rupees Eighteen point Four Nine Only) per share i.e. ~185% of the face value, on 1,19,00,000 equity shares amounting to ₹ 22,00,31,000 (Rupees Twenty-Two Crore Thirty-One Thousand Only).

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For M/s. SAHANI & KOTHARI ASSOCIATES
Company Secretaries

Sd/-
Karan S. Sahani
Partner
M. No.: FCS 12005
C.P. No.: 17189
UDIN: F012005E000322326

Place: Mumbai
Date: May 17, 2023

Annexure A

To,
The Members,
Minda Instruments Limited
(Formerly Known as Minda Stoneridge Instruments Limited)
A-15, Ashok Vihar, Phase - I, Delhi North West,
Delhi – 110 052.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and book of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/s. SAHANI & KOTHARI ASSOCIATES
Company Secretaries

Sd/-
Karan S. Sahani
Partner
M. No.: FCS 12005
C.P. No.: 17189
UDIN: F012005E000322326

Place: Mumbai
Date: May 17, 2023

Corporate Governance Report

PURSUANT TO REGULATION 34 (3) & SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

CORPORATE GOVERNANCE PHILOSOPHY

Corporate governance is the bedrock of our business operations at Spark Minda Group and we take immense pride in sharing this report on our steadfast devotion to the highest standards of governance. As a listed company on the India Stock Exchange, we embrace our responsibility to our stakeholders, recognizing the importance of upholding our unwavering commitment to transparency, fairness and accountability. To uphold these values in all aspects of our operations, we have established an independent Corporate Audit and Governance **("CAG")** team that operates completely autonomously from other departments, including our esteemed Finance Department. This team conducts rigorous, impartial investigations into our company's affairs, providing us with invaluable insights that enable us to continuously improve our operations. We are delighted to report that our unique approach has yielded exceptional results, with our team successfully completing an impressive 42 internal audits last year alone. This remarkable achievement stands as a testament to our relentless pursuit of excellence and our steadfast dedication to upholding the highest standards of integrity and accountability throughout our organization.

Our policies, practices and structures are steeped in the principles of transparency and accountability and we have employed two of the best 6 Consultancy Firms at global level to ensure the utmost accuracy and compliance of our financial statements with all applicable laws and regulations. Our Board of Directors provides the highest calibre of oversight and guidance to management and we have created specialized Committees to ensure that every area of our business is overseen with the utmost care, including audit, compensation and nominating and governance.

We have also instituted a Code of Conduct and Ethics that underscores our core values and standards of behaviour and we expect nothing less than complete compliance from all of our employees. To ensure that our commitment to ethics is understood, we offer regular training sessions to our employees and we encourage them to report any concerns about unethical or illegal behaviour without fear of retaliation.

Our dedication to corporate governance extends well beyond our own operations. We require and request all of our suppliers to adhere to our Code of Conduct and Ethics and we conduct regular audits to ensure their compliance. We continuously engage with our stakeholders to gain valuable insights into their concerns and feedback, all in the spirit of our untiring commitment to transparency and accountability.

As a company that is fully committed to the highest standards of corporate governance, we hold ourselves to the following core principles: transparency, accountability, responsibility, fairness, independence, ethics, oversight, risk management, compliance and continuous improvement.

Transparency is critical to building trust with our stakeholders and we provide timely and accurate information about our performance, governance practices and policies. We take our responsibility to our shareholders, customers, employees and communities seriously and we act in their best interests. We are committed to minimizing our impact on the environment and society and we believe that fairness is essential to building long-term relationships with our stakeholders.

Our Board of Directors is comprised of independent directors who provide unbiased oversight and guidance to management. We believe that independence is vital for ensuring that our decisions are made in the best interests of the company and its stakeholders. We have established processes for identifying, assessing and managing risks to our business and stakeholders and we operate in compliance with applicable laws and regulations and adhere to best practices.

We continuously monitor our governance practices and make improvements as necessary to ensure that we maintain the highest standards of corporate governance. We are committed to creating long-term value for our stakeholders and society as a whole and we believe that our unwavering dedication to transparency, accountability, responsibility, fairness, independence, ethics, oversight, risk management, compliance and continuous improvement will enable us to achieve this goal.

In conclusion, we hold ourselves to the highest standards of corporate governance and we will continue to monitor our practices and make improvements where necessary. Our unwavering dedication to transparency, accountability, responsibility, fairness, independence, ethics, oversight, risk management, compliance and continuous improvement will enable us to create long-term value for our stakeholders and society as a whole and we take great pride in sharing this report on our firm commitment to the highest standards of governance.

As a good corporate citizen, the MCL is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long-term success. At MCL, good governance practices form part of business strategy which includes, inter alia, focus on long term value creation and protecting stakeholder's interests by applying proper care, skill and diligence to business decisions. The Company has established systems, procedures and policies to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and provide the Management with the strategic direction catering to exigency of long-term shareholders value.

GOVERNANCE STRUCTURE

At MCL, with a strong governance philosophy, we have a multitier governance structure with defined roles and responsibilities of every constituent of the system. The Board of Directors determines and approves the Company's management policies, and makes decisions regarding important operational matters and wherever required certain authorizations with the approval by the Shareholders of the Company. The Board of Directors also makes decisions on matters stipulated by law and the Company's Articles of Association and receives reports regarding the status of significant operational matters. The Board of The Company has appointed and authorized Chairman & Group CEO of the Company and also Executive Directors to supervise the overall management of the Company.

I. BOARD OF DIRECTORS

The Board of the Company constantly endeavors to set goals and targets aligned to the Company's Vision – "To Be a Dynamic, Innovative and Profitable Global Automotive Organization for emerging as the Preferred Supplier and Employer, to Create Value for all Stakeholders."

a) Composition of Board

The Board directs the Company and facilitates the achievement of the Company's strategy and operational objectives. It is accountable for the development and execution of the Company's strategy, operating performance and financial results. Its primary responsibilities include: determining the Company's purpose and values, providing strategic direction, identifying key rsk areas and key performance indicators of the Company's businesses, monitoring the performance of the Company against agreed objectives, deciding on significant financial matters, approving policies and reviewing the performance of the Executive Directors against defined objectives. A range of non-financial information is also provided to the Board to enable it to consider qualitative performance factors that involve broader stakeholder interests.

The Composition of Board of Directors of the Company is in conformity with the requirement of Companies Act 2013 and Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has an optimum combination of Executive, Non-Executive and Independent Directors including Woman Director as on March 31, 2023. The Board represents an optimal mix of professionalism, knowledge and experience. The profile of Directors can be found at our website at https://sparkminda.com/management-team/

Classification of the Board during the year 2022-23

Category	Number of Directors	% to total number of Directors
Executive Directors	3	37.5%
Non-Executive Independent Directors (including Woman Director)	4	50.0%
Non-Executive Non-Independent Directors (Nominee Director)	1	12.5%
Total	**8**	**100.0%**

Role of the Board of Directors

The Board of Directors is the apex body constituted by shareholders and is vested with the powers of governance, control, direction and management of affairs of the Company. The Board provides strategic direction and guidance to the Company and has been steering the Company towards achieving its business objectives. Driven on the principles of ethics and accountability, the Board strives to work in best interest of the Company and its stakeholders. The Board is committed to ensuring in compliance with the highest standards of corporate governance.

Lead Independent Director

The Board has designated Mr. Avinash Parkash Gandhi as the Lead Independent Director. The role of the Lead Independent Director is available on the Company's website at https://sparkminda.com/wp-content/uploads/2022/04/Role-of-Lead-Indepenent-Director.pdf

b) The details relating to Composition & Category of Directors, directorships held by them in other companies and their membership and chairmanship on various Committees of Board of other companies as on March 31, 2023 is as follows:

Name of the Director	Category	Number of Board Meetings attended during the FY 2022-23	Whether attended last AGM held on July 28, 2022	Number of Directorships in other Public Companies		Number of Committee positions held in other Public Companies		Directorship in other listed entity (Category of Directorship)
				Chairman	Member	Chairperson	Member	
Mr. Ashok Minda	Executive Chairman (Promoter)	4	Yes	-	2	-	-	-
Mr. Rakesh Chopra	Non-Executive Independent Director	4	Yes	-	1	2	3	1. Bharat Gears Limited (Non-Executive Independent Director)
Mr. Avinash Parkash Gandhi	Non-Executive Independent Director	4	Yes	-	6	3	8	1. Lumax Auto Technologies Ltd. (Non-Executive Independent Director) 2. Lumax Industries Ltd. (Non-Executive Independent Director) 3. Action Construction Equipment Limited (Non-Executive Independent Director)
Mr. Ashok Kumar Jha	Non-Executive Independent Director	4	Yes	-	2	-	1	1. XPRO India Ltd. (Non-Executive Independent Director) 2. Setco Automotive Ltd. (Non-Executive Independent Director)
Ms. Pratima Ram	Non-Executive Independent Director	4	Yes	-	4	1	4	1. Manappuram Finance Limited
Mr. Aakash Minda	Executive Director	4	Yes	-	2	-	-	-
Mr. N.K Modi	Executive Director	4	Yes	-	1	-	-	-
Mr. Ravi Sud	Non-Executive & Non-Independent Director/ Nominee Director	4	Yes	-	-	-	-	-

1) Mr. Aakash Minda (Executive Director) is the son of Mr. Ashok Minda (Chairman and Group CEO).

2) Mr. Ravi Sud (Non-Executive Non- Independent Director/Nominee Director) holds 20,000 Equity Shares in the Company.

3) None of the Directors on the Board is a Member of more than 10 (Ten) Committees or Chairman of more than 5 (Five) Committees (as specified in Regulation 26(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015) across all the listed Companies in which the person is a Director. Necessary disclosures regarding Committee positions in other public limited companies as on March 31, 2023 have been made by the Directors.

4) For the purpose of considering the limit of the Committees on which a director may serve, in all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under section 8 of the Companies Act,

2013 have been excluded. Only Audit Committee and Stakeholders' Relationship Committee are considered for the purpose of reckoning committee positions.

5) The maximum tenure of Independent Directors follows the Companies Act, 2013.

6) The Chairmanship of the Director in the Committees includes the membership as well.

The Board of Directors of the Company meet at least once a quarter to review the quarterly/ yearly results and other items on the agenda.

Calendar of Board and Committee Meetings are fixed in advance and agenda papers are circulated to Directors generally one week before the meeting. All material information is incorporated in the agenda papers for facilitating meaningful and focused discussions at the meeting.

c) Other provisions as to Board and its Committees

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other Board business. Apart from placing the statutory required information before the Board Members, it is the policy of the Company to regularly place the information/ matter involving major decisions like Annual Budget, Technology Collaboration, Investments, Financial performance and Quarterly Compliance Reports on laws applicable to the Company and other material information.

The Board/ Committee meetings are pre-scheduled and a tentative annual calendar of Board and Committee meetings is circulated to the Directors well in advance to facilitate them to plan their schedules and to ensure meaningful participation in the meetings. Where it is not practicable to circulate any document or the agenda is of confidential nature, the same is tabled with the approval of Chairman.

During the financial year ended March 31, 2023, 4 (Four) Board Meetings were held as per the minimum requirement of four meetings prescribed under the Companies Act, 2013 and in the Regulation 17(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The intervening period between the Board Meetings were within the maximum time gap prescribed under the Companies Act, 2013 and Regulation 17(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of the Board meetings held during the financial year 2022-23 are as under:

Sl. No.	Date of Board meeting	Board Strength	No. of Directors Present
1	May 17, 2022	8	8
2	August 05, 2022	8	8
3	November 04, 2022	8	8
4	February 08, 2023	8	8

The information regularly furnished to the Board of Directors amongst others include the following:

a) Quarterly results and performance of the Company.

b) Minutes of the meetings of the Board and all its committees.

c) Minutes of Meetings of the Board of the subsidiaries.

d) Materially important litigations, show cause, demand, prosecution and penalty notices.

e) Annual Operating plans, Technology Collaboration, Investments, budgets and updates.

f) Development on Human Resources of the Company.

g) Other information as mentioned in Schedule II Part A of the Listing Regulations.

d) Meeting of Independent Directors

The Independent Directors meet without the presence of the management and Non-Executive Non-Independent directors. During 2022-23, the Independent Director met on March 28, 2023. The Independent Directors met to inter alia discuss matters arising out of Board and Board Committee agendas, Company performance and various other Board-related matters, identify areas where they need clarity or information from management and to review the performance of Non-Independent Directors, the Chairman and the Board as a whole and the committee(s) of the Board and assess the effectiveness and promptness of the information flow inter se the Board and the management.

e) Information available to the Board

During the financial year 2022-23, information as mentioned in Part A of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board for its consideration.

The aforesaid information is generally provided as a part of the agenda of the Board meeting and/ or is placed at the table during the course of the meeting. The Group CFO and other senior management staff are also invited to the Board Meetings to present reports on the Company's operations and internal control systems. The Company Secretary, in consultation with the Chairman, prepares the agenda. The detailed agenda is sent to the Members a week before the Board Meeting date. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted to be taken up as 'any other item'. Sensitive subject matters are being discussed at the meeting without written material being circulated in advance with the approval of Chairman after taking the appropriate approval of the Board as required under applicable Secretarial Standard. All Board Members are encouraged to suggest agenda items for inclusion. The Board periodically reviews the compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the management.

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed, investors' queries are handled promptly and reports to the Board about compliance with the applicable statutory requirements and laws. The process for the Board and Committee meetings provides an effective post meeting follow-up, review and reporting of decisions taken by the Board and Committee members at their respective meetings. Important decisions taken at Board and Committee meetings are communicated promptly to the concerned departments/ Head of Departments (HoDs).

f) Post-Meeting Follow-up System

After the Board meeting, we have formal system of follow up, review and reporting on actions taken by the management on the decisions of the Board and committees of the Board.

g) Code of Conduct for Board Members and Senior Management

The Board of Directors has implemented a Code of Conduct applicable to all Directors and Senior Level Management of the Company. The Code envisages that the Board of Directors and Senior Management must act within the bounds of the authority conferred upon them and with a duty to make and keep them informed about the development in the industry in which the Company is involved and the legal requirements to be fulfilled. Annual affirmation has been received from all the Directors and Senior Level Management that they have complied with the code of conduct.

The copy of the Code of Conduct for Board Members and Senior Management is available at the given link i.e. https://sparkminda.com/wp-content/uploads/2020/04/Code-of-Conduct.pdf

h) Disclosure of relationship between Directors inter-se

None of the Directors have any material or pecuniary relationship inter-se among themselves, whether directly or indirectly except Mr. Aakash Minda (Executive Director) is the son of Mr. Ashok Minda (Chairman and Group CEO).

i) Number of shares held by Non-Executive Directors

As an March 31, 2023, Mr. Ravi Sud , Non-Executive Director holds 20,000 Equity Shares in the Company. The Company has not issued any convertible instruments.

j) Familiarization Programmes of Independent Directors

The Independent Directors of the Company are eminent personalities having wide experience in the field of finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions.

Periodic presentations are made by the Senior Management, Statutory and Internal Auditors at the Board/Committee Meetings on business and performance updates of the Company and its subsidiaries, global business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent Directors.

Details on familiarization programme for independent directors are uploaded on company's website at following weblink: https://sparkminda.com/wp-content/uploads/2023/03/Familiarisation-Programme-for-Independent-Directors_2-23.pdf

k) A chart or a matrix setting out the skills/expertise/ competence of the board of directors.

In the opinion of the Board, the following is a list of core skills/expertise/competencies required in the context of the Company's business and which are available with the Board.

However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill. In the opinion of the Board, Independent Directors fulfil the conditions specified in the Act, Rules made there under and Listing Regulations and are independent of the management.

Key Board Skill/Expertise/Competencies

Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Corporate governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
Functional and managerial experience	Knowledge and skills in accounting and finance, business judgment, general management practices and processes, crisis response and management, macro-economic perspectives, human resources, labour laws, international markets, sales and marketing, and risk management.
Industry Knowledge	Experience in Industry, Knowledge of Automobile Sector, Understanding of Government legislation/ legislative process and Customer Relationships.
Global Business	Understanding, of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.

Directors	Strategy and Planning	Corporate governance	Functional and managerial experience	Industry Knowledge	Global Business
Mr. Ashok Minda	√	√	√	√	√
Mr. Avinash Parkash Gandhi	√	√	√	√	√
Mr. Rakesh Chopra	√	√	√	√	√
Mr. Ashok Kumar Jha	√	√	√	√	√
Ms. Pratima Ram	√	√	√	√	√
Mr. Aakash Minda	√	√	√	√	√
Mr. Naresh Kumar Modi	√	√	√	√	√
Mr. Ravi Sud	√	√	√	√	√

l) Succession Planning

The Nomination and Remuneration Committee believes that sound succession plans for the senior leadership are very important for creating a robust future for the Company. The Committee works along with the Human Resource team of the Company for a proper leadership succession plan. The Risk Management Committee of your Company also reviews the succession planning across all Business Verticals in each meeting.

m) Performance Evaluation

In line with the Corporate Governance Guidelines of the Company a mechanism for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013 and the Listing Regulations, and in accordance with the Guidance Note on Board Evaluation issued by SEBI in January 2017. The Board evaluation was conducted through questionnaire designed with qualitative parameters and feedback based on ratings. Evaluation of the Board was based on criteria such as composition and role of the Board, Board communication and relationships, functioning of Board Committees, review of performance of Executive Directors, strategic planning, etc. Evaluation of Committees was based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice/recommendation to the Board, etc. Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, representation of shareholder interest and enhancing shareholder value, experience and expertise to provide feedback and guidance to top management on business strategy, governance, risk and understanding of the organization’s strategy, etc. The outcome of the performance evaluation for financial year 2022-23 was discussed by the Board at their meeting held in February 08, 2023. The Board has received excellent ratings on flow of information, Board communication and relationships, functioning of Board Committees. The Board noted the actions taken in improving Board effectiveness based on feedback given in the previous year. Further, the Board also noted areas requiring more focus in the future, which include spending more time on trends, long-term threats and opportunities.

n) Remuneration to Directors

The Company does not have any pecuniary relationship with any of its Non-Executive Directors except the payment of sitting fee and commission. Also, there is no transaction between the Company and the Non-Executive Directors or their relatives during the financial year under review.

The Board of Directors, inter-alia, on the recommendation of the Nomination and Remuneration Committee (as may be applicable), decides the commission payable to the Independent Directors out of the profits for respective financial year and within the ceilings prescribed under the Companies Act, 2013, based on the evaluation process and considering the criteria, such as, the performance of the Company.

Criteria of making payments to non-executive Directors:

Apart from receiving sitting fees, no Non-Executive Directors including Independent Directors received any fixed component performance linked incentives from the company during the period under review. However, the Independent Directors are entitled to Commission as approved by shareholders in the Annual General Meeting held on September 26, 2019. The website link is as follows:- https://sparkminda.com/wp-content/uploads/2022/04/Criteria_for_making_payment_to_Non_Executive_Directors.pdf

Remuneration Policy for Directors, KMP and other Employees:

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results.

i. Executive Directors

(₹ In Lacs)

Name	Salary	P.F.	Commission	Stock Options	Total
Mr. Ashok Minda	303.49	20.88	495.25	NIL	819.62
Mr. Aakash Minda	180.57	10.68	NIL	NIL	191.25
Mr. Naresh Kumar Modi	137.80	8.08	NIL	NIL	145.88

The tenure of office of the Executive Directors can be terminated by either party by giving 3 (three) months 'notice in writing. There is no separate provision for payment of severance fees.

ii. Non- Executive Directors

The Non-Executive Directors are paid remuneration by way of sitting fees and commission on profit, the details of which are mentioned below:

(₹ In Lacs)

Name of the Non-Executive Director	Sitting Fees		Commission	Total
	For Attending Board Meeting	For Attending Committee Meeting(s) and other Meeting(s)		
Mr. Avinash Parkash Gandhi	2.20	6.90	6	15.10
Mr. Rakesh Chopra	2.20	5.85	6	14.05
Mr. Ashok Kumar Jha	2.20	7.50	6	15.70
Ms. Pratima Ram	2.20	4.50	6	12.70
Total	**8.80**	**24.75**	**24**	**57.55**

Note: Mr. Ravi Sud, Non-executive & Non-independent director has waived his right to receive sitting fee and commission voluntarily.

STOCK OPTIONS DETAILS

For the details of Employee Stock Option plan please refer note no. 2.41 of the financial statements of the Company for the year 2022-23 and refer Directors Report for the year 2022-23.

II. BOARD COMMITTEES

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board, to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Minutes of the meetings of all the Committees are placed before the Board for review.

The Board currently has 7 (seven) Committees:

1) Audit Committee;
2) Nomination and Remuneration Committee;
3) Stakeholders Relationship Committee;
4) Corporate Social Responsibility & Sustainability Committee;
5) Risk Management Committee;
6) Executive Committee; and
7) Investment Committee

1) AUDIT COMMITTEE

a) Composition, Meetings & Attendance of the Committee

The composition of the Audit Committee as on March 31, 2023 is as follows:

Name of the Member	Status	Category
Ms. Pratima Ram	Chairperson	Independent Director
Mr. Rakesh Chopra	Member	Independent Director
Mr. Avinash Parkash Gandhi	Member	Independent Director
Mr. Ashok Kumar Jha	Member	Independent Director

Company Secretary and Compliance Officer of the Company, is the Secretary to the Audit Committee.

During the year, the Committee Members met 8 (Eight) times, i.e. April 28, 2022; May 16, 2022; August 04, 2022; August 05, 2022; November 03, 2022; November 04, 2022; February 07, 2023 and February 08, 2023

The particulars of meetings and attendance of the Members in the Committee Meeting held during the year under review are given in the table below:

Name of the Member	No. of Meeting(s) held	No. of Meeting(s) attended	Category
Ms. Pratima Ram Chairperson	8	8	Independent Director
Mr. Rakesh Chopra Member	8	7	Independent Director
Mr. Avinash Parkash Gandhi Member	8	8	Independent Director
Mr. Ashok Kumar Jha Member	8	8	Independent Director

In addition to the Members of the Audit Committee, these meetings were also attended by the Executive Directors, Group CFO, Head- CAG and other respective functional heads, Statutory Auditors/Internal Auditors of the Company, wherever necessary, and those executives of the Company who are considered necessary for providing inputs to the Committee.

The Chairperson of the Committee was present at the Annual General Meeting held on July 28, 2022.

All the members of the Committee possess necessary financial and accounting knowledge.

b) Terms of Reference

The composition of Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of this Committee covers the matters specified for Audit Committee under Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee inter- alia includes the following:

c) Powers of Audit Committee

a) To investigate any activity within its terms of reference;

b) To seek information from any employee;

c) To obtain outside legal or other professional advice and

d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

d) **Role of the Audit Committee**

(1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

(3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

(a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) Changes, if any, in accounting policies and practices and reasons for the same;

(c) Major accounting entries involving estimates based on the exercise of judgment by management;

(d) Significant adjustments made in the financial statements arising out of audit findings;

(e) Compliance with listing and other legal requirements relating to financial statements;

(f) Disclosure of any related party transactions;

(g) Modified opinion(s) in the draft audit report;

(5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) Approval or any subsequent modification of transactions of the listed entity with related parties;

(9) Scrutiny of inter-corporate loans and investments;

(10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;

(11) Evaluation of internal financial controls and risk management systems;

(12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) Discussion with internal auditors of any significant findings and follow up there on;

(15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) To review the functioning of the whistle blower mechanism;

(19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

(21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

(22) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee shall mandatorily review the following information

(1) Management discussion and analysis of financial condition and results of operations;

(2) Management letters / letters of internal control weaknesses issued by the statutory auditors;

(3) Internal audit reports relating to internal control weaknesses; and

(4) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

(5) Statement of deviations:

(a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

2) NOMINATION AND REMUNERATION COMMITTEE

a) Composition, Meetings and attendance of the Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Composition of Nomination and Remuneration Committee as on March 31, 2023 as follows: -

Name of the Member	Status	Category
Mr. Avinash Parkash Gandhi	Chairman	Independent Director
Mr. Rakesh Chopra	Member	Independent Director
Mr. Ashok Kumar Jha	Member	Independent Director

Company Secretary and Compliance Officer of the Company, is the Secretary to the Nomination and Remuneration Committee.

During the financial year under review Committee met Four (4) times i.e. May 16, 2022, October 21, 2022, November 19, 2022 and February 23, 2023

The particulars of meetings and attendance by the Members of the Committee during the year under review are given in the table below:

Name of the Member	No. of Meeting(s) held	No. of Meeting(s) attended	Category
Mr. Avinash Parkash Gandhi Chairman	4	4	Independent Director
Mr. Rakesh Chopra Member	4	4	Independent Director
Mr. Ashok Kumar Jha Member	4	4	Independent Director

b) Terms of Reference

The Nomination and Remuneration Committee has been entrusted with the following responsibilities:

i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

ii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

iii. Formulation of criteria for evaluation of performance of independent directors and the board of directors;

iv. Devising a policy on diversity of board of directors;

v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

vi. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

vii. Recommend to the Board, all remuneration, in whatever form, payable to senior management

3) STAKEHOLDERS RELATIONSHIP COMMITTEE

a) Composition, Meetings and attendance of the Committee

In Compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Stakeholders Relationship Committee has been constituted to specifically look into the redressal of Shareholder and Investor complaints and other Shareholders issues.

At least three directors, with at least one being an independent director, shall be members of the Committee.

The composition of the Stakeholders Relationship Committee as on March 31, 2023 is as follows:

Name of the Member	Status	Category
Mr. Ashok Kumar Jha	Chairman	Independent Director
Mr. Ravi Sud	Member	Non-Executive Non-Independent Director
Mr. Avinash Parkash Gandhi	Member	Independent Director

Mr. Pardeep Mann, Company Secretary and Compliance Officer of the Company, is the Secretary to the Committee.

During the year, the Committee met on October 07, 2022 and March 30, 2023. The attendance of Members at the meeting was as follows:

Name of the Member	No. of Meeting(s) held	No. of Meeting(s) attended	Category
Mr. Ashok Kumar Jha Chairman	2	2	Independent Director
Mr. Ravi Sud Member	2	2	Non-Executive Non-Independent Director
Mr. Avinash Parkash Gandhi Member	2	2	Independent Director

The Chairman of the Committee was present at the Annual General Meeting held on July 28, 2022.

b) Terms of Reference

The Chairman of the Stakeholders Relationship Committee shall be present at the Annual General Meetings to answer queries of the Security Holders.

The Stakeholders Relationship Committee shall meet at least once in a year.

Role of the committee shall inter-alia include the following:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

c) Shareholders Complaints and Disposal Thereof

The complaints of the shareholders are either addressed to the Company Secretary or Share Transfer Agent of the Company i.e. Skyline Financial Services Pvt. Ltd.

The number of shareholder's complaint received during the year is Nil and Number of Complaints not solved to the satisfaction of shareholders is Nil. There is no pending complaint as on the date of this report.

The status of pending shareholder's/ investor's complaints is regularly reviewed at the Board Meetings itself on quarterly basis.

There were no pending complaints or grievances at the end of the year under review.

Number of pending share transfer: There was no pending share transfer as on March 31, 2023. The Company generally attends to all queries of investors within a period of fortnight from the date of receipt.

Investor can provide their feedback on the services provided by the Company and its Registrar and Share Transfer Agent by filling Shareholder Satisfaction Survey form available in Investors Relation page on the website of the Company at the web link:- https://sparkminda.com/shareholder-satisfication-form/

4) CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY COMMITTEE

a) Composition, Meetings and attendance of the Committee

The composition of the Corporate Social Responsibility Committee as on March 31, 2023 is as follows:

Name of the Member	Status	Category
Ms. Pratima Ram	Chairperson	Independent Director
Mr. Avinash Parkash Gandhi	Member	Independent Director
Mr. Ashok Minda	Member	Chairman & Group CEO

Mr. Pardeep Mann, Company Secretary and Compliance Officer of the Company, is the Secretary to the CSR Committee.

During the year, the Committee met 2 (Two) times i.e. November 23, 2022 and March 17, 2023. The attendance of Members at the meetings was as follows:

Name of the Member	No. of Meeting(s) held	No. of Meeting(s) attended	Category
Ms. Pratima Ram Chairperson	2	2	Independent Director
Mr. Avinash Parkash Gandhi Member	2	2	Independent Director
Mr. Ashok Minda Member	2	2	Chairman & Group CEO

b) Role of Corporate Social Responsibility & Sustainability Committee

The role of the Corporate Social Responsibility & Sustainability Committee is as follows:

(1) formulate and recommend to the Board, the Corporate Social Responsibility Policy and the activities to be undertaken by the Company in areas or subject, specified in Schedule VII.

(2) recommend the amount of expenditure to be incurred on the activities referred to in clause (1)

(3) monitor the Corporate Social Responsibility Policy from time to time

(4) discharge such duties and functions as indicated in the section 135 of the Companies Act, 2013 and Rules made thereunder from time to time and such other functions as may be delegated to the Committee by the Board from time to time

(5) take all necessary actions as may be necessary or desirable and also to settle any question or difficulty or doubts that may arise with regards to Corporate Social Responsibility activities/Policy of the Company

5) RISK MANAGEMENT COMMITTEE

The Composition of the Committee is mix of executive and non-executive directors.

a) Composition, Meetings and attendance of the Committee

During the year, there was no change in the composition of the Risk Management Committee. The composition of the Risk Management Committee as on March 31, 2023 is as follows:

Name of the Member	Status	Category
Mr. Ravi Sud	Chairman	Non-Executive Non-Independent Director
Mr. Ashok Kumar Jha	Member	Independent Director
Mr. Aakash Minda	Member	Executive Director

Mr. Pardeep Mann, Company Secretary and Compliance Officer of the Company, is the Secretary to the Committee.

During the year, the Committee met 4 (Four) times i.e. June 10, 2022; September 23, 2022; December 12, 2022 and March 29, 2023. The attendance of Members at the meetings was as follows:

Name of the Member	No. of Meeting(s) held	No. of Meeting(s) attended	Category
Mr. Ravi Sud	4	4	Non-Executive Non-Independent Director
Mr. Ashok Kumar Jha	4	4	Independent Director
Mr. Aakash Minda	4	2	Executive Director

b) Terms of Reference

a) To review risk management plan(s) which shall include;

(i) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(ii) Measures for risk mitigation including systems and processes for internal control of identified risks.

(iii) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

6) EXECUTIVE COMMITTEE

a) Composition, Meetings and attendance of the Committee

Executive Committee has been formed to deal with the important operational matters from time to time.

At least three directors, with at least one being an independent director, shall be members of the Committee.

The composition of the Executive Committee as on March 31, 2023 is as follows:

Name of the Member	Status	Category
Mr. Naresh Kumar Modi	Chairman	Executive Director
Mr. Aakash Minda	Member	Executive Director
Mr. Rakesh Chopra	Member	Independent Director

Mr. Pardeep Mann, Company Secretary and Compliance Officer of the Company, is the Secretary to the Committee.

During the year, the Committee met on May 11, 2022; July 25, 2022; November 01, 2022 and February 04, 2023. The attendance of Members at the meeting was as follows:

Name of the Member	No. of Meeting(s) held	No. of Meeting(s) attended	Category
Mr. Naresh Kumar Modi Chairman	4	4	Executive Director
Mr. Aakash Minda Member	4	4	Executive Director
Mr. Rakesh Chopra Member	4	4	Independent Director

b) Terms of Reference

The Chairperson of the Executive Committee shall be present at the Annual General Meetings.

The Executive Committee, shall meet at such intervals as it deems fit.

c) Powers of Executive Committee

The Committee shall give authorization on need basis to various officials/employees for the smooth operation of the business of all the units/verticals of the Company to represent the Company with

1. Customers, Vendors/Suppliers
2. Banks/NBFC's
3. Various Govt. Authorities such as: -
    a) Sales Tax authorities / Value Added Tax, both Central and State
    b) Central Excise;
    c) Service Tax;
    d) Customs;
    e) Income tax authorities;
    f) Goods & Services Tax (GST)
    g) Ministry of Corporate Affairs; Registrar of Companies NCT of Delhi & \ Haryana; Regional Director, NCLT, NCLAT, SEBI
    h) Director General of Foreign Trade,
    i) Reserve Bank of India
    j) Provident Fund Authorities;

k) Employees State Insurance Corporation & State Insurance Authorities

l) R& D Registration with Department of Scientific & Industrial Research, ministry of Science & Technology;

m) Chamber of Commerce and Business Association(s);

n) Ministry of Industry

o) Ministry of Petroleum & Natural Gas

p Ministry of Environment & Forest

q) Export Promotion Councils;

r) Electricity Board / Authorities;

s) Telecommunication Authorities;

t) State/Central Pollution Control Board;

u) Office of chief Inspector of Factories and Labour Department;

v) Commissioner of Factories and other Labour related authorities; and

w) State Industrial Development Corporation of Uttarakhand

x) Maharashtra Industrial Development Corporation

y) Haryana State Industrial and Infrastructure Development Corporation

z) IPR Authorities i.e. Registrar of Trademarks, Patents, Designs and other

4. District Courts, High Courts, Supreme Courts of India and other Judicial Authorities/Bodies and other Govt./ Semi Govt./ Autonomous Bodies.

5. To authorize to sign, issue and execute different documents/agreements on behalf of the Company with Customers, Vendors and other Government authorities/Other Public Departments/Courts as mentioned at Sr. No.1 to 4 above

6. Authorization to Open & operate and/or Close Bank Accounts on behalf of the Company and to decide the manner of operation of Bank Accounts.

7. Change in Authorized Signatories in various Banks/ NBFCs to operate the Bank accounts and also to change signatories to avail various credit facilities already approved by the Board.

7) INVESTMENT COMMITTEE

Composition, Meetings and attendance of the Committee

Investment Committee has been formed to identify investment opportunities from time to time and also to determine the quantum and source of funds for such investments and to attend all matters connected therewith and incidental thereto.

At least four directors, with at least two being an independent director, shall be members of the Committee.

The composition of the Investment Committee as on March 31, 2023 is as follows:

Name of the Member	Status	Category
Mr. Avinash Parkash Gandhi	Chairman	Independent Director
Mr. Naresh Kumar Modi	Member	Executive Director
Mr. Ashok Minda	Member	Chairman & Group CEO
Mr. Ashok Kumar Jha	Member	Independent Director

Mr. Pardeep Mann, Company Secretary and Compliance Officer of the Company, is the Secretary to the Committee.

During the year, the Committee met on February 08, 2023 and February 16, 2023. The attendance of Members at the meeting was as follows:

Name of the Member	No. of Meeting(s) held	No. of Meeting(s) attended	Category
Mr. Avinash Parkash Gandhi Member	2	2	Independent Director
Mr. Naresh Kumar Modi Chairman	2	2	Executive Director
Mr. Ashok Minda Member	2	2	Chairman & Group CEO
Mr. Ashok Kumar Jha Member	2	2	Independent Director

b) Powers of Investment Committee

(a) Identify, evaluate and decide new investment opportunities, from time to time;

(b) invest funds of the Company, in one or more tranches, in securities of listed and / or unlisted Indian companies, mutual funds or such other instruments as the Investment Committee may in its sole discretion decide from time to time, up to an overall limit not exceeding ₹ 450 Crores (Rupees Four Hundred Fifty Crores Only) without any further approval from the Board;

(c) finalizing the terms of investment, including reviewing and approving the funding sources to be utilized for such investments and deciding the manner and timing of the investment of the Company's funds;

(d) monitor and review the investment activities of the Company, including payouts and returns from the investments made by the Company at periodic intervals during the life of the investment;

(e) approving and executing such documents, deeds, writings, papers and/ or agreements as may be required or may otherwise be considered necessary, desirable, expedient or appropriate for the purpose of this resolution, including making such modifications, alterations or amendments to such documents and/ or agreements;

(f) authorize making appropriate applications, filings, certificates, documents and other instruments as may be deemed necessary or appropriate with various governmental authorities with respect to or incidental to the investments made by the Company;

(g) making all applications to governmental and/ or regulatory authorities for seeking approvals and exemptions, if any for implementing or undertaking investments by the Company;

(h) appoint bankers, brokers, lawyers, external financial and tax advisors, escrow agent, consultants and other relevant professionals and settle the remuneration of all such persons and enter into agreements/ letters in respect thereof;

(i) to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the investments of the Company and matters relating or incidental thereto;

(j) annually review these terms of reference and make recommendations to the Board with regard to any adjustments that are deemed necessary in this regard; and

(k) decide all matters and do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, concerning investments of the Company and matters relating or incidental thereto."

III. GENERAL BODY MEETINGS

1) ANNUAL GENERAL MEETING

i. Venue, Date & Time of last 3 (Three) Annual General Meetings:

AGM	Financial Year	Venue	Date	Time
37th	2021-22	Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility	July 28, 2022	10:30 A.M.
36th	2020-21	Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility	July 09, 2021	10:00 A.M.
35th	2019-20	Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility	September 29, 2020	10:00 A.M.

ii. Special Resolutions passed in the previous 3 (Three) Annual General Meetings

Year	Subject Matter of Special Resolution	Date
2021-22	Appointment of Mr. Ashok Minda (DIN:0054727) as Chairman & Group CEO of the Company and approval of his remuneration	July 28, 2022
2020-21	1. Appointment of Mr. Naresh Kumar Modi (DIN: 00089536) as an Executive Director/ Whole Time Director & Chief Financial Officer of the Company and approval of his remuneration. 2. To approve the re-appointment of Ms. Pratima Ram as an Independent Director of the company	July 09, 2021
2019-20	1. Adoption of Re-Stated Articles of Association of The Company	September 29, 2020

iii. **Whether special resolutions were put through postal ballot this year, details of voting pattern**

The Company had not proposed any special resolutions through postal ballot during the year.

2) EXTRA-ORDINARY GENERAL MEETING

During the year, the Company has not conducted any Extra-Ordinary General Meeting.

3) PROCEDURE FOR POSTAL BALLOT

During the year the Company had not proposed any business through postal ballot. Hence no requirement to follow the procedure for Postal Ballot.

IV. MEANS OF COMMUNICATION

A timely disclosure of consistent, relevant and reliable information on corporate financial performance is the core of good governance. Towards this end, major steps taken are as under:

Quarterly results & Website

1. The quarterly results of the Company were announced within 45 (forty-five) days of end of quarter. In order to attain maximum shareholders reach, the financial results of the Company during the year were published in Financial Express, Economic Times, Business Standard and Jansatta, Nav Bharat Times Newspapers time to time. The Company also ensures that financial results are promptly and prominently displayed on Company's Website www.sparkminda.com

2. Information relating to shareholding pattern, compliance with Corporate Governance norms etc., are available at our website www.sparkminda.com.

3. "Limited Review" reports on the un-audited financial results for the respective quarter(s) were also displayed on Company's website at www.sparkminda.com.

4. Financial results are displayed on the website of the Company viz., www.sparkminda.com. Official news/ press release and presentations made to analysts are also hosted on the Company's website from time to time.

5. The Company organizes earnings call with analysts and investors after the announcement of financial results. The transcript of the earnings call is also uploaded on the Company's website.

6. The Company regularly interacts with the shareholders through multiple channels of communication such as publication of results, Annual Report, press releases, Analysts Call after the Board Meeting. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

7. The Company's website www.sparkminda.com contains a separate dedicated section 'Investor Section'

V. GENERAL SHAREHOLDERS INFORMATION

a) 38th Annual General Meeting

Venue	Through Virtual Platform provided by NSDL
Time	10:00 a.m.
Day & Date	Thursday, July 27, 2023
For Financial Year	2022-23

b) Calendar of financial year ended March 31, 2023

The meetings of Board of Directors for approval of quarterly/half-yearly /annually financial results during the financial year ended March 31, 2023 were held on the following dates:

First Quarter Results	-	August 05, 2022
Second Quarter/ Half yearly Results	-	November 04, 2022
Third Quarter Results	-	February 08,2023
Fourth Quarter and Annual Results	-	May 19, 2023

Tentative Calendar of Board meetings to approve quarterly /half-yearly/annually financial results for the FY 2023-24 is given below:

First Quarter Results	-	August 03, 2023
Second Quarter/ Half yearly Results	-	November 02, 2023
Third Quarter Results	-	February 01, 2024
Fourth Quarter and Annual Results	-	May 19, 2024

c) Dividend

For the year 2022-23, directors have recommended final dividend of ₹ 0.80 per Equity share (i.e. 40%). The Company has already paid Interim dividend of ₹ 0.40 per share (i.e. 20%) per equity share (Face Value ₹ 2/- each) for 2022-23. This interim dividend is being placed in the notice of the ensuing Annual General Meeting for confirmation by the shareholders of the Company. The final dividend shall be paid on or before August 25, 2023. The Register of Members and Share Transfer books of the Company shall remain closed from Monday, July 24, 2023 to Thursday, July 27, 2023 (both days inclusive) for the purpose of payment of Final

Dividend. The final dividend if approved, shall be paid by the Company to those shareholders whose names will appear in the Register of Members of the Company on the closure of Business hours on Friday, 21 July 2023.

Unclaimed Dividends and Transfer to IEPF

Pursuant to Section 124 of Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), the Company has transferred the unpaid or unclaimed Interim dividend and all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more i.e. for the financial year(s) 2013-14, 2014-15 and 2015-16 on the due date to the Investor Education and Protection Fund (IEPF) administered by the Central Government. Pursuant to the Rule 5(8) of Investor Education and Protection Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on July 27, 2023 (date of last Annual General Meeting) on the website of the Company (www.sparkminda.com) and also on the website of the Ministry of Corporate Affairs.

As per Regulation 43 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, no shares are lying in the suspense account of the Company.

Detail of Unclaimed Dividend and equity shares transferred to IEPF.

Financial year	Amount of unclaimed dividend transferred (₹)	Number of shares transferred
2013-14	22,442	11,221
2014-15 (Interim)	35,826	201
2014-15 (Final)	34,445	287
2015-16 (Interim)	34,008	364

Detail of Dividend declared by the Company for the last 5 Years

Financial Year	Interim Dividend declared on	Interim Dividend per Share (In ₹) & %	Final Dividend declared on	Final Dividend per share (In ₹) & %	Total Dividend per share (In ₹) & %
2022-23	February 08, 2023	0.40 (20.00%)	May 19, 2023	0.80 (40.00%)	1.20 (60%)
2021-22	February 04, 2022	0.30 (15.00%)	May 17, 2022	0.70 (35%)	1.00 (50%)
2020-21	February 03, 2021	0.30 (15.00%)	May 18, 2021	0.35 (17.50%)	0.65 (32.50%)
2019-20	February 06, 2020	0.35 (17.50%)	NIL	NIL	0.35 (17.50%)
2018-19	February 07, 2019	0.25 (12.50%)	May 28, 2019	0.45 (22.50%)	0.70 (35.00%)

d) Fees Paid to Statutory Auditors

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all the entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

(₹ in Million)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory audit	4	4
Limited reviews	4	4
Tax audit	1	–
Reminursement of expenses	1	–
	10	**8**

e) Listing on Stock Exchanges and Scrip Codes

Sl. No.	Name & Address of the Stock Exchange	Scrip Code
1	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051	MINDACORP
2	BSE Limited P.J Towers, Dalal Street Fort, Mumbai-400 001	538962
3	ISIN allotted by Depositories (Company ID Number)	INE842C01021

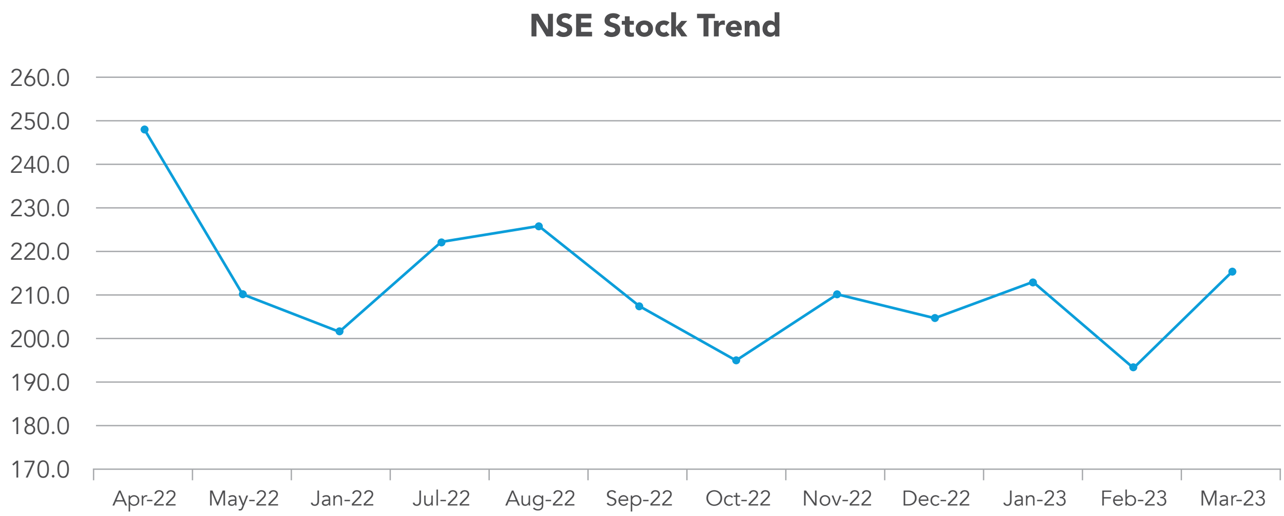
The Annual Listing Fees for the listed equity shares of the Company, pertaining to the year 2023-24 has been paid to the concerned Stock Exchanges. The Company has also made the payment of the Annual Custodian Fees to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), for the financial year 2023-24, based on the folio/ISIN positions as on March 31, 2023.

f) Market Price Data

MCL's share price on NSE during the FY 2022-23

(Amount in ₹)

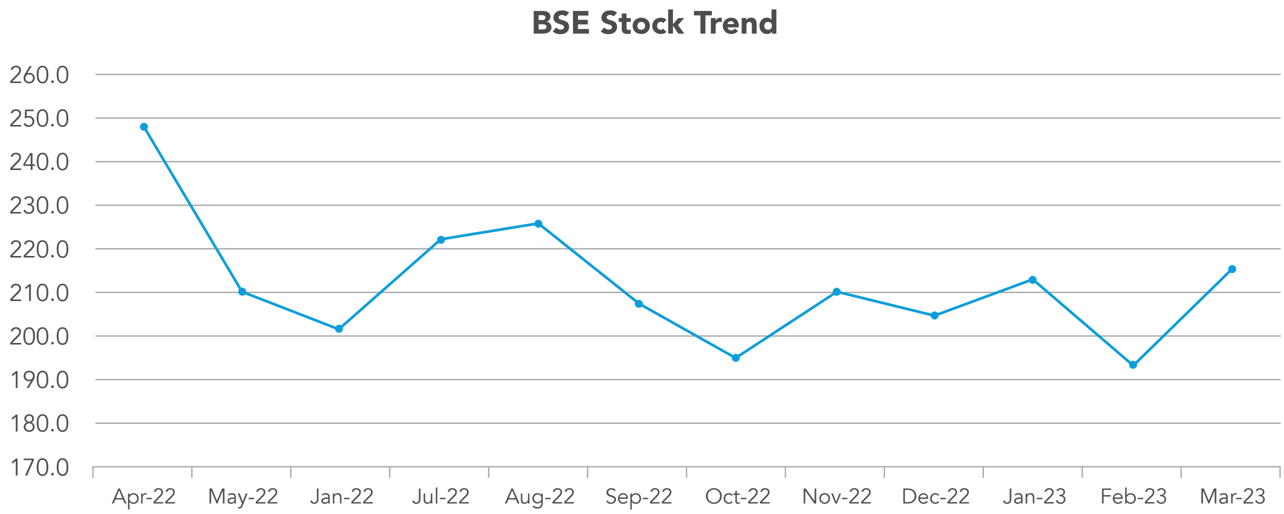
Month	Open Price	High Price	Low Price	Close Price	No.of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty
Apr-22	207.5	287.0	203.5	247.9	4,56,18,862	6,32,158	10,96,38,87,136	1,56,03,820	34.2%
May-22	245.3	258.5	179.7	210.0	2,66,13,633	4,74,752	5,55,93,65,527	74,65,321	28.1%
Jun-22	207.2	218.0	163.5	201.5	1,68,65,720	2,63,409	3,21,61,34,350	53,10,775	31.5%
Jul-22	202.0	238.2	194.8	222.3	1,15,36,212	2,14,849	2,53,47,22,564	38,95,094	33.8%
Aug-22	223.9	253.7	214.0	226.0	1,53,58,729	2,69,359	3,58,38,20,292	52,96,940	34.5%
Sep-22	226.5	236.8	199.9	207.3	85,42,490	1,61,847	1,92,16,85,233	37,87,566	44.3%
Oct-22	207.2	216.0	189.1	194.8	49,82,554	1,46,608	1,00,59,02,340	22,72,562	45.6%
Nov-22	192.0	217.0	189.3	210.6	1,10,70,111	2,05,752	2,27,00,69,100	59,85,267	54.1%
Dec-22	215.0	229.0	199.7	204.6	88,53,644	1,90,780	1,92,05,67,660	43,60,088	49.2%
Jan-23	204.6	246.5	193.0	213.2	1,97,61,553	3,22,800	4,42,84,90,450	71,56,100	36.2%
Feb-23	215.4	226.6	190.7	192.9	1,64,29,847	2,74,319	3,35,03,31,048	77,66,086	47.3%
Mar-23	193.7	217.0	185.0	215.2	1,63,46,593	2,13,157	3,36,36,72,950	69,21,880	42.3%



MCL's share price on BSE during the FY 2022-23

(Amount in ₹)

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty
Apr-22	206.0	284.5	204.0	248.7	35,71,005	64,878	86,16,23,142	13,07,824	36.6%
May-22	240.0	258.4	179.8	210.6	31,76,595	79,400	66,39,21,816	8,01,069	25.2%
Jun-22	209.0	218.1	163.6	201.5	13,52,771	42,142	26,02,37,001	3,88,411	28.7%
Jul-22	200.0	238.4	194.9	222.8	12,66,349	41,631	27,79,51,222	5,12,105	40.4%
Aug-22	223.2	253.1	206.1	225.7	17,44,848	45,109	40,21,84,718	6,49,879	37.2%
Sep-22	224.6	236.4	200.0	207.2	13,09,755	37,566	29,40,31,334	4,12,165	31.5%
Oct-22	205.3	216.0	188.1	194.9	5,88,174	17,534	11,86,80,804	2,24,526	38.2%
Nov-22	197.0	217.0	189.3	210.4	7,99,686	24,890	16,30,82,801	3,90,497	48.8%
Dec-22	216.0	229.1	199.6	204.6	7,24,006	23,328	15,67,22,279	4,00,340	55.3%
Jan-23	208.0	246.3	193.0	212.7	11,59,357	35,851	25,77,87,346	5,13,859	44.3%
Feb-23	216.0	226.2	190.5	193.0	10,05,391	33,565	20,58,96,144	3,79,992	37.8%
Mar-23	192.8	217.1	187.0	215.1	15,94,811	33,278	32,52,68,868	8,54,997	53.6%



g) Market Price Data & Share price performance including Company's equity share price comparison with BSE Sensex Nifty

	BSE		NSE	
	MCL	Sensex	MCL	Nifty
2021-22	104.5%	17.07%	104.2%	17.4%
2022-23	(13.5) %	3.4%	(13.2) %	1.8%

h) Registrar & Share Transfer Agent:

M/s Skyline Financial Services Private Limited,

(CIN: U74899DL1995PTC071324)

Address: - D-153/A, Ist Floor, Okhla Industrial Area, Phase-1, New Delhi- 110 020, India.

Email: virenr@skylinerta.com Phone: +91 011-26812682, 83, +91 011-40450193-97

i) Share Transfer System & RTA

In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from April 1, 2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

The Company obtains annual certificate of compliance related to the share transfer formalities from a Company Secretary in practice as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate simultaneously with the Stock Exchanges under Regulation 40(10) of the Listing Regulations

j) Details of shareholding as on March 31, 2023

Category	No. of shares held	Shareholding (%)
Promoter & Promoters Group	154,748,678	64.73
Financial Institutions, Banks, AIF, Mutual Funds, Insurance Companies, NBFC's	28,290,925	11.83
Foreign Portfolio Investors Category I & II	12,117,659	5.06
Bodies Corporate	9,658,218	4.03
Public Trusts	128,076	0.05
MCL- ESOP Trust	4,027,640	1.68
Others – Non-Institutions	30,108,232	12.59
Total	**239,079,428**	**100.00**

DISTRIBUTION OF 239,079,428 EQUITY SHARE CAPITAL AS ON :31/03/2023

Nominal Value of Each Share: ₹ 2.00

Share holding Nominal Value	Number of Shareholders	% to Total Numbers	Share holding Amount	% to Total Amount
(₹)			(₹)	
Up To 5,000	89235	98.88	23,438,062.00	4.90
5001 To 10,000	493	0.55	3,611,420.00	0.76
10001 To 20,000	242	0.27	3,599,308.00	0.75
20001 To 30,000	79	0.09	1,903,938.00	0.40
30001 To 40,000	34	0.04	1,180,618.00	0.25
40001 To 50,000	27	0.03	1,258,678.00	0.26
50001 To 1,00,000	49	0.05	3,608,138.00	0.75
1,00,000 and Above	83	0.09	439,558,694.00	91.93
Total	**90242**	**100.00**	**478,158,856.00**	**100.00**

k) Dematerialization of Shares and Liquidity

The shares of the Company fall under the category of compulsory delivery in dematerialized form by all categories of investors. The Company has signed agreements with both the Depositories i.e. National Securities Depository Limited and Central Depository Services Limited.

As on March 31, 2023, the number of shares held in dematerialized and physical mode is as under:

Category	No. of equity shares	% of total capital issued
Held in dematerialized form in NSDL	18,57,50,130	77.70
Held in dematerialized form in CDSL	5,32,97,978	22.29
Physical	31,320	0.01
Total	**23,90,79,428**	**100**

l) Public issue, right issue, preferential issue and GDR/ADR etc.

During the year under review, the Company has not made any Public Issue, Right Issue, etc. The Company has not issued any Global Depository Receipt / American Depository Receipt / Warrant or any convertible instrument, which is likely to have an impact on the Company's equity.

m) Commodity price risk or foreign exchange risk and hedging activities

During the FY 2022-23, the Company had managed the foreign exchange risk by using forward contract and commodity price risk with back to back arrangement with customers for price increase.

a. Total Exposure of the Company to Commodities: - ₹ 1038 Crores

b. Exposure of the Company to various Commodities: -

Commodity Name	Exposure in towards a particular commodity (₹ in Crore)	Exposure in quantity terms towards a particular commodity (In MT)	% of such exposure hedged through commodity derivatives				Total
			Domestic Market		International Market		
			OTC	Exchange	OTC	Exchange	
Copper	444	6773 MT	-	-	-	-	-
Zinc	140	4122 MT	-	-	-	-	-
Aluminium	212	9061 MT	-	-	-	-	-
Plastic RM	106	4604 MT	-	-	-	-	-
Steel & Stainless steel	30	2850 MT	-	-	-	-	-
Brass Coil	106	1733 MT	-	-	-	-	-

n) Credit Ratings

India Ratings & Research (Ind-Ra) and CRISIL have assigned below credit ratings to the Company:

Rating Agencies	Instrument	Ratings
India Ratings & Research	Term Loan	IND AA-/Stable (Affirmed)
	(Fund-based and Non-fund-based) Working Capital Limits	IND AA-/Stable/IND A1+ (Affirmed)
CRISIL	Long-term Rating	CRISIL AA-/Stable
	Short- term Rating	CRISIL A1+(Reaffirmed)

India Ratings & Research (Ind-Ra) has re-affirmed the credit rating during the year under review whereas CRISIL has upgraded the long-term rating from CRISIL A+/Positive to CRISIL AA-/Stable and re-affirmed the short-term rating.

o) Details of utilization of funds raised through qualified institutions placement a Preferential Issue as specified under Regulation 32 (7A): -

The Company has kept the fund raised through qualified institutional placement in fixed deposits and interest income is generating on it.

Utilization of Equity Share Capital infused by Issue as on 31.03.2023:-

(₹ In Crores)

Sr. No.	Type/ Date of issue	Amount Raised	Present Status of Utilization of funds			Use in working capital	Unutilized Amount
			Issue Exp	Loan Re-payment	Acquisition of Minda Instruments Ltd		
1	QIP (17-05-2018)	310.69	4.74	10.1	161.10	134.75	NIL
2	Preferential Issue (09-12-2020)	83.00	0.61	82.39	NIL	NIL	NIL

p) Location of Plants

Location of all plants is available on the website of the Company at https://sparkminda.com/wp-content/uploads/2022/06/Location-of-plants.pdf

q) Address for Correspondence

The Shareholders may address their communication / grievances / queries /suggestions to:

Rating Agencies	Ratings
i. With the Company:	Mr. Pardeep Mann Company Secretary & Compliance Officer Minda Corporation Limited D-6-11, Sector-59, Gautam Budh Nagar, Noida, Uttar Pradesh, 201301 Ph.: +91 120-4442500 E-mail: investor@mindacorporation.com Website: www.sparkminda.com
ii. With the R & T Agent	Skyline Financial Services Private Limited D-153/A, Ist Floor, Okhla Industrial Area, Phase – I, New Delhi–110 020; Email- virenr@skylinerta.com, Tel: +91 011-26812682, 83, +91 011-40450193-97

r) Governance Policies

In line with Company's philosophy for adhering to ethical and governance standards and ensure fairness, accountability, responsibility and transparency to all its stakeholders, Company's, inter-alia, has the following policies and codes in place. All the policies have been uploaded on the website of the Company: -

Name of the Policy	Website link
Code of Conduct for Board Members and Senior Management	https://sparkminda.com/wp-content/uploads/2020/04/Code-of-Conduct.pdf
Code of Conduct for Prevention of Insider Trading	https://sparkminda.com/wp-content/uploads/2020/07/Code-of-Conduct-under-Insider-Trading.pdf
Corporate Social Responsibility Policy	https://sparkminda.com/wp-content/uploads/2020/04/Policy-on-Corporate-Social-Responsibility.pdf
Business Responsibility Policy	https://sparkminda.com/wp-content/uploads/2020/04/Business-Responsibility-Policy.pdf

Name of the Policy	Website link
Dividend Distribution Policy	https://sparkminda.com/wp-content/uploads/2020/04/Dividend-Policy.pdf
Nomination Remuneration and Board Diversity Policy	https://sparkminda.com/wp-content/uploads/2020/04/Nomination-Remuneration-and-Board-Diversity-Policy.pdf
Policy on Determination and Disclosure of Materiality of Events	https://sparkminda.com/wp-content/uploads/2020/04/Policy-on-Determination-and-Disclosure-of-Materiality-of-Events.pdf
Policy for Determining Material Non-Listed Subsidiaries	https://sparkminda.com/wp-content/uploads/2020/04/Policy-on-Material-Non-Listed-Subsidiary.pdf
Related Party Transactions Policy	https://sparkminda.com/wp-content/uploads/2022/02/Annexure-XII-Related_Party_Transactions_Policy.pdf
Maintenance and Preservation of Documents and Archival Policy	https://sparkminda.com/wp-content/uploads/2020/04/Policy-for-Maintenance-and-Preservation-of-Documents.pdf
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	https://sparkminda.com/wp-content/uploads/2020/07/Code-of-Practices-Procedures-for-fair-disclosure-of-UPSI.pdf
Whistle Blower Policy	https://sparkminda.com/wp-content/uploads/2022/04/Whistle_Blower_Policy_unsigned.pdf
Code of conduct of Employees	https://sparkminda.com/wp-content/uploads/2020/05/Code-of-Conduct-of-Employees.pdf
Criteria for making payment to Non-Executive Directors	https://sparkminda.com/wp-content/uploads/2022/04/Board_Committees_Final.pdf
Risk Management Policy	https://sparkminda.com/wp-content/uploads/2022/02/Annexure-XIIA-Risk_Management_Policy.pdf
Sustainability Policy	https://sparkminda.com/wp-content/uploads/2021/05/Sustainability_%20Policy.pdf

In constant efforts to strengthen and benchmark our policies, we continuously review, revisit and realign them with best practices.

VI DISCLOSURES

a) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large.

During the year, the Company has not entered into any materially significant transaction with the Directors, their relatives or management which is in conflict with the interest of the Company.

The transactions with the related parties, namely its promoters, its subsidiaries and associate companies etc. of routine nature have been reported elsewhere in the annual report as per IND-AS-24 issued by the Institute of Chartered Accountants of India (ICAI).

b) Details of any non-compliance by the Company

There were no instances of non-compliances by the Company on any matter related to capital market. The Company has complied with the requirements of Listing Agreement as well as regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets for non-compliance by the Company during the last three years on any matter related to capital market.

c) Vigil Mechanism and Whistle Blower Policy

The Company is committed to develop a culture of highest standards of ethical, moral and legal business conduct wherein it is open for communication regarding the Company's business practices, avenues for employees to raise concerns about any poor or unacceptable practice and to protect employees from unlawful victimization, retaliation or discrimination for their having disclosed or reported fraud, unethical behavior, violation of Code of Conduct, questionable accounting practices, grave misconduct etc.

To enforce the above, the Board of Directors has laid down and revised the Whistle Blower Policy for Directors and employees of the Company, to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. Further, the Company affirms that no personnel have been denied access to Audit Committee on any issue related thereto.

A complaint under the policy may be made to the designated officials and to the Audit Committee in terms of the Policy. During the year, no employee of the Company has been denied access to the Audit Committee.

d) Policy against Prevention of Sexual and Workplace Harassment

The Company values the dignity of individuals and is committed to provide an environment, which is free of discrimination, intimidation and abuse.

The Company has put in place a policy on redressal of Sexual Harassment and a Policy on redressal of Workplace Harassment as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act"). As per the policy, any employee may report his / her complaint to the Redressal Committee formed for this purpose or their Manager or HR personnel. We affirm that adequate access was provided to any complainant who wished to register a complaint under the policy, during the year Details of the Complaint as follows:-

Number of complaints filed during the year	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year
1	1	NIL

e) Insider Trading Code in Terms of SEBI (Insider Trading) Regulations, 2015

The Board has formulated the Code of Practice for Fair Disclosure of Un-Published Price Sensitive Information and the Code of Conduct for regulating, monitoring and reporting of Trading of Shares by Insiders in terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time ("Regulation"). The Board has also formulated and adopted a Policy on Determination of Legitimate Purpose as per the provisions of the Regulation. The above code lays down guidelines, procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them on consequences of non-compliances. The copy of the same is available on the website of the Company at https://sparkminda.com/wp-content/uploads/2020/07/Code-of-Conduct-under-Insider-Trading.pdf

f) Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all the mandatory requirements of the Securities and Exchange Board of India (Listing Obligations and Requirements) Regulations, 2015. The Company has also adopted some of the discretionary requirements as stated bellow:

i. Reporting of Internal Auditor

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

ii. Lead Independent Director

There is a Lead Independent Director to liaise on their behalf and ensure the Board's effectiveness to maintain high-quality governance of the organization and effective functioning of the Board.

iii. Live Web casting

Company is proving facility of live webcast of proceedings of the Annual General Meeting to the shareholders of the Company through Company's website and YouTube.

iv. E-voting Facility

The company is providing remote e-voting system to its shareholders at the Annual General Meeting from last two years through NSDL platform.

g) Modified opinion(s) in Audit report:

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

h) Subsidiary Companies

Your Company has subsidiaries as disclosed in AOC-1, attached with the financial statements. The Board of Directors of the Company formulated a policy for determining "material" subsidiaries. The said Policy has been placed on the website of the Company.

i) Related Party Transactions

The Company had formulated a policy on materiality of Related Party Transactions and also on dealing with such Related Party Transactions.

All related party transactions entered by the Company including material significant related party transactions, if any, are being disclosed in the Notes to Accounts forming part of the Annual Report. The transactions during the financial year 2022-23, with the related parties has been done in accordance with the provisions as laid down under the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The necessary approvals from the Audit Committee were obtained, wherever required.

The Policy on Related party transaction is available at our website www.sparkminda.com

j) Reconciliation of Share Capital Audit

As stipulated by Securities and Exchange Board of India (SEBI), a Qualified Practicing Company Secretary carried out audit on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and physical and the total issued and listed capital.

During the last quarter, the reconciliation of share capital audit report illustrates that ₹ 478,158,856/- is the issued Capital and ₹ 478,158,856/- is the listed Capital.

k) Material Subsidiary

Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 defines a 'material subsidiary a subsidiary, whose income or net worth exceeds 10% (ten percent) of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

During the year under review, the Company has no material subsidiaries.

l) Disclosure of Accounting Treatment: The Company has prepared its financial statement as per the IND-AS prescribed by the Institute of Chartered Accountants of India (ICAI). There is no deviation in the Accounting Treatment & disclosers.

m) Risk Management: The Company has Risk Management Committee for the risk assessment and to decide on minimization procedures. These procedures are periodically reviewed by the Risk Management Committee to ensure that executive management controls risk through means of a properly defined framework.

n) Certificate from a Company Secretary in practice: Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has received certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. Certificate from Practicing Company Secretary is annexed with this report.

o) Declaration as required under Regulation 34(3) and Schedule V of the Listing Regulations:

All Directors and senior management personnel of the Company have affirmed compliance with Company's Code of Conduct for the financial year ended March 31, 2023.

p) Secretarial Audit pursuant to Regulation 24A SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018:

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read along with SEBI Circular CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Company has obtained certificate and filed with the Stock Exchange within the statutory timeline as prescribed by the SEBI in this regard vide its notification dated 25.06.2020.

q) CEO/CFO Certificate: The Executive Director and Chief Financial Officer of the Company have provided compliance certificate to the Board in accordance with Regulation 17 (8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

r) Compliance

The Company is in the compliance with corporate governance requirements specified in regulation 17 to 27 and clause (b) to (i) of sub- regulation 2 of regulation 46 of Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also obtained a compliance certificate from M/s Ranjeet Pandey & Associates, Practicing Company Secretaries regarding compliance of the conditions of Corporate Governance as stipulated in regulation 17 to 27 and clause (b) to (i) of sub-regulation 2 of regulation 46 read with schedule V (E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has submitted the quarterly compliance report to the stock exchanges within the prescribed time limit. The compliance certificate is also sent annually to all the shareholders of the Company.

ii. There is no non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of part C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

iii. During the year under review your Company has not given any Loans and advances in the nature of loans to firms/companies in which directors are interested.

iv Disclosures pursuant to Schedule V (F) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Demat Suspense Account/ Unclaimed Suspense Account:-

Sr. No	Particulars	Status
A	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	NIL
B	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	NIL
C	Number of shareholders to whom shares were transferred from suspense account during the year;	NIL
D	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	NIL
E	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	NIL

DECLARATION BY CHAIRMAN & GROUP CEO REGARDING ADHERENCE TO THE CODE OF BUSINESS CONDUCT AND ETHICS

To
The Members of the Company
Minda Corporation Limited
A-15, Ashok Vihar, Phase-1
Delhi - 110052

I hereby declare that all the Board Members and the Senior Management Personnel are aware of the provisions of the Code of Conduct laid down by the Board. Pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the said Code of Conduct.

Sd/-
Ashok Minda
Chairman & Group CEO
DIN No. 00054727

Place: Noida
Date: May 19, 2023

CEO AND CFO CERTIFICATION

We, Ashok Minda, Chairman & Group CEO and Vinod Raheja, Group CFO of Minda Corporation Limited to the best of our knowledge and belief, certify that:

A. We have reviewed financial statements and the cash flow statement for the year ended on March 31, 2023 and that to the best of our knowledge and belief:

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. these statements together present a true and fair view of the Company's affairs and follow existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct;

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

   1. significant changes in internal control over financial reporting during the year;

   2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

	Sd/-	**Sd/-**
Place: Noida	**Ashok Minda**	**Vinod Raheja**
Date: May 19, 2023	**Chairman & Group CEO**	**Group CFO**

CORPORATE GOVERNANCE CERTIFICATE

To,
The Members of
Minda Corporation Limited
A-15, Ashok Vihar, Phase–1,
New Delhi–110052

We have examined the compliance of conditions of Corporate Governance by Minda Corporation Limited ("the Company/Listed Entity"), for the financial year ended on March 31, 2023, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). On the basis of such examination, we state as under:

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

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

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

FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES

Sd/-
CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN: F005922E000338122

Place: NEW DELHI
Date: May 19, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Minda Corporation Limited
A-15, Ashok Vihar, Phase–1,
New Delhi–110052

We have examined the relevant disclosures received from the directors, registers, records, forms, returns maintained by the company and produced before us for the purpose of issuing Certificate of Non-Disqualification of Directors in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. On the basis of such examination, we hereby certify as under:

1. That Minda Corporation Limited (CIN: L74899DL1985PLC020401) is having its registered office at A-15, Ashok Vihar, Phase–1, New Delhi–110052 (hereinafter referred as "the Company") and the equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited;

2. In our opinion and to the best of our information and according to the verifications and examination of the disclosures under section 184/189, 170, 164 and 149 of the Companies Act 2013 ("the Act') including status of Directors Identification Number (DIN) at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the below named Directors on the Board of the Company as on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of appointment in Company
1.	Mr. Ashok Minda	00054727	22/07/1987
2.	Mr. Aakash Minda	06870774	05/11/2020
3.	Mr. Rakesh Chopra	00032818	27/05/2010
4.	Mr. Avinash P. Gandhi	00161107	28/01/2006
5.	Mr. Ashok Kumar Jha	00170745	14/11/2014
6.	Mr. Naresh Kumar Modi	00089536	11/12/2020
7.	Mrs. Pratima Ram	03518633	10/11/2016
8.	Mr. Ravi Sud	00074720	25/03/2021

3. Ensuring the eligibility of appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

4. This certificate is based on the information and records available upto this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES

sd/-
CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN: F005922E000338122

Place: NEW DELHI
Date: May 19, 2023

Business Responsibility and Sustainability Report FY 2022-23

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

S. No.		Details of Listed Entity
1	Corporate Identity Number (CIN) of the Listed Entity	L74899DL1985PLC020401
2	Name of the Listed Entity	Minda Corporation Limited
3	Year of incorporation	1985
4	Registered office address	A-15, Ashok Vihar, Phase-I, Delhi - 110052
5	Corporate Address	D6-11, Sector 59, Noida 201301, Uttar Pradesh, India
6	E-mail	investor@mindacorporation.com
7	Telephone	+911204723300
8	Website	www.sparkminda.com
9	Financial year for which reporting is being done	FY 2022-23
10	Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange (BSE) and National Stock Exchange of India Ltd. (NSE)
11	Paid-up Capital	₹ 47,81,58,856 (Rupees Four Hundred Seventy-Eight Million One Hundred Fifty-Eight Thousand and Eight Hundred Fifty-Six Only) divided into 239,079,428/- (Two Hundred Thirty-Nine Million Seventy-Nine Thousand Four Hundred Twenty-Eight Only) Equity Share of ₹ 2/- each
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Pardeep Mann (Company Secretary) Tel no: +91 9871127014 Email ID: pmann@mindacorporation.com
13	Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone

II. List of Products/Services

1. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1	Manufacturing	Automotive Components	100%

2. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% Of total Turnover contributed
1	Lock Kits & Lock Sets for Automobiles, Wiring harness & components for Automobiles, Starter Motor & Alternator	25934, 27320, 2710 & 29304	83%
2	Casting of non-ferrous metals	24320	17%

III. Operations

3. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	21	7	28
International	0	2	2

4. Markets served by the entity:

a. **Number of locations**

Locations	Number
National (Nos. of States and UTs)	35
International (Markets Served)	23

b. **What is the contribution of exports as a percentage of the total turnover of the entity?**

9.6%

c. **A brief on types of customers**

The Company serves a diversified customer base including Indian and global OEMs and Tier-1 customers for all its products. Revenues of the Company are largely based on a Business to Business (B2B) model to OEM customers as a tier 1 supplier, or to other tier 1 suppliers in the interest of supply chain optimization (as requested by the OEMs). The Company also serves an aftermarket segment in India through a strong network of more than 450 dealers.

IV. Employees

5. Details as at the end of Financial Year:

a. **Employees and workers (including differently abled):**

	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
		EMPLOYEES				
1.	Permanent (D)	1,566	1,428	91%	138	9%
2.	Other than Permanent (E)	101	79	78%	22	22%
3.	**Total employees (D + E)**	**1,667**	**1,507**	**90%**	**160**	**10%**
		WORKERS				
4.	Permanent (F)	1,377	1,269	92%	108	8%
5.	Other than Permanent (G)	13,926	9,577	69%	4,349	31%
6.	**Total workers (F+G)**	**15,303**	**10,846**	**71%**	**4,457**	**29%**

Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	4	4	100%	0	0%
2.	Other than Permanent (E)	0	0	-	0	-
3.	**Total differently abled employees (D + E)**	**4**	**4**	**100%**	**0**	**0%**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	8	8	100%	0	0%
5.	Other than permanent (G)	365	323	88%	42	12%
6.	**Total differently abled workers (F + G)**	**373**	**331**	**89%**	**42**	**11%**

6. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.5%
Key Management Personnel	3	0	0

7. Turnover rate for permanent employees and workers (Disclose for past 3 years)

	FY 2022-23			FY 2021-2022			FY 2020-2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	35%	30%	34%	36%	41%	39%	28%	22%	25%
Permanent Workers	16%	27%	22%	18%	18%	18%	20%	29%	25%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

8. (a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/ subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	ALMIGHTY INTERNATIONAL PTE. LIMITED	Subsidiary	100%	Yes
2	MINDA EUROPE B.V	Subsidiary	100%	Yes
3	MINDA INSTRUMENTS LIMITED	Subsidiary	100%	Yes
4	SPARK MINDA GREEN MOBILITY PVT LTD	Subsidiary	100%	Yes
5	SPARK MINDA FOUNDATION	Subsidiary	100%	Yes
6	MINDA INFAC PVT LTD	Joint Venture	51%	Yes
7	FURUKAWA MINDA ELECTRIC PRIVATE LIMITED	Joint Venture	25%	Yes
8	MINDA VAST ACCESS SYSTEMS PRIVATE LTD	Joint Venture	50%	Yes

V. CSR Details

9. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

(ii) Turnover (in ₹): 34,924.2 million

(iii) Net worth (in ₹): 13,841.9 million

VI. Transparency and Disclosures Compliances

10. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for the grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Investors	https://sparkminda.com/wp-content/uploads/2023/01/Investor_Grievance_Redressal_Policy.pdf	0	0	NIL	0	0	NIL
Shareholders	https://sparkminda.com/wp-content/uploads/2023/01/Investor_Grievance_Redressal_Policy.pdf	2	0	NIL	0	0	NIL
Employees and workers	https://sparkminda.com/wp-content/uploads/2023/06/Grievance-Redressal-Policy.pdf	102	7	Mechanism has been created, and the same will be resolved in the coming year	79	0	Compliant resolution was passed on to next year
Customers	https://sparkminda.com/wp-content/uploads/2023/06/Grievance-Redressal-Policy.pdf	46	0	Grievances were addressed as per the mechanism defined in the policy	30	0	Grievances were addressed as per the mechanism defined in the policy
Communities	Yes, through stakeholder meetings	0	0	NA	0	0	NA
Value Chain Partners	No	0	0	NA	0	0	NA

11. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (positive or negative implications)
1	Energy Management	Risk	To combat climate change, corporates such as Minda Corporation have to lead decarbonization efforts through a reduction in energy intensity, dependency on fossil fuels, and investments in renewable energy. To effectuate a low-carbon transition, MCL has been working towards creating effective energy management through conservation and lowering fossil-fuel based energy consumption. Globally, investors and stakeholders are consistently looking to foster sustainable partnerships and not investing in such mechanisms may pose potential risks.	Further integration of energy management within our corporate ESG strategy is a must and we are working towards lowering our carbon footprint and enabling efficient energy use. MCL has invested in renewable energy i.e., solar power, and will continue to look at ways to reduce dependence on fossil fuels	Negative
2	Materials Efficiency	Opportunity	Sustainable sourcing and assessing impacts – environmental and social – of products and materials is a must in today's global milieu. The world is moving towards identifying ways and means to reduce the usage of materials through measures of circularity and reuse. MCL needs to leverage this opportunity and work towards materials efficiency.	Materials efficiency poses an opportunity for MCL to reduce its spending on a multitude of products which would reduce if materials are reused efficiently	Positive
3	Waste Management	Risk	Waste generated through MCL's operations presents/requires transformation to reuse and reclaim to enable circularity. Poor waste management practices in terms of ineffective disposal methods cause air pollution, water pollution, and land degradation. This further contaminates groundwater levels, transmitting disease. MCL, currently only manages its waste by an authorized waste vendor for all hazardous and non-hazardous waste types.	It is imperative that MCL identifies ways to reduce waste to landfill, and waste incineration, among other non-conducive ways to protect our planet. MCL is looking towards measures of circularity to reclaim and reuse the wastes produced, and will be investing in efficient technologies, reduce use of hazardous waste, and wastage of materials.	Negative

S. No.	Material issue identified	Risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (positive or negative implications)
4	Product Quality & Safety	Risk and Opportunity	Product quality and safety is important for manufacturing enterprises such as MCL. We recognize that failure to meet quality and safety standards can lead to negative consequences including reduced positive customer experiences, loss of supply chains, value chains and might result in legal actions or fines leading to significant financial losses for the company.	MCL consistently ensures that the product quality and safety of all its products is at par with global best-practices. However, MCL will be investing in management systems to ensure product safety, monitoring non-compliances and ensuring best products and safe use along with top-quality. Investing in these measures will increase customer trust, and build a robust value chain.	Positive and Negative
5	Occupational Health & Safety	Risk	MCL believes that our employees and workers are our most valuable assets. Their health and safety is paramount and hence, we have created a robust OHS system in place to ensure risks are identified timely, mitigated and provides a safe working environment for all. This has created high retention rates at our organization, across our plants.	MCL conducts regular internal and external safety audits and has committees in place to ensure safety and health of workers and employees in all its plants. MCL also has appropriate and requisite safety certifications	Negative
6	Business Ethics	Risk	Business ethics are a cornerstone of ensuring transparent and sustainable corporate governance framework. In this context, MCL has an effective business ethics environment across our plants. We uphold policies and good-governance measures in high regard and believe it is essential to ensuring an effective and top-down approach to ESG. Our ESG strategies are integrated in our governance and policy frameworks which supports us in creating a conducive and well-integrated governance structure, upholding business ethics. We regularly monitor the changing regulatory landscape in the country and all the laws and	MCL has a robust and comprehensive internal governance mechanism. With policies such as Whistleblower Policy, Prevention of Insider Trading, Related Party Transactions and Grievance Redressal across stakeholders, among others, MCL ensures an ethical work environment. The MCL Code of Conduct for employees and board of directors upholds transparency and business ethics.	Negative

S. No.	Material issue identified	Risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (positive or negative implications)
			changing regulatory landscape in the country and all the laws and mandates (union and federal) which have the potential, or do impact us positively and negatively. It is through these systems that we able to comply and create good governance measures.		
7	Supply Chain Management	Risk	Supply chain management affects product and service quality, delivery, costs, customer experience, and ultimately, profitability. In the globalized world, supply chains are not only the backbone of manufacturing companies like ours, but also where maximum disruptions take place. Supply chains have faced disruptions at the hands of the pandemic, the Russia-Ukraine conflict and with the evolving regulatory landscape with CBAM, and others, trade and supply chains are consistently getting disrupted. Physical risks posed by climate change are effecting raw material sourcing negatively and thus, MCL aims to create a robust and effective management of supply chain so as to not let its supply chain effect business continuity.	To ensure business continuity despite supply chain disruptions, MCL is working towards creating agile and resilient supply chain management systems. This involves identifying critical suppliers as Tier 1, 2, and Tier 3. This would help identify where most of our raw material comes from, and the value chain our products are sent to. Not managing the supply chain will create loss of business, and reduced revenues. We are looking to conduct a vulnerability assessment as well, to ensure that supply chain preparedness is upheld to enable and ensure business continuity even if disruptions occur.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements.

Principle 1: **Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.**

Principle 2: **Businesses should provide goods and services in a manner that is sustainable and safe.**

Principle 3: **Businesses should respect and promote the well-being of all employees, including those in their value chain.**

Principle 4: **Businesses should respect the interests of and be responsive to all its stakeholders.**

Principle 5: **Businesses should respect and promote human rights.**

Principle 6: **Businesses should respect and make efforts to protect and restore the environment.**

Principle 7: **Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

Principle 8: **Businesses should promote inclusive growth and equitable development.**

Principle 9: **Businesses should engage with and provide value to their customers in a responsible manner.**

Disclosure Questions	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web link of the policies, if available	The requisite policies are available on Minda Corporation's Website under Corporate Governance. https://sparkminda.com/corporate-governance-polices/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/labels/ standards		OHSAS 45001:2018 (Safety Management System Certification), ISO 14001: 2015 (Environment Management System Certification) and International Automotive Taskforce 16949: 2016 (QMS Certification for Automotive Parts) certifications							
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	In the ongoing year, we are setting commitments, goals and targets for environment, social and governance parameters								
6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	NA								

Governance, leadership, and oversight

7. Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)

   We have established CSR & Sustainability Committee at the Board level which oversees and guides the Sustainability initiatives of the organization. We are in the process to develop the long-term goals and targets for the company. Once the goals and targets are formalized, the same will be updated on appropriate communication mediums and to various stakeholders and the progress will be monitored on a regular basis by the Sustainable Committee.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policies	CSR & Sustainability Committee
9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). Provide details.	Yes, Minda Corporation Limited has a Sustainability Committee led by Ms. Pratima Ram – Independent Director with members Mr Avinash Gandhi - Independent Director and Mr. Ashok Minda - Director, Minda Corporation Limited

10. Details of Review of NGRBCs by the Company:

Subject for Review	**Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee**									**Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)**								
	P 1	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
	Y	Y	Y	Y	Y	Y	Y	Y	Y	Half-yearly								
	Y	Y	Y	Y	Y	Y	Y	Y	Y	Half-yearly								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
	No	No	No	No	No	No	No	No	No

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	
The entity does not consider the principles material to its business (Yes/No)	The entity considers all NGRBC Principles material to its business. For some of the policies, we have Internationally recognized Management Systems which are audited by the agencies from time to time. For the remaining principles, it has been planned to conduct reviews in the next financial year.
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	
It is planned to be done in the next financial year (Yes/No)	
Any other reason (please specify)	

SECTION C: PRINCIPLE WISE DISCLOSURES

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% Of persons in respective category covered by the awareness programmes
Board of Directors	7	Capacity Building Session on Sustainability & ESG, Effective Feedback, Goal Management System, Prevention of Harassments at the workplace, Vision Mission Values and Code of Conduct at Spark Minda, Visioning 2030 Workshop, Whistle Blower Module	56%
Key Managerial Personnel	4	Goal Management System, Prevention of Harassments at the Workplace, Vision Mission Values and Code of Conduct at Spark Minda, Whistle Blower Module	83%
Employees other than BoD & KMPs	476	Negotiation Skills, SAP, DWM, POSH, TPM, FMEA, SPC, MSA, PNEUMATICS & ELECTROPNEUMATIC, IATF, ZOHO, Hazard & Risk, Safety, First Aid, Fire Fighting, MS Office, Lean Manufacturing, Communication & Presentation Skills, DOE, Interpersonal Skills, Finance for non-finance, JH, VSM, Team Building, Emotional Intelligence, Mission vision code of conduct, Policy Awareness (Whistle Blower), Problem Solving, Cyber Security Awareness, MDP	71%
Workers	1,179	5S, KAIZEN, 3M, TPM, MSDS, Chemical Handling, MS Office, JH, First Aid, Fire Fighting, Interpersonal Skills, Spoken English, CT/ TT, OLE, OEE, SAP, POSH, 4M, 7 QC Tools, BBS, Industrial & electrical safety, Poka Yoke, SMED, 5 Axis, Process Sheet, WI Sheet, Tool History Card, 16 Losses, PLC, Single piece flow, Costing & Negotiation, CTQ, Product knowledge, VA/VE, 3C, FIFO, 3G, Communication Skills, Safety awareness, On Job Trainings for skill upgradation	72%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding Fee	NIL	NIL	NIL	NIL	NIL

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed**

Case Details	Name of regulatory/enforcement agencies/judicial institutions
NIL	NIL

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.** Yes. Minda Corporation Limited as a comprehensive anti-bribery and anti-corruption policy. The same can be found here Anti-Bribery Anti-Corruption Policy

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regards to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
No. of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
No. of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered under the awareness programmes
12	Human Rights, Safety, Inclusive Growth	40% of Major Suppliers

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, Minda Corporation Limited has an approach to avoiding/managing conflict of interests involving members of the Board which is also embodied within our Code of Conduct. We assess all the activities for potential conflicts and ensure that any actual, potential, or perceivable conflicts are declared and resolved before the initiation of any task or project. The code of conduct accessed at the https://sparkminda.com/wp-content/uploads/2020/05/Code-of-Conduct-of-Employees.pdf

Further, the Board of Directors sign off on the Code of Conduct on an annual basis and an affirmation declaration is obtained from the Board of Directors. Further, the Board confirms that there were no materially significant related party transactions made with the Promoters, Directors or Key Managerial Personnel which may have a potential conflict of interest with the company at large.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made.**

	FY 2022-23	FY 2021-22	Details of improvements in the environment and social impacts
R&D	9.3%	7.16%	ADAS for two-wheelers, rain light censor, Rear seatbelt reminder and electric vehicle advance engineering, human capital cost
Capex	8.8%	19%	Investments in Solar, Wastewater Management, Energy Efficiency etc.

2.

a. **Does the entity have procedures in place for sustainable sourcing?** (Yes/No) No

b. **If yes, what percentage of inputs were sourced sustainably?**

Not Applicable

1. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Waste Type	Processes to reclaim through reuse, recycle, disposal at end of life
Plastics	At the end of the lifecycle, plastics are given to the authorized waste vendor where some quantities of the plastics are reused.
E-Waste	At the end of the lifecycle, e-waste is given to the authorized waste vendor where the e-waste is disposed.
Hazardous Waste	At the end of the lifecycle, hazardous waste is given to the authorized waste vendor where the hazardous waste is disposed
Other Waste	At the end of the lifecycle, all other waste is given to the authorized waste vendor and carton boxes are reused while the rest is given to the authorized waste vendor for recycling and reclamation.

2. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes. MCL has submitted its waste collection plan in line with EPR Rules and is submitted to pollution control boards.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

S.N	NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
NIL						

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
NIL		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	Current Financial Year	Previous Financial Year
Does not record and will do so in future		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	Current Financial Year			Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Does not record and will do so in future			Does not record and will do so in future		
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	NIL

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. **Details of measures for the well-being of employees**

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B / A)	No. C	% (C / A)	No. (D)	% (D / A)	No.(E)	% (E / A)	No. (F)	% (F / A)
Permanent employees											
Male	1,428	1,428	100%	1,428	100%	0	0%	0	0%	0	0%
Female	138	138	100%	138	100%	138	100%	0	0%	16	12%
Total	**1,566**	**1,566**	**100%**	**1,566**	**100%**	**138**	**9%**	**0**	**0%**	**16**	**1%**
Other than Permanent employees											
Male	79	79	100%	79	100%	0	0%	0	0%	0	0%
Female	22	22	100%	22	100%	22	100%	0	0%	3	14%
Total	**101**	**101**	**100%**	**101**	**100%**	**22**	**22%**	**0**	**0%**	**3**	**3%**

b. **Details of measures for the well-being of workers:**

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B / A)	No. C	% (C / A)	No. (D)	% (D / A)	No.(E)	% (E / A)	No. (F)	% (F / A)
Permanent Workers											
Male	1,269	1,269	100%	1,269	100%	0	0%	0	0%	0	0%
Female	108	108	100%	108	100%	108	100%	0	0%	42	39%
Total	**1,377**	**1,377**	**100%**	**1,377**	**100%**	**108**	**8%**	**0**	**0%**	**42**	**3%**
Other than Permanent Workers											
Male	9,577	9,577	100%	9,577	100%	0	0%	0	0%	0	0%
Female	4,349	4,349	100%	4,349	100%	4,349	100%	0	0%	101	2%
Total	**13,926**	**13,926**	**100%**	**13,926**	**100%**	**4,349**	**31%**	**0**	**0%**	**101**	**1%**

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100% (wherever applicable as per law)	100% (wherever applicable as per law)	Y	100% (wherever applicable as per law)	100% (wherever applicable as per law)	Y
Gratuity	100% (wherever applicable as per law)	100% (wherever applicable as per law)	Y	100% (wherever applicable as per law)	100% (wherever applicable as per law)	Y
ESI	100%(wherever applicable as per law)	100% (wherever applicable as per law)	Y	100% (wherever applicable as per law)	100% (wherever applicable as per law)	Y

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

MCL has taken steps towards creating facilities and amenities provided to the persons with disabilities enabling them to effectively discharge their duties in our workplace. We also conduct assessment matrices to ensure a list of posts identified suitable for persons with disabilities at MCL. We are an equal opportunity employer and uphold creating a conducive environment for persons with disabilities, striving to create an inclusive workplace for all.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide the link to the policy. Yes

5. Return to work and Retention rates of permanent employees and workers that took parental leave

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention Rate
Male	NA	NA	NA	NA
Female	50%	50%	NA	NA
Total	50%	50%	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes, MCL has established a Grievance Redressal Policy and committee to cater to any grievances of employees (permanent and other than permanent)
Other than Permanent Workers	Yes. MCL has a Works Committee established across all plants to redressal and record any complaints and grievances of workers (permanent and other than permanent)

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Employees	Yes, MCL has established a Grievance Redressal Policy and committee to cater to any grievances of employees (permanent and other than permanent)
Other than Permanent Employees	Yes. MCL has a Works Committee established across all plants to redressal and record any complaints and grievances of workers (permanent and other than permanent)

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity

Category	FY 2022-23			FY 2021-22		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Unions (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Unions (D)	% (D / C)
Total Permanent Employees	1,566	0	0%	1,436	0	0
Male	1,428	0	0%	1,331	0	0%
Female	138	0	0%	105	0	0%
Total Permanent Workers	1,377	774	56%	1,463	776	53%
Male	1,269	705	56%	1,336	700	52%
Female	108	69	64%	127	76	60%

8. Details of training given to employees and workers

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Permanent Employees										
Male	1,808	1,070	59%	1,014	56%	1,016	929	91%	768	76%
Female	160	83	52%	105	66%	48	44	92%	34	71%
Total	**1,968**	**1,153**	**59%**	**1,119**	**57%**	**1,064**	**973**	**91%**	**802**	**75%**
Permanent Workers										
Male	1,269	957	75%	910	71%	1,411	1,209	85%	1,101	78%
Female	108	87	80.5%	73	67%	123	83	67%	69	56%
Total	**1,377**	**1,044**	**76%**	**983**	**71%**	**1,534**	**1,292**	**84%**	**1,170**	**76%**

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Other Than Permanent Workers										
Male	13,947	8,095	58%	6,727	48%	8,064	5,999	74%	4,957	61%
Female	7,920	4,117	52%	3,677	46%	4,048	3,773	93%	3,521	87%
Total	**21,867**	**12,212**	**56%**	**10,404**	**48%**	**12,112**	**9,772**	**81%**	**8,478**	**70%**
Other Than Permanent Employees										
Male	91	79	86%	54	59%	83	73	88%	45	54%
Female	27	22	81%	17	63%	15	11	73%	7	46%
Total	**118**	**101**	**85%**	**71**	**60%**	**98**	**84**	**85%**	**52**	**53%**

9. Details of performance and career development reviews of employees and workers

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
			Employees			
Male	1,277	1,259	99%	850	829	**98%**
Female	98	96	98%	123	120	**98%**
Total	**1,375**	**1,355**	**99%**	**973**	**949**	**98%**
			Workers			
Male	9,577	1381	14%	4,897	1,784	**36%**
Female	4,349	90	2%	3,843	333	**9%**
Total	**13,926**	**1471**	**11%**	**8,740**	**2,117**	**24%**

10. Health and safety management system

a. Whether an occupational health and safety management system been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, All manufactruing units/locations

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The MCL Health and Safety committee identifies hazards consistently on a routine and non-routine basis. Basis the hazards identified, if at all, MCL ensures that mitigation actions are undertaken to combat the identified risks and hazards.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.81	0.62
	Workers	0.081	0
Total recordable work-related injuries	Employees	3	2
	Workers	3	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace

Yes. All of MCL's facilities confirm to international standards of safety and are certified with ISO 45001. MCL also has an Occupational Health and Safety Assessment Series (OHSAS) certification as a step to ensure wellbeing, all formal agreements cover health and safety parameters. Incident & accidents at all plant sites are recorded and monitored. To further instill the safety culture, a safety committee is functional at all manufacturing plants and is powered by equal participation from management and worker representative

13. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	71	7	Mechanism has been created, and the same will be resolved in the coming year	53	0	NA
Health & Safety	30	0	NA	26	0	NA

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Minda Corporation actively assess all its manufacturing facilities for any health and safety risks. All our manufacturing units are OHSAS 45001:2018 certified and where we identify and health and safety hazard and actively address them by taking appropriate actions. We have formed Health and Safety Committee at each of our manufacturing locations to address such risks. Overall reduction in health and safety incidences can be attributed to the strong commitment of both management, workers and our value chain partners to ensure safe working conditions by adhering to the Company's policies, processes and values.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of the death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, Minda Corporation provides desired and agreed support in case of death or permanent disability to the affected person/family and also has accidental insurance policies in place.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The company takes great pride and responsibility in ensuring that all statutory dues are paid not only within the company but also by its partners in its value chain. It is part of our Code of Conduct for suppliers and also forms a part of our supplier assessment while awarding any new contract.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Gender	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	Current Financial Year	Previous Financial Year	Current Financial Year	Previous Financial Year
Employees	NIL			
Workers	NIL			

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, as a desirable employer, Minda Corporation Ltd. strongly believes in preparing its human capital for future challenges and future skill ready. As such, we invest heavily into training programs for our employees and workers alike to ensure that they are ready for any opportunity in the market in case of any employment termination or voluntary retirement besides monetary benefits.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

In compliance with the Supplier Code of Conduct of MCL, suppliers are audited and monitored on a variety of topics related to statutory compliances and also sustainability. Health and Safety form one of the high priority areas when selecting a supplier.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

- The first step of MCL's stakeholder identification and engagement involves mapping and prioritizing key stakeholders based on their role and influence on the company and by the company.
- Based on this metric, stakeholders are identified and prioritized, after which we establish engagement channels for each stakeholder.
- Internal Stakeholders of MCL include employees, workers, senior leadership and Board of Directors.
- External stakeholders of MCL include shareholders, investors, customers, suppliers, communities, government, and media.
- The stakeholder engagement exercise has helped MCL in identifying our ESG focus areas in line with our underlying philosophy and goals towards sustainability and is crucial for our ESG strategy.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable	Channels of communication	Frequency of Engagement	Purpose and scope of engagement
Investor	No	Investor calls, conference and meets Annual General Meetings	4 Earnings Conference call (post every quarter result) and 1 business update conference call for Investors and analysts (8 – 10 conferences in a year wherein we do multiple group and one on one meetings. Apart from that we also keep meeting our investors via one on one and group meetings. We also do ~1 - 2 plant visits in a year.	To discuss with investors about the performance of the company, to update them about the latest development in the company and industry and to address their queries. Plant visits are conducted to show our manufacturing capabilities.
Employees	No	Employee engagement initiatives	We have defined the plan in the calendar. There are activities which are done on daily basis and monthly basis.	This led to build positive culture environment for work and also to increase the productivity by motivating them
		Training programmes	We have defined the plan in the calendar. There are activities which are done on daily basis and monthly basis.	1. Overall capability development 2. Skill Building 3. Future readiness of the organization

Stakeholder Group	Whether identified as Vulnerable	Channels of communication	Frequency of Engagement	Purpose and scope of engagement
		Performance appraisal reviews	It has been divided into two parts: 1. Half yearly Review 2. Final Review	1. To measure the individual performance 2. Achieve mission and vision of the organization. 3. Linked with Pay for performance 4. Identify areas of improvement
		Grievance mechanisms	For Associates: We have "Help Desk" in each unit, where once week grievances are noted and addressed in the stipulated tact time. For Staff: We have developed "Help Desk" in the Human Resource Information System (HRIS), where grievances are addressed.	1. It helps to build an organizational climate based on openness and trust. 2. It encourages employees to raise concerns without fear of reprisal. 3. It provides a fair and speedy means of dealing with complaints 4. It prevents minor disagreements developing into more serious disputes
Suppliers	No	Vendor assessments and reviews Signed contracts Vendor Meet	Supplier Quality Management System (QMS) Audit Frequency- Once in Year Raw Materials Suppliers- Beginning of the Year (Once in Year) Components Suppliers during new Business Award & Any New Supplier during On-boarding Process Once in Year	Supplier Continues Improvement & Control on Quality, Cost, Design, Delivery, Service Parameters Transparency & establish the stipulations of the working relationship between both the parties SRM-Supplier Relationship Management-Better Engagement, to Share MCL Long term Goals to align their strategies to meet MCL Long-Term Strategy (LTS), Create Long-Term Relationships, etc.
		Signed contracts	Raw Materials Suppliers- Once in an year Components Suppliers during new Business Award & Any New Supplier during On-boarding Process	Transparency and establish the stipulations of the working relationship between both the parties
		Vendor meets	Once in a year	SRM- Supplier Relationship Management- Better Engagement, to share MCL Long term Goals to align their strategies to meet MCL LTS, Create Long term relationship etc

Stakeholder Group	Whether identified as Vulnerable	Channels of communication	Frequency of Engagement	Purpose and scope of engagement
Customers	No	Customer feedback	Daily/ Monthly	Evaluate own's performance as compared to customer's expectations
		Digital and social media connect	Posts via social and digital media- twice a week	To promote Spark Minda in the B2C category and spread awareness in the segment
		Exhibitions and events	Annual Tech Shows	To show customer Spark Minda product capability & future plan in one go
		Brochures and catalogues	Key Account Managers (KAMs) carry all the time	Ensure product range on Spark Minda Standard catalogue be available with customer to offer solution as required
Local Communities	Yes	Training workshops Regular meetings	Workshops- 3, Meetings- 9	To engage with the community regularly to ensure harmony and participation in the community projects carried out through CSR
		Needs Assessments and reviews	Needs Assessment Exercise was carried out in Hosur (Tamil Nadu) and Noida (Uttar Pradesh)	Assessment was carried out to understand the need of a skill training centre offering specific programmes in the community under Aakarshan programme
		Surveys	Needs Assessment was carried out through in-person Surveys in Hosur and Noida	Door-to-door and in-person engagement with the community to understand their requirements and experiences better
		CSR Reports	CSR Annual Report 21-22 released in August 2022, 6 project reports	To showcase the work and activities done under CSR
Government	No	Meetings, presentation, reports and networking in different forums organised by regulatory authorities	NIL	NIL
Media	No	12 Press releases		
		976 Publishing articles and news		
		14 meetings and interviews		

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   MCL has established a CSR & Sustainability Committee at the Board Level. The Committee is responsible for keeping the Board informed about various Sustainability related developments and seeking inputs from the directors at appropriate times. We also have an Industry Relation function along with CSR & Sustainability at each plant which takes feedback from the stakeholders from time to time and provides input to form a coherent long-term plan.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.**

   Yes, MCL has a robust consultation process in place to identify and priorities key environmental and social topics. The materiality assessment for instance has involved internal and external stakeholder perspective to arrive at the issues most important to MCL and its ESG strategy. MCL's CSR activities also include a Spirit of Giving across its employees of all levels to ensure social welfare and inclusion.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   While no concerns arose during the reporting period, MCL has a stringent Grievance Redressal Mechanism and process governed by our Grievance Redressal Policy which extends to all our internal and external stakeholders.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employee/ workers covered (B)	% (B / A)	Total (C)	No of employees/ workers covered (B)	% (D / C)
Employees						
Permanent	1,566	1,566	100%	1,408	1,408	**100%**
Other than permanent	101	101	100%	161	161	**100%**
Total Employees	**1,667**	**1,667**	**100%**	**1,569**	**1,569**	**100%**
Workers						
Permanent	1,377	1,377	100%	1,244	1,244	**100%**
Other than Permanent	13,926	13,926	100%	14,582	14,582	**100%**
Total Workers	**15,303**	**15,303**	**100%**	**15,826**	**15,826**	**100%**

2. **Details of remuneration/ salary/ wages (including differently abled):**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	1,428	0	0%	1,428	100%	1,321	0	0%	1,321	100%
Female	138	0	0%	138	100%	87	0	0%	87	100%
Other than Permanent										
Male	79	0	0%	79	100%	156	0	0%	156	100%
Female	22	0	0.00%	22	100%	5	0	0%	5	100%
Workers										
Permanent										
Male	1,269	0	0%	1,269	100%	1,592	650	41%	953	60%
Female	108	0	0%	108	100%	317	262	83%	101	32%
Other than Permanent										
Male	9,577	9577	100%	0	-	10,043	10,043	100%	0	-
Female	4,349	4349	100%	0	-	4,539	4,539	100%	0	-

3. **Details of remuneration/salary/wages, in the following format:**

Gender	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	₹ 15,70,000	1	₹ 12,70,000
Key Managerial Personnel	3	₹ 1,05,72,744	0	NA
Employees other than BoD and KMP	1506	₹ 7,08,252	151	₹ 6,11,556
Workers	1,737	₹ 2,18,400	156	₹ 1,90,446

4. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

MCL ensures anonymity, confidentiality, and sensitivity to prevent adverse consequences to the complainant in discrimination and harassment cases.

5. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)** No

6. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced or Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at Workplace	100%
Wages	100%

7. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)** Yes.

8. **Describe the internal mechanisms in place to redress grievances related to human rights issues.** MCL has a comprehensive human rights policy implemented across the organization's offices and plants to ensure timely recording and redressal of human rights issues. The policy ensures the CAG creates timely and effective recourse for all complainants.

9. **Number of complaints made by employees and workers**

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Total	1	0	All complaints have been resolved	0	0	No complaints received
Sexual Harassment	1	0		0	0	
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/ Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other Human Rights related issues	0	0		0	0	

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above**

No risks were observed despite rigorous assessments. Thus, no corrective actions have been required.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

NIL

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

NIL

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NIL
Discrimination at workplace	NIL
Child Labour	NIL

	% of value chain partners (by value of business done with such partners) that were assessed
Forced Labour/Involuntary Labour	NIL
Wages	NIL
Others – please specify	NIL

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

NIL

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Unit	FY 2022 - 23	FY 2021 - 22
Total electricity consumption (A)	GJ	1,94,769	1,60,758
Total fuel consumption (B)	GJ	32,522	29,083
Energy consumption through other sources (C)	GJ	0	0
Total energy consumption (A+B+C)	GJ	2,27,291	1,89,841
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	GJ/INR	6.64*10-6	7.08*10-6

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in m3)		
(i) Surface water	2,30,302	195,757
(ii) Groundwater	1,49,482	1,28,482
(iii) Third party water	61,358	45,534
(iv) Seawater / desalinated water	0	0
(v) Others	22,720	19,301
Total volume of water withdrawal (i + ii + iii + iv + v)	**4,63,862**	**389,074**
Total volume of water consumption (in KL)	**4,63,169**	**389,074**
Water intensity per rupee of turnover (Water consumed / turnover)	1.35*10-5	1.45*10-5

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, Minda Corporation Limited has implemented Sewage Treatment Plants (STPs) and Effluent Treatment Plants (ETPs) which is used internally for landscape, gardening, washroom facilities etc.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022 – 23	FY 2021 - 22
NOx	mg/Nm3	235	NA
Sox	mg/Nm3	126	NA
Particulate matter (PM)	mg/Nm3	435	NA
Persistent organic pollutants (POP)	mg/Nm3	NA	NA
Volatile organic compounds (VOC)	mg/Nm3	NA	NA
Hazardous air pollutants (HAP)	mg/Nm3	NA	NA
Others- Please Specify	mg/Nm3	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022 – 23	FY 2021 - 22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric Tonne of CO2 equivalent	2078.70	1299.64
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric Tonne of CO2 equivalent	40562.3	31606.8
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric Tonne of CO2 equivalent	1.24*10-6	1.22*10-6

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

As a responsible corporate citizen, Minda Corporation Ltd. understands its role in actively reducing the Greenhouse Gas Emissions. We have considerable portion of electricity coming from renewable sources of energy such as solar as a part of our energy mix. We have rooftop solar installed on all our facilities. We have been carrying out plantation drives across all our manufacturing and non-manufacturing locations and have planted over 25,000+ plants over the last ten years. We also conduct energy efficiency drives across all our offices and manufacturing plants throughout the year to replace old and high energy consuming equipment with low energy consuming and energy efficient devices.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in m3)		
Plastic waste (A)	332.88	209.21
E-waste (B)	1.04	0.64
Bio-medical waste (C)	3.65	7.24
Construction and demolition waste (D)	0	0
Battery waste (E)	0.59	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	12,278.91	9,197.08
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) (Food Waste)	655.872	316.25
Total (A+B + C + D + E + F + G + H)	**13,272.94**	**9,730.433**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	286.84	302.01
(ii) Re-used	78.06	62.01
(iii) Other recovery operations	0	0
Total	**364.9**	**364.02**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
(i) Incineration	0	NIL
(ii) Landfilling	0	NIL
(iii) Other disposal operations	0	NIL
Total	**0**	**NIL**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

To contribute to the creation of a recycling-oriented society, the entity conducts several 3R initiatives (3R = Reduce, Reuse, Recycle). We monitor both hazardous and non-hazardous waste generated at our plants

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
			NA

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
MCL is in compliance with all laws, regulations and guidelines and no non-compliance has been issued or reported in the FY 2022-23				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	Unit	FY 2022 – 23	FY 2021 - 22
From renewable sources			
Total electricity consumption	GJ	16,689.88	21995.56
Total fuel consumption (B)	GJ	0	0
Energy consumption through other sources (C)	GJ	0	0
Total energy consumed from renewable sources (A+B+C)	GJ	16,689.88	21995.56
From non-renewable sources			
Total electricity consumption (D)	GJ	178078.71	138761.92
Total fuel consumption (E)	GJ	32521.83	29083.34
Energy consumption through other sources (F)	GJ	0	0
Total energy consumed from non-renewable sources (D+E+F)	GJ	210600.54	167845.26

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

2. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022 - 23	FY 2021 - 22
Water withdrawal by source (in kiloliters)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency: No

3. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022 - 23	FY 2021 - 22
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Does not record. Will do so in future	Does not record. Will do so in future
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent	Does not record. Will do so in future	Does not record. Will do so in future
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent	Does not record. Will do so in future	Does not record. Will do so in future

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency. NA

4. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

5. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
		NIL	

6. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Minda corporation has plants operating in diverse geographic locations across India and in case of any disruption in production due to any natural or unnatural calamity at any one location, MCL can quickly manage and mitigate by ramping up production at other locations, therefore ensuring continuous supply of materials to our customers. All of MCL's critical information is backed at decentralized servers and cloud storage which prevents loss of any information or any unforeseen cyber security and data privacy threats.

7. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard. MCL does not record the impacts and will do so in future.

8. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not applicable

Principle 7: Businesses when engaging in influencing public and regulatory bodies, should do so in a transparent and responsible manner

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations

a) Confederation of Indian Industries

b) The Society of Indian Automobiles Manufacturers (SIAM)

c) Automotive Component Manufacturing Association (ACMA)

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
1	Confederation of Indian Industries	National
2	Society of Indian Automobiles Manufacturers (SIAM)	National
3	Automotive Component Manufacturing Association (ACMA)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of Authority	Brief of the Case	Corrective Action Taken
NIL	NIL	NIL

Leadership Indicators

1. **Public policy positions advocated by the entity**

Minda Corporation is part of the various Industry and Trade Associations advocating on various Business, Environmental, Social and Governance agenda such as EV related subsidy, EV related manufacturing subsidy, Production Linked Incentives etc.

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
Does not have					

Principle 8: All Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Y/N)	Results communicated in public domain (Y/N)	Relevant Web Link
NIL	NIL	NIL	NIL	NIL	NIL

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S.N	Name of project for which R&R is ongoing	Date of notification	State	District	No. of Project Affected Families	% PAFs covered by R&R	Amount paid to PAFs
Not Applicable							

3. Describe the mechanisms to receive grievances of the local community

Through MCL's Corporate Social Responsibility programs, company representatives frequently meets community stakeholders and key persons to understand the need of the communities the organization impacts and plans to execute requisite community development programs which emerge from the interactions. The said representative also collects the grievances of local communities and resolved them through adequate mechanisms.

4. Percentage of inputs directly sourced from MSMEs / small producer

	FY 2022-23 Current financial year	FY 2021-22 Previous financial year
Directly sourced from MSMEs/Small Producers	33%	40%
Sourced directly from within the district and neighboring districts	NA	NA

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators):

Details of negative social impact identified	Corrective action taken
Does not assess	

2. Provide the following details on CSR projects in aspirational districts

S. No.	State	Aspirational District	Amount
NIL			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) No

(b) From which marginalized /vulnerable groups do you procure? Not Applicable

(c) What percentage of total procurement (by value) does it constitute? Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectually Property based on traditional knowledge	Owned/Acquired	Benefit Shared	Basis of calculating
NIL				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of Authority	Brief of Case	Corrective Action Taken
NIL		

6. Details of CSR projects

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Aakarshan- Skilling and Education Livelihood	1,407	100%
3	Saksham-Empowering people with disability	5112	100%

Principle 9: Business should engage with and provide value to their customers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Customer Satisfaction Surveys are conducted basis of which the entity tracks internal complaints received on the customer relationship management (CRM) portal. The entity actively engages with its customers through E-mail / Phones / F2F Meeting / Customer Visits @ Plants and understand feedback as well. Regular communications around our products are also provided to customers. For instance, a CRM Portal & Mobile App for the registering of all complaints by the Business Partners. A Call Centre Toll-free number for the users of MCL products (9 to 5) is also available. Regional CRM executives for handling and resolving all complaints for Business Partners and IT helpdesk available for portal-related issues by Business Partners. MCL also shares and ensures customer care Email & numbers on the Minda Corporation's website & All Product labels for Complaints by the users of MCL products

2. Turnover of products and/ services as a percentage of turnover from all products/services that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable as no such mechanism exists
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

4. Details of instances of product recalls on account of safety issues

	Number	Reasons for recall
Voluntary recalls	NIL	
Forced recalls		

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, Minda Corporation Limited has a framework on cyber security and data privacy. The same can be found on the following link https://sparkminda.com/privacy-policy

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

The following corrective actions taken or underway relating to cyber security and data privacy are:

a) Privacy impact assessment along with critical data flow identification is in process.

b) Data privacy session for HR and Finance has been conducted.

c) Privacy day was celebrated along with required communications and sessions conducted.

d) Employee communications are held on a regular basis.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)

The entity has information on products and solutions on the webpage https://sparkminda.com/# Social Media Platform: LinkedIn, Instagram, Facebook, YouTube. E-mail / Phones / F2F Meeting / Customer Visits @ Plants are also used as mediums to connect with customers.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The product information, including the MRP label stating the price, part quantity, description, and date of manufacture, is displayed on the product label as per Legal Metrology Packaged Commodities Guideline.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The entity informs its customers about the disruption or discontinuation of essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No) No

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

NIL

b. Percentage of data breaches involving personally identifiable information of customers

Not applicable

Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of **Minda Corporation Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition for sale of goods (as described in Note 2.28 of the standalone financial statements)	
Revenue from sale of goods is recognized upon the transfer of control of the goods sold to the customer. The Company uses a variety of shipment terms across its operating markets, and this has an impact on the timing of revenue recognition. Revenue is measured by the Company at the fair value of consideration received/receivable from its customers and in determining the transaction price for the sale of products, the Company considers the effects of various factors such as volume-based discounts and price adjustments to be passed on to the customers based on various parameters like negotiations based on savings on materials/share of business, rebates etc. provided to the customers. The Company at the year end, provides for such price variations to be passed on to the customer. There is a risk that revenue could be recognized at incorrect amount on account of the significant judgement and estimate involved in calculation of price variations to be recorded as at the year end and in the incorrect period on account for sales transactions occurring on and around the year end. Therefore, revenue recognition has been identified as a key audit matter.	Our audit procedures included the following: • We evaluated the Company's accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of Ind AS 115 - Revenue from Contracts with Customers. • We performed test of controls of management's process of recognizing the revenue from sales of goods with regard to the timing of the revenue recognition as per the sales terms with the customers and management's process and the assumptions used in calculation of price variations. • We performed audit procedures on a representative sampling of the sales transactions to test that the revenues and related trade receivables are recorded taking into consideration the terms and conditions of the sale orders, including the shipping terms. Also tested, on sample basis, debit/credit notes in respect of agreed price variations passed on to the customers. • We performed audit procedures relating to revenue recognition by agreeing deliveries occurring around the year end to supporting documentation to establish that sales and corresponding trade receivables are properly recorded in the correct period. • We tested completeness, arithmetical accuracy and plausibility of the data used in the computation of price adjustments as per customer contracts and tested, on sample basis, credit notes issued and payment made as per customer contracts / agreed price negotiations. • We assessed the adequacy of revenue related disclosures in the standalone financial statements.
Current tax Implication on write off of exposure in the erstwhile wholly owned subsidiary (as described in Note 2.47 of the standalone financial statements)	
During the current year, the Company has written off exposure of ₹2,622 million in an erstwhile wholly owned subsidiary which is undergoing insolvency proceedings in a foreign jurisdiction. The assessment of permissibility of such write off under the applicable FEMA guidelines and its admissibility thereof as a tax allowance under the provision of Income tax Act, 1961 is inherently complex, susceptible to interpretations and require exercise of significant judgement and estimation by the management. Given the significant level of judgement and the quantitative significance, we have determined this to be a key audit matter	Our audit procedures included the following: • Obtained progress of the insolvency administrator from the management. • Obtained the legal opinions of the experts engaged by the management. Assessed their competence and objectivity. • Involved specialist to evaluate the rationale and methodology used by the management experts on the admissibility of the write off as a tax allowance. • Tested the current tax computation prepared by the management and tested whether these write off have been considered. • Assessed the adequacy of the disclosures made in accordance with the relevant accounting standards.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and the same is expected to be made available to us after the auditor's report.

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

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

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 as required by law have been kept by the Company so far as it appears from our examination of those books;

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

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

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

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

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

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

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 2.39 to the standalone financial statements;

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

        iii. There has been no delay in transferring amounts, 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 the note 2.52 to the standalone 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(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, asdisclosed in the note 2.52 to the standalone 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 performed that have been considered reasonable andappropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

As stated in note 2.18 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

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

Sd/-
Vikas Mehra
Partner
Membership Number: 094421
UDIN: 23094421BGYFUI8805

Place of Signature: New Delhi
Date: May 19, 2023

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

Re: Minda Corporation 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 have not been physically verified by the management during the year but there is a planned programme of verifying them once to two/ three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) The title deeds of immovable properties {(other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 2.1 to the standalone financial statements included in property, plant and equipment are held in the name of the Company} amounting to ₹ 23 million included in Property, Plant and Equipment have been given as security (mortgage and charge) against the financing facility taken from the banks and we have been explained that the original title deeds are kept as security with the Standard Chartered Bank against the financing facility provided by it. Therefore, these title deeds could not be made available to us for verification however, the same has been confirmed by the bank. Accordingly, basis confirmation received from bank, we report that the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the Company. Certain title deeds of the immovable Properties, in the nature of freehold land, leasehold land & buildings, mentioned below which are held in the name of erstwhile subsidiary companies which have been merged with the Company.

Description of Property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of Company
Freehold Land	19	Minda SAI Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.
Freehold Land	23	Minda Autoelektrik Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.
Buildings	146	Minda SAI Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.
Buildings	105	Minda Autoelektrik Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.
Leasehold Land	24	Minda SAI Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.

d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

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

ii) a) The management has conducted physical verification of inventories at reasonable intervals during the year except for inventories lying with third parties and goods in transit. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noted. Inventories lying with third parties have been confirmed by them as at balance sheet date and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.

b) As disclosed in note 2.53 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company and the details are as follows.

Quarter ending*	Value per books of account (₹ in million)	Value per quarterly return/statement (₹ in million)	Discrepancy (₹ in million)
Inventory			
June-30	3,960	3,960	-
September-30	4,221	4,221	-
December-31	4,166	4,166	-
Trade Payables**			
June-30	718	700	18
September-30	601	672	(71)
December-31	971	846	125
Trade Receivables			
June-30	5,257	5,186	71
September-30	5,487	5,483	4
December-31	4,957	4,921	36

* Details for the quarter ended shall be submitted to the banker's post finalization of accounts and accordingly not consider for the purpose of reporting under this clause.

** As per the sanction agreement, Company needs to submit only those trade payables against which either bank guarantee or letter of credit has been issued to the vendors.

iii) a) During the year the Company has provided loan to one of the wholly owned subsidiary and has not providedguarantees, advances in the nature of loans, to companies, firms, Limited Liability Partnerships, or any other parties. The Details of loan given is as follows.

Particulars	₹ (in million)
Aggregate amount of loan given/ provided during the year	170
- Others (Loan to employees)	37
Balance outstanding as at balance sheet date in respect of above cases	
- Others (Loan to employees)	20
- Loan to wholly owned subsidiary	170

b) During the year the investments made, loan given to one of the wholly owned subsidiary and the terms and conditions are not prejudicial to the Company's interest. The Company has not given any guarantee, security, and advances in the nature of loans and loan to companies, firms, Limited Liability Partnerships or any other parties other than disclosed above.

c) The Company has granted loans in the nature of loan to employees and to one of the wholly owned subsidiary during the year where the schedule of repayment of principle and payment of interest, wherever applicable has been stipulated and the repayment or receipts are regular.

d) There are no amounts of loans and advances in nature of loan to employees which are outstanding for more than ninety days.

e) There are no loans to employees and loan given to one of the wholly owned subsidiary which was fallen due during the year, that have been renewed or extended or fresh loan granted to settle overdue of existing loan given to same parties.

f) As disclosed in note 2.14 to the standalone financial statement, during the year, the Company has granted any loan to one of the wholly owned subsidiary which is repayable on demand. Further, the Company has not granted any loans or advances in the nature of loan without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties.

Particulars	₹ (in million)
Aggregate amount of loans - Repayable on demand	170
Percentage of loans/ to the total loan	62.5%

iv) There are no loans, guarantees, and security in respect of which provisions of section 185 is applicable further the investment made during the year under section 186 of the Companies Act, 2013 are applicable and have been complied by the Company.

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

vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture or service of automotive products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

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

Name of the Statute	Nature of the Dues	Total dispute amount (₹ in million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	209.00	10.00	AY 2012-13 to AY 2018-19 *	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	6.99	-	AY 2018-19	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	17.60	-	AY 2017-18	Commissioner of Income Tax (Appeals)
Central Sales Tax Act, 1959	Sales tax	0.27	0.05	FY 2014-15	Joint Commissioner of Sales Tax, Pune
Tamil Nadu General Sales Tax Act, 1956	Value Added Tax	0.02	0.02	FY 2006-07	Appellate Deputy Commissioner, Kancheepuram

Name of the Statute	Nature of the Dues	Total dispute amount (₹ in million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	0.16	-	FY 2013-14 to FY 2017-18	Directorate General of Goods and Service Tax Intelligence
UP VAT Act	Sales tax	0.33	0.18	FY 2014-15	Joint Commissioner, Sales tax, Noida
Haryana VAT Act, 2003	Sales tax	14.12	-	FY 2017-18	Joint Excise & Taxation Commissioner (Appeals)
Haryana VAT Act, 2003	Sales tax	0.27	-	FY 2017-18	Joint Excise & Taxation Commissioner (Appeals)
Maharashtra VAT Act	Sales tax	0.99	0.99	FY 2017-18	Joint Commissioner of State Tax, Pune
Goods & Service Tax Act, 2017	GST	0.14	0.14	FY 2017-18	State Tax Officer
Goods & Service Tax Act, 2017	GST	10.30	-	FY 2017-18	Deputy Commissioner of State Tax, Bhiwandi
Goods & Service Tax Act, 2017	GST	32.24	1.97	FY 2018-19	Deputy Commissioner of State Tax, Bhiwandi
Customs Act, 1962	Custom Duty	6.43	6.43	FY 2018-19 to 2019-20	Commissioner (Appeals) Customs
Customs Act, 1962	Custom Duty	6.30	-	FY 2014-15 to 2022-2023	Office of the Commissioner of Customs
Customs Act, 1962	Custom Duty	1.77	-	FY 2020-21	Office of the Commissioner of Customs

* During the current year, the department has also adjusted the Refund of Assessment Year 2020-2021 amounting to ₹134.50 million against demand of block assessment.

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

ix) a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interestthereon to any lender. The Company did not have any loans or borrowings from government and outstanding dues to any debenture holder during the year.

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

c) Term loans were applied for the purpose for which the loans were obtained

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

e) On an overall examination of the financial statements of the Company, the Company has not taken anyfunds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, jointventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

x) a) The Company has not raised any money during the year by way of initial public offer / further public offer(including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company. However, during the year ended March 31 2019, the Company had raised money by way of Qualified Institutional Placement (QIP). The proceeds from QIP were ₹ 3,056.36 million. The proceeds of the issue (net of related expense of ₹ 50.50 million) are to augment for growth and expansion, corporate general purpose, working capital requirement, repayment of outstanding loan and investment in subsidiaries and joint ventures. The outstanding proceeds till March 31, 2022 of ₹ 1,445 million has been utilized during the year.

b) The Company has not made any preferential allotment or private placement of shares /fully or partially oroptionally 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 material fraud by the Company or no material fraud on the Company has been noticed or reportedduring the year.

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

c) We have taken into consideration the whistle blower complaints received by the Company during the yearwhile determining the nature, timing and extent of audit procedures.

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

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

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

xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013where 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 audithave been considered by us.

xv) The Company has not entered into any non-cash transactions with its directors or persons connected with itsdirectors 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 applicableto the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaineda valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934

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

d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause3(xvi) of the Order is not applicable to the Company.

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

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

xix) On the basis of the financial ratios disclosed in note 2.51 to the financial statements, ageing and expected datesof 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 afund 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 2.36 to the financial statements.

b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a specialaccount in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 2.36 to the financial statements.

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

Sd/-
Vikas Mehra
Partner
Membership Number: 094421
UDIN: 23094421BGYFUI8805

Place of Signature: New Delhi
Date: May 19, 2023

ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MINDA CORPORATION LIMITED

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

We have audited the internal financial controls with reference to these standalone financial statements of Minda Corporation Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to these Standalone Financial Statements

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

Because of the inherent limitations of internal financial controls with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control with reference to these standalone 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 standalone financial statements and such internal financial controls with reference to these standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-
Vikas Mehra
Partner
Membership Number: 094421
UDIN: 23094421BGYFUI8805

Place of Signature: New Delhi
Date: May 19, 2023

SPARK MINDA
Powered by Passion

STANDALONE BALANCE SHEET

as at March 31, 2023 (All amounts are in ₹ million unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2.1 (a,b)	7,556	6,185
Capital work-in progress	2.1 (c)	712	181
Goodwill	2.2	204	204
Other intangible assets	2.3	96	76
Financial assets			
i. Investments	2.4	7,035	3,266
ii. Loans	2.5	–	102
iii. Other financial assets	2.6	186	186
Deferred tax assets (net)	2.7	161	14
Income-tax assets (net)	2.8	231	139
Other non-current assets	2.9	114	67
Total non-current assets		**16,295**	**10,420**
Current assets			
Inventories	2.10	4,571	3,927
Financial assets			
i. Trade receivables	2.11	4,779	4,506
ii. Cash and cash equivalents	2.12	551	243
iii. Other bank balances	2.13	298	1,921
iv. Loans	2.14	272	–
v. Other financial assets	2.15	763	634
Other current assets	2.16	906	739
Total current assets		**12,140**	**11,970**
Total assets		**28,435**	**22,390**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.17	478	478
Other equity	2.18	13,363	11,250
Total equity		**13,841**	**11,728**
Liabilities			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	2.19	1,716	848
ii. Lease liabilities	2.43	1,176	796
Provisions	2.20	330	264
Other non-current liabilities	2.21	41	39
Total non-current liabilities		**3,263**	**1,947**
Current liabilities			
Financial Liabilities			
i. Borrowings	2.22	4,113	3,065
ii. Lease liabilities	2.43	234	163
iii. Trade payables	2.23		
– total outstanding dues of micro enterprises and small enterprises		629	453
– total outstanding dues of creditors other than micro enterprises and small enterprises		5,037	3,951
iv. Other financial liabilities	2.24	879	700
Other current liabilities	2.25	382	254
Provisions	2.26	57	80
Current tax liabilities (net)	2.27	–	49
Total current liabilities		**11,331**	**8,715**
Total liabilities		**14,594**	**10,662**
Total equity and liabilities		**28,435**	**22,390**
Significant accounting policies	2		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **S R Batliboi & Co. LLP**
Chartered Accountants
FRN : 301003E/E300005

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

Vikas Mehra
Partner
Membership No.: 094421

Ashok Minda
Chairman & Group CEO
DIN 00054727

Aakash Minda
Executive Director
DIN 06870774

Vinod Raheja
Group CFO

Pardeep Mann
Company Secretary
Membership No.: A 13371

Place: New Delhi
Date: May 19, 2023

Place: Noida
Date: May 19, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	2.28	34,924	27,348
Other income	2.29	419	463
Total income		**35,343**	**27,811**
Expenses			
Cost of raw materials consumed	2.30	20,677	15,813
Purchases of stock-in-trade		1,743	1,317
Changes in inventories of finished goods, stock-in-trade and work-in-progress	2.31	(235)	115
Employee benefits expense	2.32	5,340	4,365
Finance costs	2.33	388	305
Depreciation and amortisation expense	2.1(a), 2.1(b), 2.3	1,100	1,028
Other expenses	2.34	3,830	3,088
Total expenses		**32,843**	**26,031**
Profit before tax and exceptional item		**2,500**	**1,780**
Exceptional item	2.48 (b)	(250)	–
Profit before income tax and after exceptional item		**2,250**	**1,780**
Tax expense			
Current tax	2.7	–	463
Tax adjustments related to earlier years	2.7	4	(219)
Deferred tax	2.7	(160)	(66)
Total tax expense		**(156)**	**178**
Profit for the year		**2,406**	**1,602**
Other comprehensive income / (expense)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement gains/ (losses) of defined benefit liabilities		9	(8)
Net (loss) on equity instruments through Other Comprehensive Income	2.48 (a)	(90)	–
Income tax relating to items that will not be reclassified subsequently to profit or loss	2.7	20	2
Net other comprehensive (expense) not to be reclassified subsequently to profit or loss		**(61)**	**(6)**
Other comprehensive income / (expense) for the year (net of tax)		**(61)**	**(6)**
Total comprehensive income for the year		**2,345**	**1,596**
Earnings per share [Par value of ₹ 2 per equity share]			
Earnings per share (₹) (Basic)	2.37	10.06	6.70
Earnings per share (₹) (Diluted)	2.37	10.06	6.70
Significant accounting policies	2		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **S R Batliboi & Co. LLP**
Chartered Accountants
FRN : 301003E/E300005

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

Vikas Mehra
Partner
Membership No.: 094421
Place: New Delhi
Date: May 19, 2023

Ashok Minda
Chairman & Group CEO
DIN 00054727
Place: Noida
Date: May 19, 2023

Aakash Minda
Executive Director
DIN 06870774

Vinod Raheja
Group CFO

Pardeep Mann
Company Secretary
Membership No.: A 13371

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Profit before tax and after exceptional item	2,250	1,780
Adjustments to reconcile profit before tax and after exceptional item to net cash flows:		
Impairment of Investment (Exceptional Items)	250	–
Depreciation and amortisation expense	1,100	1,028
Impairment allowances for trade receivable and other assets	13	32
Bad debts written off	4	15
Interest expense	388	305
Loss on sale/discard of property, plant and equipment (net)	4	10
Unrealised foreign exchange loss (including mark to market on derivative contracts)	(1)	(3)
Interest income	(98)	(183)
Gain on derecognition of ROU assets	(1)	(13)
Fair value of investment in preference shares	(2)	(1)
Dividend income	(302)	(248)
Liabilities / provisions no longer required written back	(10)	–
Employees stock compensation expense	28	21
Others	5	15
Operating profit before working capital changes	**3,628**	**2,758**
Working capital adjustments:		
(Increase) in trade receivables	(263)	(274)
(Increase) in inventories	(645)	(175)
(Increase)/ decrease in loans, other financial assets and other assets	(310)	38
Increase/ (decrease) in other financial liabilities and other liabilities	140	(47)
Increase in provisions	47	42
Increase/ (decrease) in trade payables	1,263	(524)
Cash flow from operating activities post working capital changes	**3,860**	**1,818**
Income tax paid (net)	(112)	(419)
Net cash flows from operating activities (A)	**3,748**	**1,399**
B. Cash flows from investing activities		
Purchase of property, plant and equipment, intangible assets and capital work-in-progress	(2,302)	(976)
Proceeds from sale of property, plant and equipment	17	7
Dividend received	302	248
Investment in subsidiaries	(50)	(1,704)
Investment in joint venture	–	(26)
Investment in others	(4,057)	(30)
Investment in fixed deposits (net)	1,621	2,527
Loan to related parties	(170)	–
Interest received	117	222
Net cash flows (used in)/ from investing activities (B)	**(4,522)**	**268**

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
C. Cash flows from financing activities		
Payment of interim dividend for the financial year 2021-2022	–	(72)
Payment of interim dividend for the financial year 2022-2023	(96)	–
Payment of dividend pertaining to final dividend for the financial year 2020-2021	–	(84)
Payment of dividend pertaining to final dividend for the financial year 2021-2022	(167)	–
Loan from related parties	303	–
(Repayment of) / proceeds from short term borrowings (net)	562	(456)
Repayment of long term borrowings (including current maturities)	(451)	(468)
Proceeds of long term borrowings	1,500	–
Interest paid	(260)	(253)
Repayment of principal portion of lease liabilities	(309)	(265)
Net cash flows from/ (used in) financing activities (C)	**1,082**	**(1,598)**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**308**	**69**
Cash and cash equivalents at the beginning of the year	243	174
Cash and cash equivalents at the end of the year (refer note 2.12)	551	243
Significant accounting policies (refer note 2)		

Notes:

1. The above Standalone Statement of Cash Flows has been prepared under the indirect method set out in Indian Accounting Standard (Ind AS)- 7 "Statement of Cash Flow".

2. Refer note no. 2.19 and 2.22 for change in financing activities.

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

For **S R Batliboi & Co. LLP**
Chartered Accountants
FRN : 301003E/E300005

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

Vikas Mehra
Partner
Membership No.: 094421

Ashok Minda
Chairman & Group CEO
DIN 00054727

Aakash Minda
Executive Director
DIN 06870774

Vinod Raheja
Group CFO

Pardeep Mann
Company Secretary
Membership No.: A 13371

Place: New Delhi
Date: May 19, 2023

Place: Noida
Date: May 19, 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at April 1, 2021	**478**
Issued during the year	–
Balance as at March 31, 2022	**478**
Issued during the year	–
Balance as at March 31, 2023	**478**

B. Other equity

Particulars	Attributable to owners of the Company									Total
	Reserves and surplus					Equity component of compound financial instrument - Cumulative redeemable preference share	Employee stock compensation option outstanding	Items of Other Comprehensive Income		
	Capital redemption reserve	Capital reserve on amalgamation	Securities premium reserve	General reserve	Retained earnings			Equity instruments through Other Comprehensive Income	Remeasurement of defined benefit obligations	
Balance as at April 1, 2022	**192**	**460**	**4,936**	**567**	**5,021**	**47**	**27**	**–**	**–**	**11,250**
Profit for the year	–	–	–	–	2,406	–	–	–	–	2,406
Other comprehensive income	–	–	–	–	–	–	–	(68)	7	(61)
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**2,406**	**–**	**–**	**(68)**	**7**	**2,345**
Remeasurement of defined benefit liability/(asset)	–	–	–	–	7	–	–	–	(7)	–
Issue of equity shares on exercise of share based awards during the year	–	–	–	9	–	–	(9)	–	–	
Interim dividend (refer footnote 2 below)	–	–	–	–	(96)	–	–	–	–	(96)
Final dividend (refer footnote 1 below)	–	–	–	–	(167)	–	–	–	–	(167)
Employee stock compensation expense (refer note 2.41)	–	–	–	–	–	–	31	–	–	31
Balance as at March 31, 2023	**192**	**460**	**4,936**	**576**	**7,171**	**47**	**49**	**(68)**	**–**	**13,363**
Balance as at April 1, 2021	**192**	**460**	**4,936**	**549**	**3,581**	**47**	**24**	**–**	**–**	**9,789**
Profit for the year	–	–	–	–	1,602	–	–	–	–	1,602
Other comprehensive income	–	–	–	–	–	–	–	–	(6)	(6)
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**1,602**	**–**	**–**	**–**	**(6)**	**1,596**

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	Attributable to owners of the Company									Total
	Reserves and surplus					Equity component of compound financial instrument - Cumulative redeemable preference share	Employee stock compensation option outstanding	Items of Other Comprehensive Income		
	Capital redemption reserve	Capital reserve on amalgamation	Securities premium reserve	General reserve	Retained earnings			Equity instruments through Other Comprehensive Income	Remeasurement of defined benefit obligations	
Remeasurement of defined benefit liability/(asset)	–	–	–	–	(6)	–	–	–	6	–
Issue of equity shares on exercise of share based awards during the year	–	–	–	18	–	–	–	(18)	–	–
Interim dividend (refer footnote 2 below)	–	–	–	–	(72)	–	–	–	–	(72)
Final dividend	–	–	–	–	(84)	–	–	–	–	(84)
Employee stock compensation expense	–	–	–	–	–	–	–	21	–	21
Balance as at March 31, 2022	**192**	**460**	**4,936**	**567**	**5,021**	**47**	**191**	**–**	**–**	**11,250**

Footnote:

(1) The Company has paid final dividend for the year ended March 31, 2022 of ₹ 0.70 (absolute amount) for every equity share of ₹ 2 (absolute amount) for the year after the approval of shareholders.

(2) The Company has paid interim dividend of ₹ 0.40 (absolute amount) for every equity share of ₹ 2 (absolute amount) {March 31, 2022 ₹ 0.30 (absolute amount)}.

(3) The Board of Directors, in their meeting held on May 19, 2023, recommended a final dividend of ₹ 0.80 per equity share (40%) (face value of ₹ 2 per share) aggregating to ₹ 191 million for the year ended March 31, 2023 subject to approval of shareholders in ensuing Annual General Meeting of the company. The total dividend declared for the financial year 2022-2023 is ₹1.20 per equity share (60%) (face value of ₹ 2 per share).

(4) Refer note 2.17 for nature and purpose of other equity.

Significant accounting policies (refer note 2)

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

For **S R Batliboi & Co. LLP**
Chartered Accountants
FRN : 301003E/E300005

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

Vikas Mehra
Partner
Membership No.: 094421

Ashok Minda
Chairman & Group CEO
DIN 00054727

Aakash Minda
Executive Director
DIN 06870774

Vinod Raheja
Group CFO

Pardeep Mann
Company Secretary
Membership No.: A 13371

Place: New Delhi
Date: May 19, 2023

Place: Noida
Date: May 19, 2023

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

1. Reporting entity

Minda Corporation 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 D-6-11, Sector 59, Noida, Uttar Pradash - 201301. The Company has been incorporated under the provisions of Indian Companies Act, 1956 and its equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company is primarily involved in manufacturing of Automobile Components and Parts thereof.

The standalone financial statements were approved for issue in accordance with a resolution of directors on May 19, 2023.

2. Significant accounting policies

A. Basis of preparation

(i) Statement of compliance

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

(ii) Functional and presentation currency

The management has determined the currency of the primary economic environment in which the Company operates i.e., functional currency, to be Indian Rupees (₹). All amounts have been rounded-off to the nearest million Rupees unless otherwise indicated. Further, at some places '-' are also put up to values below ₹ 500,000 to make financials in round off to Rupees in millions.

(iii) Basis of measurement

These standalone financial statements have been prepared on a historical cost basis, except for the following items which have been measured at fair value or revalued amount:

Items	Measurement Basis
Certain financial assets and liabilities (including derivatives instruments)	Fair Value
Liabilities for equity-settled share-based payment Arrangements	Fair Value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

(iv) Use of estimates and judgement

In preparation of these standalone financial statements, management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized prospectively. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Standalone Financial Statements is included in the following notes.

Assumptions, judgement and estimation uncertainties

- Recognition and estimation of tax expense including deferred tax– Note 2.7
- Estimated impairment of financial and non-financial assets – Note 2B(ix) and Note 2B(xxii)
- Assessment of useful life of property, plant and equipment and intangible asset – Note 2B(v) and Note 2B(vi)
- Estimation of obligations relating to employee benefits: key actuarial assumptions –Note 2.20.2
- Valuation of Inventories – Note 2B(viii)
- Share based payments – Note 2.41
- Recognition and measurement of provisions and contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 2.39A and Note 2.28
- Fair value measurement – Note 2.49

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

v) Measurement of fair values

A number of accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in

the valuation techniques as follows:

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 2.49 – Financial instruments.

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.

Assets

An asset is classified as current when it is:

a) expected to be realised the assets, or intends to sell or consume it, in its normal operating cycle;

b) held the asset primarily for the purpose of trading;

c) expected to realised the asset within 12 months after the reporting period; or

d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

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

Liabilities

A liability is classified as current when:

a) it is expected to settled in its normal operating cycle;

b) it is held primarily for the purpose of trading;

c) it is due to be settled within 12 months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of transactions and monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, are translated at the balance sheet date exchange rates. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the balance sheet date exchange rates are generally recognised in statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing cost are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments (other than investment in subsidiaries and joint ventures) held at fair value through profit or loss are recognized in statement of profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments (other than investment in subsidiaries and joint ventures) classified as FVOCI are recognized in other comprehensive income.

The derivative financial instruments such as forward exchange contracts to hedge its risk associated with foreign currency fluctuation are stated at fair value. Any gains or losses arising from changes in fair value are taken directly to the statement of profit or loss.

iii) Measurement of fair values

A number of accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 2.49 – Financial instruments.

iv) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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

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

Sale of goods

The Company recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables

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(only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition:

a) The Company's contracts with customers could include promises to transfer products to a customer. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

c) The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

d) The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

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 and interest income

Dividend income is recognized when the right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognized using the effective interest method.

v) Property, plant and equipment

(a) Recognition and measurement

Item of property, plant and equipment are carried at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, import duties

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and non-refundable purchase taxes, duties or levies, after deducting trade discounts and rebates, any other directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located. 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. Refer to note 2(A)(iv) regarding significant accounting judgements, estimates and assumptions.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

A property, plant and equipment is eliminated from the standalone financial statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising disposal of property, plant and equipment is recognized in the Standalone Statement of Profit and Loss.

Once classified as held-for-sale, property, plant and equipment are no longer depreciated.

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.

Advance paid towards the acquisition of property, plant and equipment are shown under non-current asset and property, plant and equipment under construction are disclosed as capital work-in-progress. Capital work in progress includes cost of assets at site, direct and indirect expenditure incidental to construction and interest on the funds deployed for construction.

(b) Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The costs of the day to day servicing of property, plant and equipment are recognised in the standalone statement of profit and loss as incurred.

(c) Derecognition

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

(d) Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method at the rates reflective of the estimated useful life of the assets estimated by the management.

The identified components are depreciated over their useful life, the remaining asset is depreciated over the life of the principal asset. Leasehold improvements are depreciated over the shorter of the lease term and their useful lives. Freehold land is not depreciated.

The Company has estimated the following useful lives to provide depreciation:

Asset category	Useful life
Factory Buildings	30 years
Plant and Machinery	5 – 15 years
Electrical Installations	10 years
Office Equipment	5 years
Furniture & Fixtures	10 years
Computer hardware	3 years
Customer Contracts	8 years

The management has estimated, supported by independent assessment by technical experts,

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professionals, the useful lives vehicles as 4 years which is lower than those indicated in Schedule II.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives are realistic and reflect fair value approximation of the period over which the assets are likely to be used.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

vi) Goodwill and other intangible assets

a) Recognition and measurement

Intangible assets comprise of goodwill, computer software, brands and trademarks acquired for internal use and are recorded at the consideration paid for acquisition of such assets are carried at cost less accumulated amortization and accumulated impairment, if any. Goodwill represents the excess of purchase consideration over the fair value of net assets/ liabilities purchased.

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

b) Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

c) Derecognition

Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the standalone statement of profit and loss.

d) Amortisation

The intangible (except goodwill) 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. Goodwill is tested for impairment on an annual basis.

Intangible assets are derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the standalone statement of profit and loss.

vii) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or development of qualifying assets are capitalized. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Other borrowing costs are recognized as an expense in the standalone statement of profit and loss in the year in which they are incurred.

viii) Inventories

Inventories which include raw materials, work in progress, finished goods, stock in trade and stores 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, and stores and spares and stock in trade	:	Cost is determined on weighted average basis.
Finished goods	:	Material cost plus appropriate share of labour and production overheads.

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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, wherever applicable.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realizable value is made on an item-by-item basis

ix) 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. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

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 Standalone 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.

Goodwill is tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

x) Research and Development

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

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. Expenditure incurred at development phase, where it is reasonably certain that outcome of development will be commercially exploited to yield economic benefits to the Company, is considered as an intangible asset and amortized over the estimated life of the assets.

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xi) Government Grant and Subsidies

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grant relating to income are deferred and recognised in the standalone statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income other than export benefits which are accounted for in the year of export based on eligibility and there is no uncertainty in receiving the same.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the standalone statement of profit and loss on a straight line basis over the expected lives of the related assets and presented within income.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

xii) Dividend

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

xiii) Employee Benefits

Short – term employee benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the standalone statement of profit and loss in the period in which the employee renders the related service on an undiscounted basis.

Defined contribution plan:

Provident fund: Eligible employees receive benefits from the provident fund, which is a defined contribution plan. Both the employees and the employer make monthly contributions to the provident fund (with Regional Provident Fund Commissioner) equal to specified percentage of the covered employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions.

Defined benefit plan:

Gratuity: The Company provide for gratuity, a defined benefit retirement Plan (the "Gratuity Plan") covering eligible employees. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities related to the Gratuity Plan are determined by actuarial valuation as at the balance sheet date.

Other long term employee benefit:

Compensated absence: Un-availed leaves for the year are accumulated and allowed to carried over to the next year and are within service period of the employees in accordance with the service rules of the Company. Provision for compensated absence is made by the Indian entities based on the amount payable as per the above service, based on actuarial valuation as at the balance sheet date.

Other employee benefit plans:

Actuarial valuation:

The liability in respect of all defined benefit plans and other long term employee benefit is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary primarily using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows.

The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized immediately in the Standalone Statement of profit and loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs.

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Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in 'other equity' in the standalone statement of Changes in Equity and in the standalone Balance Sheet.

xiv) Accounting for warranty

Warranty costs are estimated by the Company on the basis of technical evaluation and past experience of costs. Provision is made for the estimated liability in respect of warranty costs in the year of recognition of revenue and is included in the standalone statement of profit and loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

xv) Leases

Effective April 1, 2019, the Company has applied Ind AS 116 using modified retrospective approach.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assess whether:

the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

the Company has the right to obtain substantially all of the economic benefits from use of the asset through the period of use; and

the Company has the right to direct the use of the asset. The Company has this right when it has the decision- making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used

An entity shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

This policy is applicable to contracts entered into, or changed, on or after April 1, 2019.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Company as lessee

The Company accounts for assets taken under lease arrangement in the following manner:

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use assets are determined on the basis of remaining lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying

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amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight- line basis over the lease term.

xvi) Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as non-current investments.

xvii) Segment reporting

Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company is primarily engaged in the manufacturing and assembling of safety and security systems and its associated components for the automotive industry. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component.

xviii) Income taxes

Income tax expense comprises current and deferred tax. It is recognised in standalone statement of profit and loss except to the extent that it relates to items recognised directly in equity.

(a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

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 or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions whereever appropriate.

When the Company concludes that it is not probable that the taxation authority will accept an uncertain tax treatment, the Company reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates. The Company reflects the effect of uncertainty for each uncertain tax treatment by using the most likely amount method.

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Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(b) 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. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. The carrying amount of deferred tax assets unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised. Significant management judgement is required to determine the probability of deferred tax asset. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The criteria for recognising deferred tax assets arising from the carryforward of unused tax losses and tax credits are the same as the criteria for recognising deferred tax assets arising from deductible temporary differences. However, the existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, the Company recognises a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

xix) Earnings per Share

Basic earnings/ (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares except where the results will be anti-dilutive.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

xx) Provisions, contingent liabilities and contingent assets

A provision is created when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligation and the amount of such obligation can be reliably estimated. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value money and risks specific to the liability. When discounting is used, the increase in the provision due to passage of time is recognised as finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect current management estimates.

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Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

The Company does not recognise assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, subsequently, if it becomes virtually certain that an inflow of economic benefits will arise, asset and related income is recognised in the standalone financial statements of the period in which the change occurs.

xxi) Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash balance with bank and cheques in hands and highly liquid investments with maturity period of three months or less from the date of investment.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at bank, cash on hand and cheques on hand as they are considered an integral part of the Company's cash management

xxii) Financial instruments

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

i. Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

– Amortized cost;

– Fair Value through Other Comprehensive Income ('FVOCI') – debt instrument;

– FVOCI – equity investment; or

– FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (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 amortized cost using the effective interest rate (EIR) method. 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables. Company has recognized financial assets viz. security deposit, trade receivables, employee advances at amortized cost.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

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– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is re-classified from the equity to Standalone Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity investments

Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Standalone Statement of Profit and Loss.

Investments in joint ventures/ associate

Investments in joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in joint ventures, the difference between net disposal proceeds and the carrying amounts are recognized in the Standalone Statement of Profit and Loss.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Standalone Statement of Profit and Loss.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which

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a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

– the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

– how the performance of the portfolio is evaluated and reported to the Company's management;

– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment 'Principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers:

– contingents events that would change the amounts or timings of cash flows;

– terms that may adjust the contractual coupon rate, including variable interest rate features;

– prepayment and extension features; and

– terms that limit the Company's claim to cash flows from specified assets (e.g. non - recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual amount, as feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. Interest income, foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investment at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

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Equity investment at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

iii. Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Derivative financial instruments

The Company uses derivative instruments such as foreign exchange forward contracts and currency swaps to hedge its foreign currency and interest rate risk exposure. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

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

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on:

– Financial assets measured at amortized cost; and

– Financial assets measured at FVOCI – debt instruments.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt instruments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit – impaired includes the following observable data:

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased

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significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to the Standalone Statement of the Profit and Loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Company's procedures for the recovery of amount due.

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

a. Financial assets that are debt instruments, and are measured at amortized cost e.g., deposits and advances

b. Trade receivables that result from transactions that are within the scope of Ind AS 115

c. Financial guarantee contracts which are not measured as at FVTPL.

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

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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 EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Standalone Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Standalone Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

xxiii) Employee stock option schemes

The Company has adopted the policy to account for Employees Welfare Trust as a legal entity separate from the company but as a subsidiary of the company. Any loan from the company to the trust is accounted for as a loan in accordance with its term. The cost is calculated based on the fair value method i.e. the excess of fair value of underlying equity shares as of the date of the grant of options over the exercise price of such options is regarded as employee compensation and in respect of the number of options that are expected to ultimately vest, such cost is recognised on a straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares. The grant date fair value of options granted to employees of the Company is recognized as an employee expense, and those granted to employees of subsidiaries is considered as the Company's equity contribution and is added to the carrying value of investment in the respective subsidiaries, with a corresponding increase in share option outstanding account, over the period that the employees become unconditionally entitled to the options. The cost recognised at any date at least equals the fair value of the vested portion of the option at that date. Adjustment, if any, for difference in initial estimate for number of options that are expected to ultimately vest and related actual experience is recognised in the Statement of Profit and Loss of that period. In respect of vested options expire unexercised, the related cumulative cost is credited to the General Reserve. Note – 2.41.

The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "employee stock option outstanding account". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (BlackScholes Merton). Corresponding balance of a share based payment reserve is transferred to general reserve upon expiry of grants or upon exercise of stock options by an employee, as the Company is operating the Employee Stock Option schemes through Minda Corporation Ltd. Employee Stock Option Scheme Trust, which has purchased share from the company.

xxiv) Exceptional items

When an item of income or expense within Statement of profit and loss from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

xxv) Business Combinations

Business combinations (other than business combinations between common control entities) are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the consideration transferred, equity instruments issued, and liabilities incurred or assumed at the date of exchange. The consideration transferred does not include amounts related to the settlement of pre-existing relationships; such amounts are generally recognised in the standalone statements of profit or loss and other comprehensive income. The cost of acquisition also includes the fair value of any contingent

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consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business combination are expensed as incurred. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognized at their carrying amounts. The identity of the reserves is preserved, and they appear in the financial statements of the Company in the same form in which they appeared in the financial statement of the acquired entity. The differences, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

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 April 1, 2022.

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 1, 2022.

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

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

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

The amendment did not have any impact on financial statement of the Company.

(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 April 1, 2022. These amendments had no impact on the financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

(iii) Reference to the Conceptual Framework – Amendments to Ind AS 103

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

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

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

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In accordance with the transitional provisions, the Company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

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

(iv) Reference 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 April 1, 2022 but do not apply to the Company as it is not a first-time adopter.

(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.

In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the financial statements of the Company as there were no modifications of the Company's financial instruments during the period.

(vi) 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 April 1, 2022. The amendments had no impact on the financial statements of the Company as it did not have assets in scope of Ind AS 41 as at the reporting date.

D. Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 1, 2023.

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

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

The amendments are effective for annual reporting periods beginning on or after April 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Company's financial statements.

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

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

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

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The amendments are not expected to have a material impact on the accounting policy information included in the Company's financial statements.

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

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

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 1, 2023.

The Company is currently assessing the impact of the amendments.

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2.1(a) Property, plant and equipment

	Gross block				Accumulated depreciation				Net block
	Balance as at April 1, 2022	Additions	Disposals	Balance as at March 31, 2023	Balance as at April 1, 2022	Depre-ciation for the year	On disposals	Balance as at March 31, 2023	Balance as at March 31, 2023
	(a)	(b)	(c)	(d) = (a+b-c)	(e)	(f)	(g)	(h) = (e+f-g)	(i) = (d-h)
Freehold land	49	–	–	49	–	–	–	–	49
Buildings	1,323	83	1	1,405	266	60	1	325	1,080
Leasehold improvements	148	46	–	194	62	12	–	74	120
Plant and equipment	5,974	1,472	123	7,323	2,391	682	106	2,967	4,356
Furniture and fixtures	158	31	1	188	87	22	1	108	80
Vehicles	157	32	35	154	94	19	28	85	69
Office equipment	155	38	9	184	98	16	7	107	77
Computer hardware	180	64	6	238	116	36	6	146	92
Total (a)	**8,144**	**1,766**	**174**	**9,735**	**3,114**	**847**	**149**	**3,812**	**5,923**

Notes:

(i) Refer note 2.19 and 2.22 for information on property, plant and equipment pledged as security by the Company.

(ii) For commitments with respect to property, plant and equipment, refer note 2.38.

(iii) On transition to Ind AS (i.e. April 1, 2016), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

2.1(b) Right of use assets

	Gross block				Accumulated depreciation				Net block
	Balance as at April 1, 2022	Additions *	Disposals	Balance as at March 31, 2023	Balance as at April 1, 2022	Depre-ciation*	On disposals	Balance as at March 31, 2023	Balance as at March 31, 2023
	(a)	(b)	(c)	(d) = (a+b-c)	(e)	(f)	(g)	(h) = (e+f-g)	(i) = (d-h)
Leasehold land	285	–	–	285	28	7	–	35	250
Building	1,367	759	22	2,104	471	255	3	723	1,381
Plant and equipment	6	–	–	6	4	–	–	4	2
Total (b)	**1,658**	**759**	**22**	**2,395**	**503**	**262**	**3**	**762**	**1,633**
Grand Total (a+b)	**9,802**	**2,525**	**196**	**12,130**	**3,617**	**1,109**	**152**	**4,574**	**7,556**

*During the year, the Company has capitalised interest expense and depreciation expense of ₹ 21 million and ₹ 37 million respectively.

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Title deeds of Immovable property not held in the name of Company as at March 31, 2023

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
Property, Plant & Equipment	Buildings	146	Minda SAI Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.
Property, Plant & Equipment	Buildings	105	Minda Autoelektrik Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.
Property, Plant & Equipment	Freehold Land	19	Minda SAI Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.
Property, Plant & Equipment	Freehold Land	23	Minda Autoelektrik Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.
Property, Plant & Equipment	Leasehold Land	24	Minda SAI Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.

Property, plant and equipment as at March 31, 2022

	Gross block				Accumulated depreciation				Net block
	Balance as at April 1, 2021	Additions	Disposals	Balance as at March 31, 2022	Balance as at April 1, 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	49	–	–	49	–	–	–	–	49
Buildings	1,250	73	–	1,323	208	58	–	266	1,057
Leasehold improvements	140	8	–	148	50	12	–	62	86
Plant and equipment	5,266	806	98	5,974	1,856	630	95	2,391	3,583
Furniture and fixtures	151	8	1	158	68	20	1	87	71
Vehicles	168	37	48	157	108	22	36	94	63
Office equipment	148	13	6	155	88	15	5	98	57
Computer hardware	148	37	5	180	93	27	4	116	64
Total (a)	**7,320**	**982**	**158**	**8,144**	**2,471**	**784**	**141**	**3,114**	**5,030**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Notes:

(i) Refer note 2.19 and 2.22 for information on property, plant and equipment pledged as security by the Company.

(ii) For commitments with respect to property, plant and equipment, refer note 2.38.

(iii) On transition to Ind AS (i.e. April 1, 2016), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

Right of use assets as at March 31, 2022

	Gross block				Accumulated depreciation				Net block
	Balance as at April 1, 2021	Additions	Disposals	Balance as at March 31, 2022	Balance as at April 1, 2021	Depre-ciation	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)
Leasehold land	285	–	–	285	22	6	–	28	257
Building*	664	788	85	1,367	317	208	54	471	896
Plant and equipment	6	–	–	6	4	–	–	4	2
Total (b)	**955**	**788**	**85**	**1,658**	**343**	**214**	**54**	**503**	**1,155**
Grand Total (a+b)	**8,275**	**1,770**	**243**	**9,802**	**2,814**	**998**	**195**	**3,617**	**6,185**

* Includes ₹ 25 million whereby the management intends to vacate the one of its office space.

Title deeds of Immovable property not held in the name of Company as at March 31, 2022

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
Property, Plant & Equipment	Buildings	146	Minda SAI Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.
Property, Plant & Equipment	Buildings	105	Minda Autoelektrik Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.
Property, Plant & Equipment	Freehold Land	19	Minda SAI Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.
Property, Plant & Equipment	Freehold Land	23	Minda Autoelektrik Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
Property, Plant & Equipment	Leasehold Land	24	Minda SAI Limited	No	July 19, 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.

2.1(c) Capital work in progress

Particulars	As at March 31, 2023	As at March 31, 2022
Capital work in progress	712	181

As at March 31, 2023	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	664	48	–	–	712
Projects temporarily suspended	–	–	–	–	–
Total	**664**	**48**	**–**	**–**	**712**

As at March 31, 2022	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	154	27	–	–	181
Projects temporarily suspended	–	–	–	–	–
Total	**154**	**27**	**–**	**–**	**181**

Note:

Capital work in progress whose completion is overdue or has exceeded its cost as compared to its original plan is ₹ Nil as at March 31, 2023 (March 31, 2022: Nil)

2.2 Goodwill

	Gross block				Accumulated Impairment				Net block
	Balance as at April 1, 2022	Additions	Disposals	Balance as at March 31, 2023	Balance as at April 1, 2022	Impairment for the year	On disposals	Balance as at March 31, 2023	Balance as at March 31, 2023
	(a)	(b)	(c)	(d) = (a+b-c)	(e)	(f)	(g)	(h) = (e+f-g)	(i) = (d-h)
Goodwill	204	–	–	204	–	–	–	–	204
Total	**204**	**–**	**–**	**204**	**–**	**–**	**–**	**–**	**204**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

	Gross block				Accumulated Impairment				Net block
	Balance as at April 1, 2021	Additions	Disposals	Balance as at March 31, 2022	Balance as at April 1, 2021	Impairment 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)
Goodwill	204	–	–	204	–	–	–	–	204
Total	**204**	**–**	**–**	**204**	**–**	**–**	**–**	**–**	**204**

Impairment testing of goodwill

For the purposes of impairment testing, goodwill is allocated to the Cash Generating Unit (CGU) which represents the lowest level at which the goodwill is monitored for internal management reporting purposes.

The recoverable amount of the cash generating unit was based on its value in use. The value in use of this unit was determined to be higher than the carrying amount and an analysis of the calculation's sensitivity towards change in key assumptions did not identify any probable scenarios where the CGU recoverable amount would fall below their carry amount. Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU. The calculation as at March 31, 2023 and March 31, 2022 was based on the following key assumptions:

i. The anticipated annual revenue growth and margin included in the cash flow projections are based on past experience, actual operating results and the 5-year business plan in all periods presented.

ii. The terminal growth rate ranges from 4% to 5% (Previous year: 4% to 5%) representing management view on the future long-term growth rate.

iii. Discount rate ranging from 13% to 15% (Previous year: 13% to 15%) for all periods presented was applied in determining the recoverable amount of the CGU. The discount rate was estimated based on past experience and companies weighted average cost of capital.

The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external sources.

2.3 Other Intangible assets

	Gross block				Accumulated amortisation				Net block
	Balance as at April 1, 2022	Additions	Disposals	Balance as at March 31, 2023	Balance as at April 1, 2022	Amortisation for the year	On disposals	Balance as at March 31, 2023	Balance as at March 31, 2023
	(a)	(b)	(c)	(d) = (a+b-c)	(e)	(f)	(g)	(h) = (e+f-g)	(i) = (d-h)
Brands/trademarks	134	–	–	134	116	3	–	119	15
Computer software	171	48	–	219	113	25	–	138	81
Total	**305**	**48**	**–**	**353**	**229**	**28**	**–**	**257**	**96**

	Gross block				Accumulated amortisation				Net block
	Balance as at April 1, 2021	Additions	Disposals	Balance as at March 31, 2022	Balance as at April 1, 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)
Brands/trademarks	134	–	–	134	108	8	–	116	18
Computer software	150	24	3	171	94	22	3	113	58
Total	**284**	**24**	**3**	**305**	**202**	**30**	**3**	**229**	**76**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.4 Investments

Particulars	As at March 31, 2023		As at March 31, 2022	
Investment in equity instruments of subsidiaries at cost				
Unquoted equity instruments				
3,000 (March 31, 2022: 3,000) equity shares of Euro 100 each fully paid up in Minda Europe B.V., Netherlands	17		17	
Less: Provision for impairment loss	(17)	–	(17)	–
10,000 (March 31, 2022: 10,000) equity shares of ₹10 each fully paid up in Spark Minda Foundation *		–		–
2,834,938 (March 31, 2022: 2,834,938) equity shares of USD 1 each fully paid up in Almighty International Pte Limited		560		560
14,800,000 (March 31, 2022: 9,800,000) equity shares of ₹ 10 each fully paid up in Spark Minda Green Mobility Systems Private Limited **		148		98
1,19,00,000 (March 31, 2022: 1,19,00,000) equity shares of ₹ 10 each fully paid up in Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)***		2,263		2,263
Investment in equity instruments of equity investee				
Interest in joint ventures, unquoted				
21,332,700 (March 31, 2022: 21,332,700) equity shares of ₹ 10 each fully paid up in Minda Vast Access Systems Private Limited#		–		–
2,550,000 (March 31, 2022: 2,550,000) equity shares of ₹ 10 each fully paid up in Minda Infac Private Limited ##		26		26
Interest in associate, unquoted				
29,375,000 (March 31, 2022: 29,375,000) equity shares of ₹ 10 each fully paid up in Furukawa Minda Electric Private Limited	273		273	273
Less: Provision for impairment loss (refer note 2.48(b))	(250)	23		
Investment in others				
Investment in equity instruments at cost				
Unquoted equity instruments				
28,180,001 (March 31, 2022: 28,180,001) investment in Minda KTSN Plastic Solutions GmbH & Co. KG, Germany	–		2,207	
Less: Provision for impairment loss (refer note 2.47)	–	–	(2,207)	–
Investment at amortised cost				
Unquoted preference shares				
520,000 (March 31, 2022: 520,000) 0.001% Cumulative Redeemable preference shares of ₹100 each in Minda Capital Private Limited ^		18		16
Investment at fair value through OCI				
Unquoted equity instruments				
11,21,667 (March 31, 2022: 11,21,667) equity shares of ₹ 10 each fully paid up in FP West Solar Private Limited		21		21
84,000 (March 31, 2022: 84,000) equity shares of ₹ 10 each fully paid up in AMP Solar Urja Private Limited		1		1
Quoted equity instruments				
19,140,340 (March 31, 2022: Nil) equity shares of ₹ 10 each fully paid up in Pricol Limited (refer note 2.48(a))		3,967		–

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	As at March 31, 2023		As at March 31, 2022	
Unquoted compulsorily convertible debentures				
7,560 (March 31, 2022: 7,560) CCDs of ₹ 1000 each fully paid up in AMP Solar Urja Private Limited ^^		8		8
		7,035		**3,266**

* amount in absolute is ₹100,000 (March 31, 2022: ₹100,000)

** The Company has invested ₹ 50 million (March 31, 2022: ₹ 93 million).

*** During the previous year, the Company had purchased 49% equity stake of Minda Instruments Limited (MIIL) {Formerly known as Minda Stoneridge Instruments Limited (MSIL)} for a consideration of ₹ 1,611 million. Accordingly, MIL had become wholly owned subsidiary of the company w.e.f. January 1, 2022.

amount in absolute is ₹ 901 (March 31, 2022: ₹ 901)

During the previous year, the Company had acquired 51% stake in Minda Infac Private Limited for a consideration of ₹ 26 million. The remaining stake is held by Infac Elecs Co. Ltd, Republic of Korea. Based on terms of agreement, Minda Infac Private Limited has been considered to be Joint Venture Company in accordance with Ind AS 28 "Investments in Associates and Joint Ventures".

^ 0.001% Cumulative Redeemable preference shares of ₹100 each redeemable at par at the expiry of 20 years from the date of issue. However, the board of the issuer company shall have an option to redeem the same at the expiry of 10 years from the date of allotment.

^^ During the previous year, the Company had subscribed to 0.01% unsecured Compulsorily Convertible Debentures (CCDs) of ₹ 1000/- each. Each CCD is compulsorily convertible into 100 equity shares on the completion period ending December 31, 2044 ("Mandatory Conversion Date"). However, at any time prior to the mandatory conversion date, the issuer company and the holder of CCDs shall have the right to convert each CCD into 100 equity shares.

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate amount of unquoted investments (gross of impairment)	3,335	5,490
Aggregate book value of quoted investments	4,068	–
Aggregate market value of quoted investments	3,967	–
Aggregate amount of impairment in value of investments	267	2,224

2.5 Loans

(unsecured and considered good, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Non Current		
Loan to related party (refer note 2.40)	–	102
	–	**102**

2.5.1 Detail of loans or advances in the nature of loans granted to related party that are repayable on demand or without specifying any terms or period of repayment:

Name of party	Rate of interest	Nature of loan / advance	As at March 31, 2023 ₹	As at March 31, 2022 ₹
Minda Corporation Limited - Employee stock option scheme trust	Nil	Unsecured	–	102

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loan to Minda Corporation Limited - Employee stock option scheme trust	–	–	102	100%

2.6 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Non Current		
Balances with banks		
-Deposits maturity after 12 months from the balance sheet date	3	2
Interest accrued on loan to related party (refer note 2.40)	–	57
Advances to employees	2	–
Security deposits (at amortised cost)	95	101
Security deposits to related parties (at amortised cost, refer note 2.40)	86	26
	186	**186**

2.7Income tax and Deferred Tax (net)

A. Amounts recognised in statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
Current tax	–	463
Adjustments in respect of current income tax of previous years*	4	(219)
	4	**244**
Deferred tax		
Origination and reversal of temporary differences	(160)	(66)
	(160)	**(66)**
Income tax expense reported in the statement of profit and loss	**(156)**	**178**

B. Unrecognised deferred tax assets

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax assets have not been recognised in respect of following items, because it is not probable that future taxable profit will be available		
Impairment loss on investments (refer note 2.47)	17	2,225
Loss allowance on loans and receivable from related parties (refer note 2.47)	169	571
	186	**2,796**
Unrecognised tax effects		
The deductible temporary difference do not expire under current tax legislation (refer note 2.47)	47	704

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

C. Amounts recognised in other comprehensive income/ (expense)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Remeasurement of post employment benefit obligation	(2)	2
Net (loss) on equity instruments through Other Comprehensive Income (refer note 2.48(a))	22	–
Income tax recognised in other comprehensive income/(expense)	**20**	**2**

D. 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, 2023 and March 31, 2022:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Rate	Amount	Rate	Amount
Profit before income tax and after exceptional item		2,250		1,780
Tax using the Company's domestic tax rate	25.17%	566	25.17%	448
Tax effect of:				
Non-deductible expenses		12		16
Non-taxable income (refer note 2.47)		(660)		–
Tax-exempt income - Dividend income		(76)		(63)
Tax incentives - 80IC, 80IA and 80JJAA deduction		(1)		(3)
Others		3		(220)
Tax expense for the period		**(156)**		**178**

E. Component of deferred tax asset (net)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax asset		
Accrued expense deductible on payment	37	34
Provision for gratuity and compensated absences	89	77
Loss allowance for trade receivables and advances	14	19
Unabsorbed Business loss carried forward to next years	54	–
Provision for impairment of Financial Assets*	63	–
Fair valuation impact on financial assets (refer note 2.48(a))	22	–
Impact of Ind AS 116/ Others	17	23
	296	**154**
Deferred tax liability		
Difference in book written down value and tax written down value of property, plant and equipment	135	139
	135	**139**
Deferred tax assets/ (liability) (net)	**161**	**14**

*Deferred tax asset on exceptional item

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

F. Movement of temporary differences

Particulars	As at April 1, 2022	Recognised in statement of profit or loss during 2022-2023	Recognised in OCI during 2022-2023	As at March 31, 2023
Deferred Tax Assets				
Accrued expense deductible on payment	34	4	–	38
Provision for gratuity and compensated absences	77	14	(2)	89
Loss allowance for trade receivables and advances	19	(5)	–	14
Unabsorbed Business loss carried forward to next years	–	54	–	54
Provision for impairment of Financial Assets	–	63	–	63
Fair valuation impact on financial assets	–	–	22	22
Impact of Ind AS 116	23	(6)	–	17
Others	–	32	–	–
A	**153**	**156**	**20**	**296**
Deferred Tax Liabilities				
Difference in book written down value and tax written down value of property, plant and equipment	139	(4)	–	135
B	**139**	**(4)**	**–**	**135**
Net deferred tax (liability) / asset (A-B)	**14**	**160**	**20**	**161**

Particulars	As at April 1, 2021	Recognised in statement of profit or loss during 2021-2022	Recognised in OCI during 2021-2022	As at March 31, 2022
Deferred Tax Assets				
Accrued expense deductible on payment	22	12	–	34
Provision for gratuity and compensated absences	50	25	2	77
Loss allowance for trade receivables and advances	13	6	–	19
Impact of Ind AS 116	25	(2)	–	23
Others	–	20	–	–
A	**110**	**61**	**2**	**153**
Deferred Tax Liabilities				
Difference in book written down value and tax written down value of property, plant and equipment	144	(5)	–	139
B	**144**	**(5)**	**–**	**139**
Net deferred tax liability (A-B)	**(34)**	**66**	**2**	**14**

2.8 Income tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income tax (net of provision)	231	139
	231	**139**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.9Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances	103	58
Prepaid expenses	5	2
Receivable from government authorities	6	7
	114	**67**

2.10 Inventories

(Valued at cost or net realisable value, whichever is lower)

Particulars	As at March 31, 2023		As at March 31, 2022	
Raw materials (including packing materials, tools and dies)	2,535		2,215	
Add: materials-in-transit	181	2,716	104	2,319
Work-in-progress		614		456
Finished goods	300		285	
Add: goods-in-transit/sales-in-transit	396	696	425	710
Stock in trade	482		367	
Add: goods-in-transit/sales-in-transit	3	485	27	394
Stores and spares		60		48
		4,571		**3,927**

Refer note 2.19 and 2.22 for information on inventories pledged as security by the Company.

The cost of inventories recognised as an expense includes ₹ 6 million (March 31, 2022: ₹ 19 million) in respect of write-down of inventory to net realisable value (excluding provision for obsolete inventory).

2.11 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables		
Unsecured, considered good *	4,586	4,350
Trade Receivables – which have significant increase in credit risk	–	–
Trade receivable – credit impaired	57	76
Receivables from related parties (refer note 2.40)	193	156
	4,836	**4,582**
Impairment Allowance (allowances for doubtful debts)		
Unsecured, considered good	–	–
Trade Receivables – which have significant increase in credit risk	–	–
Trade receivable – credit impaired	(57)	(76)
Total Trade Receivables	**4,779**	**4,506**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Trade receivables Ageing Schedule

As at March 31, 2023	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good *	4,221	471	75	12	–	1	4,780
Undisputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Undisputed trade receivable – credit impaired	–	–	13	9	–	34	56
Disputed trade receivables - considered good	–	–	–	–	–	–	–
Disputed trade receivables – credit impaired	–	–	–	–	–	–	–
Disputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Total	**4,221**	**471**	**88**	**21**	**–**	**35**	**4,836**

As at March 31, 2022	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good *	3,867	624	13	–	–	2	4,506
Undisputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Undisputed trade receivable – credit impaired	–	–	56	2	4	14	76
Disputed trade receivables - considered good	–	–	–	–	–	–	–
Disputed trade receivables – credit impaired	–	–	–	–	–	–	–
Disputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Total	**3,867**	**624**	**69**	**2**	**4**	**16**	**4,582**

* Net of accrual towards anticipated discount.

Refer note 2.19 and 2.22 for information on trade receivables pledged as security by the Company.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

For terms and conditions relating to related party receivables, refer note 2.40.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.12 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	1	2
Balances with banks		
– On current accounts	550	241
	551	**243**

2.13 Other bank balances

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with bank		
-Deposits maturity for more than 3 months but less than 12 months **	298	1,921
	298	**1,921**

**Deposits include ₹ 245 million (March 31, 2022: ₹ 301 million) being fixed deposits held as margin money or security against borrowings, guarantee.

2.14 Loans

(unsecured and considered good, unless otherwise stated)

Particulars	As at March 31, 2023		As at March 31, 2022	
Current				
Loan to related party (refer note 2.40)	272		414	
Less: Loss allowance for doubtful loan (refer note 2.47)	–	272	(414)	–
		272		**–**

Movement in expected credit loss on loans	As at March 31, 2023	As at March 31, 2022
Opening balance	**414**	**414**
Add : Created during the year	–	–
Less : Utilisation during the year	(414)	–
Closing balance	**–**	**414**

2.14.1 Detail of loans or advances in the nature of loans granted to related party that are repayable on demand or without specifying any terms or period of repayment

Name of subsidiary	Rate of Interest	Nature of loan / advance	As at March 31, 2023	As at March 31, 2022
Minda KTSN Plastic Solution GMBH & Co.KG, Germany	12%	Unsecured short term loan	–*	–*
Minda Corporation Limited - Employee stock option scheme trust	Nil	Unsecured short term loan	102	–
Spark Minda Green Mobility Systems Private Limited	8%	Unsecured short term loan	170	–

* Net of provision for loss allowance amounting to ₹ Nil (March 31, 2022 ₹ 414 million). Refer note 2.47

**Refer schedule 2.5

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.15 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Interest accrued on fixed deposits*	2	10
Interest accrued on loan to related parties (Refer note 2.40)	40	6
Interest accrued on income tax refund	12	–
Unbilled revenue	104	48
Loans to employees	17	23
Receivable pursuant to settlement agreement (refer note 2.39B)	492	463
Receivable from related party (refer note 2.40)	7	80
Security Deposit	18	4
Other receivable	71	–
	763	**634**

2.16 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with government authorities	377	241
Amount paid under protest (refer note 2.39A)	15	15
Prepaid expenses	70	45
Advances to suppliers	299	240
Advances to related party (refer note 2.40)	20	–
Export benefits/rebate claims/grants receivables	125	196
Others	–	2
	906	**739**

2.17 Equity Share capital

Particulars	As at March 31, 2023	As at March 31, 2022
2.17.1 Authorised		
692,500,000 (March 31, 2022: 692,500,000) equity shares of ₹ 2 each.	1,385	1,385
240,000 (March 31, 2022: 240,000) 0.001% cumulative redeemable preference shares of ₹ 800 each	192	192
	1,577	**1,577**
2.17.2 Issued, subscribed and fully paid- up shares		
Equity shares of ₹ 2 each (previous year ₹ 2 each)		
239,079,428 (March 31, 2022: 239,079,428) equity shares of ₹ 2 each	478	478
	478	**478**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.17.3 Reconciliation of share capital outstanding as at the beginning and at the end of the year

Equity shares of ₹ 2 each (March 31, 2022: ₹ 2 each) fully paid up

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year (face value ₹ 2 per share)	239,079,428	478	239,079,428	478
Add: Issued during the year (face value ₹ 2 per share)	–	–	–	–
Balance as at the end of the year [face value of ₹ 2 each (March 31, 2022: ₹ 2 each)]	**239,079,428**	**478**	**239,079,428**	**478**

Pursuant to the approval of the shareholders on March 23, 2014, the Company had allotted Bonus shares in the ratio of 1:1 and the nominal value of shares of the Company has been sub-divided from ₹ 10 (Rupees Ten) per share to ₹ 2 (Rupees Two) per share. Consequent to the same, the number of the equity shares of the Company has increased from 20,931,164 equity shares of ₹ 10 each to 209,311,640 shares (including shares held by Minda Corporation limited - Employee Stock Option Scheme trust) of ₹ 2 each.

2.17.4 Rights, preferences and restrictions attached to each class of shares

a) Equity shares of ₹ 2 each (March 31, 2022: ₹ 2 each) fully paid up

The Company has one class of equity shares having a par value of ₹ 2 per share (March 31, 2022 : ₹ 2 per share). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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) 0.001% cumulative redeemable preference shares of ₹ 800 each fully paid up

The Company had 240,000 cumulative redeemable preference shares of ₹ 800 each. The shares carry right of fixed preferential dividend at a rate of 0.001%. The holders of these shares do not have the right to vote and are compulsorily redeemable at par on or before the expiry of 20 years from the date of allotment. The dividend on the shares shall be cumulative and any unpaid dividend shall be added to the amount payable as dividend in the following year and no dividend can be paid on equity shares until the entire backlog of unpaid dividends on these shares is cleared. In the event of liquidation, these share holders are entitled to get their capital after satisfaction of dues for secured creditors, but they get preference over equity share capital. The shares have been redeemed during the year ended March 31, 2018.

2.17.5 Details of shareholders holding more than 5% shares as at year end

a) Equity shares of ₹ 2 each (March 31, 2022: ₹ 2 each) fully paid up

Name of shareholders	As at March 31, 2023		As at March 31, 2022	
	% of holdings	Number of shares held	% of holdings	Number of shares held
(i) Ashok Minda	34.1%	81,466,380	34.1%	81,466,380
(ii) Sarika Minda	14.0%	33,394,900	14.0%	33,394,900
(iii) Minda Capital Private Limited	16.1%	38,581,298	16.1%	38,581,298
		153,442,578		**153,442,578**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

b) Details of shares held by promoters

As at March 31, 2023	S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares
	1	Ashok Minda	81,466,380	–	81,466,380	34.1%
	2	Sarika Minda	33,394,900	–	33,394,900	14.0%
	3	Minda Capital Private Limited	38,581,298	–	38,581,298	16.1%
	4	Whiteline Barter Limited	1,306,100	–	1,306,100	0.55%
Total			**154,748,678**		**154,748,678**	

As at March 31, 2022	S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares
	1	Ashok Minda	81,466,380	–	81,466,380	34.1%
	2	Sarika Minda	33,394,900	–	33,394,900	14.0%
	3	Minda Capital Private Limited	38,581,298	–	38,581,298	16.1%
	4	Whiteline Barter Limited	1,306,100	–	1,306,100	0.55%
Total			**154,748,678**		**154,748,678**	

2.17.6 Shares allotted as fully paid up by way of bonus issue (during five years immediately preceding March 31, 2023)

Particulars	Years (number and aggregate number of shares)					
	2022-2023	**2021-2022**	**2020-2021**	**2019-2020**	**2018-2019**	**2017-2018**
Fully paid up equity shares of ₹ 2 each	–	–	–	–	–	–
Cumulative number of shares of ₹ 2 each	192,508,430	192,508,430	192,508,430	192,508,430	192,508,430	192,508,430

2.17.7 Issue of shares to Minda Corporation Limited Employees' Stock Option Scheme

Pursuant to the Board of Director's approval in Board meeting held on September 29, 2011, the Company has constituted a trust under the name ''Minda Corporation Limited Employee Stock Option Scheme Trust'' (MCL ESOS Trust), with the objective of acquiring and holding of shares, warrants or other securities of the Company for the purpose of implementing the Company's ESOP Scheme. The Company has contributed a sum of ₹0.1 million towards initial trust fund and later on advanced a sum of ₹134 million to fund the purchase of Company's equity shares by Minda Corporation limited - Employee stock option scheme trust. The Company had issued and allotted, 267,092 equity shares of the Face Value ₹ 10 each at the premium of ₹ 490 per equity share to the Minda Corporation limited - Employee stock option scheme trust, as approved in the Extra ordinary general meeting dated October 24, 2011. Further, the Company had issued bonus shares in proportion of one equity share for one share held on March 29, 2012, as decided in Extra ordinary general meeting held on March 16, 2012. During the financial year ended March 31, 2017, the members of the Company had approved 'Employee Stock Option Scheme, 2017' through Postal Ballot on February 10, 2017. The plan envisaged grant of stock options to eligible employees at an exercise price equal to the latest available closing price discounted by 50% or such other percentage as may be decided by the Nomination and Remuneration Committee. Refer note 2.41.

2.17.8 Qualified Institutional Placement (QIP) of equity shares

During the year ended March 31, 2019, the Company had raised funds amounting to ₹ 3,056 million (net of expenses of ₹ 50 million) by way of Qualified Institutional Placement (QIP) of equity shares for the objects of working capital requirement, repayment of outstanding loan, investment in subsidiaries and joint ventures, to fund growth and expansion and towards

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

corporate general purpose. The Company had issued 17,910,645 shares at a price of ₹ 173.47 per share whereby equity share capital has increased by ₹ 36 million and securities premium is increased by ₹ 3,020 million (net of expenses).

Details of utilization of QIP proceeds are as follows:

Objects of the issue as per prospectus	Proceeds from QIP	Utilized upto March 31, 2023	Unutilized amount as at March 31, 2023	Unutilized amount as at March 31, 2022
Working capital requirement, repayment of outstanding loan, investment in subsidiaries and joint ventures, to fund growth and expansion and towards corporate general purpose	3,056	3,056	–	1,445

The unutilized amount of the issue till the date of utilisation has been temporarily deployed in bank accounts.

2.17.9 Preferential allotment of equity shares

During the previous year ended March 31, 2021, the Company had raised additional capital aggregating to ₹ 824 million (net of expenses of ₹ 6 million) by way of preferential allotment of equity shares. The Company had issued 11,857,143 shares at a price of ₹70/- per share whereby equity share capital has increased by ₹ 24 million and securities premium account is increased by ₹ 800 million (net of expenses of ₹ 6 million).

Details of utilization of preferential allotment proceeds are as follows:

Objects of the issue as per prospectus	Proceeds from preferential allotment	Utilized upto March 31, 2023	Unutilized amount as at March 31, 2023	Unutilized amount as at March 31, 2022
Working capital requirement, repayment of outstanding loan, investment in subsidiaries and joint ventures, to fund growth and expansion and towards corporate general purpose	824	824	–	–

2.18 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
2.18.1 Capital reserve on amalgamation		
Opening balance	460	460
Closing balance	**460**	**460**
2.18.2 Securities premium		
Opening balance	4,936	4,936
Add: Premium on issue of shares	–	–
Closing balance	**4,936**	**4,936**
2.18.3 Capital redemption reserve		
Opening balance	192	192
Closing balance	**192**	**192**

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
2.18.4 Equity component of compound financial instrument - Cumulative redeemable preference share		
Opening balance	47	47
Closing balance	**47**	**47**
2.18.5 Employee stock compensation option outstanding		
Opening balance	27	24
Less: Issue of equity shares on exercise of share based awards during the year	(9)	(18)
Add: Amount transferred to Employee stock compensation during the year	31	21
Closing balance	**49**	**27**
2.18.6 General reserve		
Opening balance	567	549
Add: Issue of equity shares on exercise of share based awards during the year	9	18
Closing balance	**576**	**567**
2.18.7 Remeasurement of defined benefit obligation, net		
Opening balance	–	–
(Less) / add : Remeasurement of define benefit obligation, net of tax	7	(6)
Transferred to retained earning	(7)	6
Closing balance	**–**	**–**
2.18.8 Equity instruments through Other Comprehensive Income		
Opening balance	–	–
(Less) : Net (loss) on equity instruments through Other Comprehensive Income	(68)	–
Closing Balance	**(68)**	**–**
2.18.9 Retained earnings		
Opening balance	5,021	3,581
Add: Net profit for the year	2,406	1,602
	7,427	**5,183**
Less : Final dividend (refer details below)	(167)	(84)
Less : Interim dividend (refer details below)	(96)	(72)
Add : Remeasurement of define benefit obligation, net of tax	7	(6)
Closing balance	**7,171**	**5,021**
	13,363	**11,250**

Distribution made and proposed	As at March 31, 2023	As at March 31, 2022
Dividends on equity shares declared and paid:		
Final dividend for the year ended March 31, 2023 : ₹ 0.70 per share (March 31, 2022 : ₹ 0.35 per share)	167	84
Interim dividend for the year ended March 31, 2023 : ₹ 0.40 per share (March 31, 2022 : ₹ 0.30 per share)	96	72
	263	**156**
Proposed dividends on equity shares:*		
Proposed dividend for the year ended March 31, 2023 : ₹ 0.80 per share (March 31, 2022 : ₹ 0.70 per share)	191	167
	191	**167**

*Proposed dividends on equity shares are subject to approval at annual general meeting and are not recognised as a liability as at March 31, 2023.

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.18.10 Nature and purpose of other equity

- **Securities premium**

  Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

- **Capital redemption reserve**

  This represents the unutilised accumulated amount set aside at the time of redemption of preference share. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

- **General reserve**

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

- **Employee stock compensation option outstanding**

  The fair value of the equity settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to ESOP outstanding. Further, equity settled share based payment transaction with employees of subsidiary is recognised in investment of subsidiaries with corresponding credit to ESOP outstanding. Corresponding balance of a ESOP outstanding is transferred to general reserve upon expiry of grants or upon exercise of stock options by an employee, as the Company is operating the Employee Stock Option scheme (refer note 2.41).

- **Remeasurements of defined benefit obligation, net**

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

- **Equity component of compound financial instrument - Cumulative redeemable preference share**

  The Company had issued compulsory redeemable preference shares @0.001% (below market rate). The same were recorded at cost under previous GAAP. The Company has redeemed such preference shares during the current year. Under Ind AS, the preference shares is treated as compound financial instruments and accordingly, classified as financial liability and equity. The same is recognised at amortized cost and is discounted using market rate. The differential between Fair Value and Book Value is considered as equity portion of compound financial instrument.

- **Capital Reserve on amalgamation**

  Accumulated capital surplus not available for distribution of dividend.

- **Retained Earnings**

  Represents surplus/(deficit) in statement of Profit and Loss during the year, including retained earnings of Transferor Companies/Demerged Company on account of merger.

- **Equity instruments through Other Comprehensive Income**

  The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity instruments through Other Comprehensive Income within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.19 Non-current borrowings

Particulars	Footnote	Non-current		Current maturities	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Non-current					
Secured					
Term loans					
from banks	[1]	1,716	848	634	451
		1,716	**848**	**634**	**451**
Less: Amount shown under Current borrowings (refer note 2.22)		–	–	634	451
		1,716	**848**	**–**	**–**

Footnotes:

No.	Detail of Loan	As at March 31, 2023*	As at March 31, 2022*	Details of security / guarantee / other terms
1	Term loan from banks (denominated in ₹)**	2,327	1,188	**March 31, 2023:** Entire term loan is secured by 1. First Parri Passu charge on entire unencumbered movable fixed assets of the company 2. First pari passu charge on immovable properties of the company situated at- a) D6-11, Sector 59, Noida b) Plot no. 68, Echelon Institutional Area, Sector-32, Gurgaon, Haryana **March 31, 2022:** Entire term loan is secured by 1. First Parri Passu charge on entire unencumbered movable fixed assets of the company 2. First pari passu charge on immovable properties of the company situated at- a) D6-11, Sector 59, Noida b) Plot no. 68, Echelon Institutional Area, Sector-32, Gurgaon, Haryana
	Term loan from banks-External Commercial Borrowings (In USD)	23	111	
	Total	**2,350**	**1,299**	

*Net of transaction cost

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Repayment Terms

Loan Category	Frequency of principal repayments	Interest rates	March 31, 2023		March 31, 2022	
			No of installments	Amount	No of installments	Amount
Term loan from banks (denominated in ₹)	Quarterly Payments	7.60% to 9.47% (PY 5.90% to 7.20%)	13	325	17	425
			20	1,500	–	–
			10	219	14	306
			10	267	14	373
	Monthly Payments	8.80% to 9.20% (PY 7.05% to 7.60%)	4	3	16	11
			3	14	15	70
			-	–	1	3
ECB loans (denominated in USD)	Quarterly Payments	4.36% (PY 1.87% to 1.97%)	-	–	3	47
			2	23	6	64

Maturity profile for year ended March 31, 2023:

Loan Category	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Term loan from banks (₹ denominated)	–	165	446	1,716	–	2,327
ECB loans (USD denominated)	–	12	12	–	–	23
Total	**–**	**177**	**458**	**1,716**	**–**	**2,350**

Maturity profile for year ended March 31, 2022:

Loan Category	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Term loan from banks (₹ denominated)	–	92	269	827	–	1,188
ECB loans (USD denominated)	–	26	64	21	–	111
Total	**–**	**118**	**333**	**848**	**–**	**1,299**

Movement in current and non-current borrowings

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Borrowings at the beginning of the year	3,913	4,832
Proceeds / Receipts during the year	2,366	–
Repayment during the year	(451)	(924)
Movement due to non-cash transactions:		
- Foreign exchange movement	1	5
Borrowings at the end of the year	**5,829**	**3,913**

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.20 Non current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits (refer to note 2.20.2)		
– Gratuity	176	132
– Compensated absence	144	123
Other provisions		
– Provision for warranties (refer to note 2.20.1)	10	9
	330	**264**

2.20.1 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, claims history, the Company provides for warranty claims. The activity in the provision for warranty costs is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
At the beginning of the year	36	38
Provided during the year	5	15
Utilised/written back during the year	(9)	(17)
At the end of the year	**32**	**36**
Current portion	22	27
Non-current portion	10	9

2.20.2 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 2.32.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contribution towards		
-Provident fund	182	156
-Employee state insurance	7	8
	189	**164**

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 gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested period of employment i.e. five years or part thereof in excess of six months. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the Company contributes the ascertained liability to Life Insurance Corporation of India by whom the plan assets are maintained.

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
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	396	352
Interest cost	28	24
Acquisition Adjustment	(3)	3
Current service cost	57	51
Benefits paid	(27)	(42)
Actuarial loss / (gain) on obligation	(10)	8
Present value of defined benefit obligation at the end of the year	**441**	**396**
Changes in the present value of the plan asset is as follows:		
Fair value of plan asset at the beginning of the year	238	232
Return on plan asset	16	16
Contributions	4	–
Benefits paid	(5)	(7)
Premium paid	(4)	(3)
Fair value of plan asset at the end of the year	**249**	**238**
Net asset/(liability) recognised in standalone financial statements		
Present value of defined benefit obligation at the end of the year	441	396
Fair value of plan asset at the end of the year	249	238
Net liability recognized in the standalone financial statements as at the end of the year	**(192)**	**(158)**
Expenses recognised in the statement of profit and loss:		
Current service cost	57	51
Interest cost	28	24
Expected return on plan assets	(16)	(16)
Expenses recognised in the statement of profit and loss:	**69**	**59**
Remeasurements income recognised in other comprehensive income:		
Actuarial loss/(gain) loss on defined benefit obligation	9	(8)
Actuarial gain/(loss) on planned assets	–	–
Income/ (Expenses) recognised in other comprehensive income:	**9**	**(8)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial assumptions:		
Discount rate	7.36%	7.19%
Expected salary increase rates	8.50%	8.50%
Mortality	100% of IALM 2012-14	100% of IALM 2012-14
Employee attrition rate		
– Up to 30 years of age	12.00%	12.00%
– From 31 years of age to 44 years of age	8.00%	8.00%
– Above 44 years of age	5.00%	5.00%

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

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.

The weighted average duration of the defined benefit obligation is years 10.25 years (March 31, 2022: 10.32 years). The Company expects to make a contribution of ₹87 million (March 31, 2022: ₹ 74 million) to the defined benefit plans during the next financial year.

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.

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (- / + 1%)	(37)	40	(34)	38
Future salary growth (- / + 1%)	35	(33)	33	(31)

Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does not 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:

Particulars	As at March 31, 2023	As at March 31, 2022
1 year	31	26
2 to 5 years	109	100
More than 5 years	301	270

c) Other benefit - Compensated absences

The Company operates compensated absences plan, where in every employee is entitled to the benefit as per the policy of the Company in this regard. The salary for calculation of earned leave is last drawn salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

The other long- term benefit of compensated absence in respect of employees of the Company as at March 31, 2023 amounts to ₹163 million (March 31, 2022: ₹ 150 million) and the expense recognised in the statement of profit and loss during the year for the same amounts to ₹ 57 million (March 31, 2022: ₹ 63 million) [Gross payment of ₹ 42 million (March 31, 2022: ₹34 million)].

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.21 Other non-current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposit	41	39
	41	**39**

2.22 Current borrowings

Particulars	Footnote	As at March 31, 2023	As at March 31, 2022
Secured			
Cash credit and working capital demand loan			
from banks	[1]	2,725	2,456
Unsecured			
Purchase order financing facility			
from others	[3]	300	38
from banks	[4]	151	120
Loans from related parties (refer note 2.40)		303	–
Current maturities of (refer note 2.19)	[2]		
Term loans		634	451
		4,113	**3,065**

Footnotes:

No.	Particulars*	As at March 31, 2023*	As at March 31, 2022*	Details of Security/ other terms
1	Cash Credit & working capital demand loan - from banks	2,721	2,155	**March 31, 2023:** Secured by first pari passu charge on present & future current assets of the company. **March 31, 2022:** Secured by first pari passu charge on present & future current assets of the company.
	Overdraft facility from banks	4	301	Secured by 100% margin on fixed deposits of the company.
2	Loans from related parties (refer note 2.40)	303	–	Unsecured
3	Purchase order financing facility from others	300	38	Unsecured
4	Purchase order financing facility from banks	151	120	Unsecured
	Total	**3,479**	**2,614**	

*Current borrowings are either payable in one installment within one year or repayable on demand. All current borrowings are denominated in rupee and interest rate is at 4.16% to 9.00%. (March 31, 2022: 4.12% to 8.35%)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.23 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
– Total outstanding dues of micro enterprises and small enterprises (refer note 2.23.1)	629	453
– Total outstanding dues of creditors other than micro enterprises and small enterprises	5,037	3,951
	5,666	**4,404**

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables	5,485	4,335
Trade payables to related parties (refer note 2.40)	181	69
	5,666	**4,404**

Trade payables Ageing Schedule

As at March 31, 2023	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	294	335	–	–	–	629
Total outstanding dues of creditors other than micro enterprises and small enterprises	3255	1009	–	–	–	4,264
Disputed dues of micro enterprises and small enterprises	–	–	–	–	–	–
Disputed dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–	–
Others *	773	–	–	–	–	773
Total	**4,322**	**1,344**	**–**	**–**	**–**	**5,666**

As at March 31, 2022	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	383	70	–	–	–	453
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,189	940	19	–	–	3,148
Disputed dues of micro enterprises and small enterprises	–	–	–	–	–	–
Disputed dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–	–
Others *	803	–	–	–	–	803
Total	**3,375**	**1,010**	**19**	**–**	**–**	**4,404**

* Pertains to expense payable for which bill are yet to be received by the Company

Trade payables are non-interest bearing and are normally settled on 30-90 day terms.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.23.1 Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
	– Principal amount	627	439
	– Interest thereon	2	14
		629	**453**
(ii)	the amount of interest paid in terms of section 16, along with the amounts of the payment made to the suppliers beyond the appointed day:		
	– Principal amount	872	3,257
	– Interest thereon	1	–
		873	**3,257**
(iii)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	8	9
		8	**9**
(iv)	the amount of interest accrued and remaining unpaid	10	23
		10	**23**

2.24 Other current financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on borrowings	22	1
Mark to market loss on derivatives	5	1
Capital creditors	173	68
Unpaid dividend**	2	2
Payable pursuant to settlement agreement (refer note 2.39B)	492	463
Payable against MKTSN	169	159
Other payables	16	6
	879	**700**

** There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2.25 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	162	156
Advances from customers	218	96
Other current liability	2	2
	382	**254**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.26 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Provision for employee benefits (refer note 2.20.2)		
– Gratuity	16	26
– Compensated absence	19	27
Others		
– Provision for warranty (refer note 2.20.1)	22	27
	57	**80**

2.27 Current tax liabilities (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for income tax (net of advance income tax)	–	49
	–	**49**

2.28 Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Revenue from contract with customers		
Sale of products		
– Manufactured goods	31,895	24,896
– Traded goods	2,326	1,913
Sale of products *	**34,221**	**26,809**
b) Other operating revenues		
– Royalty	59	43
– Technical know-how and service income	375	281
– Job work income	3	6
– Sale of scrap	96	122
– Exchange fluctuations (net)	–	5
– Duty draw back and other export benefits	72	76
– Government incentives	81	–
– Provisions/liabilities no longer required, written back	10	–
– Other operating income	7	6
Other operating revenues	**703**	**539**
Revenue from operations	**34,924**	**27,348**

* Disclosures relating to revenue from contract with customers.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.28 (a) Timing of revenue recognition

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Goods transferred at a point in time	34,221	26,809
Total revenue from contract with customers	**34,221**	**26,809**

2.28 (b) Contract Balances

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Trade Receivables	4,779	4,506
Contract Assets (Unbilled revenue) (refer note 2.15)	104	48
Contract Liabilities (Advances from customers) (refer note 2.25)	218	96

Contract assets relates to revenue earned by the Company on account of rate difference agreed with the customer. Amount billed during the year ₹ 48 million (March 31, 2022: 144 million) and the closing balance represents amount to be billed at the year end.

Contract liabilities relates to amount received from customers as an advance against future sale. Performance obligation satisfied from the amount included in contract liabilities during the current year ₹ 96 million (March 31, 2022: ₹ 165 million). Advance amount received during the year is ₹ 218 million (March 31, 2022: ₹ 96 million) is outstanding at the year end.

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue as per contracted price	35,156	27,501
Adjustments		
Sales return	(269)	(132)
Discount	(666)	(560)
Revenue from contract with customers	**34,221**	**26,809**

2.28 (d) Performance obligation

The Company recognised revenue when (or as) a performance obligation was satisfied , i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer and there is no unsatisfied performance obligation at the year end.

2.29 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income :		
– on fixed deposits	77	177
– on others	21	6
Rental income (refer note 2.43)	18	19
Dividend income ^	302	248
Gain on derecognition of ROU assets	1	13
	419	**463**

^ The Company has received dividend amounting to ₹ 220 million (March 31, 2022: 131 million) from Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) and ₹82 million (March 31, 2022: 117 million)from Almighty International PTE Ltd.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.30 Cost of raw materials consumed*

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock	2,319	2,026
Add: Purchases during the year	21,074	16,106
	23,393	**18,132**
Less: Closing stock	2,716	2,319
	20,677	**15,813**

*including Packing, Tools and Dies

2.31 Changes in inventories of finished goods, stock in trade and work in progress

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Finished goods and stock in trade		
Opening stock	1,104	1,005
Less: Closing stock	1,181	1,104
	(77)	**(99)**
Work in progress		
Opening stock	456	670
Less: Closing stock	614	456
	(158)	214
(Increase)/ decrease in inventories	**(235)**	**115**

2.32 Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	4,820	3,956
Contribution to provident fund and other funds (refer note 2.20.2)	189	164
Gratuity (refer note 2.20.2)	69	59
Employees stock compensation expense (refer note 2.41)	28	21
Staff welfare	234	165
	5,340	**4,365**

2.33 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense :		
on borrowings from banks	261	200
on borrowings from others	7	13
on lease liabilities	85	65
Other borrowing costs	35	27
	388	**305**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.34 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Job work charges	608	547
Consumption of stores and spare parts	304	244
Power and fuel	760	579
Rent (refer note 2.43)	54	21
Repairs - buildings	89	72
Repairs - plant and machinery	188	157
Repairs - others	128	110
Travelling and conveyance	422	254
Legal and professional	168	128
Communication expenses	41	36
Auditor Remuneration (refer note 2.35)	10	8
Loss allowance for expected credit loss	13	32
Insurance expenses	46	41
Rates and taxes, excluding taxes on income	14	17
Exchange fluctuations (net)	8	–
Warranty expenses	5	15
Loss on sale/discard of property, plant and equipment	4	10
Advertisement and business promotion	117	62
Freight and forwarding expenses	612	524
Bank charges	14	9
Corporate social responsibility (refer note 2.36)	37	28
Bad debts/amounts written off	4	15
Miscellaneous expenses*	184	179
	3,830	**3,088**

* Previous year includes ₹ 47 million being net loss incurred on account of non-realisation of claim from the customer.

2.35 Auditor's Remuneration (excluding taxes)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory audit	4	4
Limited reviews	4	4
Tax audit	1	–
Reminursement of expenses	1	–
	10	**8**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.36 During the current year, as required under section 135 of the Act, the Company has spent ₹ 37 million (March 31, 2022: ₹30 million) towards the corporate social responsibility (CSR activity). Relevant disclosures for amount to be spent vis a viz amount spent during the year are as below :

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A.	Gross amount required to be spent	30	28
B.	Amount approved by the board to be spent during the year	37	28

C. Amount spent during the year ended March 31, 2023

S. No.	Project/ Activity	Paid in cash	Yet to be paid	Total
1	Contribution to Company formed under section 8 of Companies Act 2013 for the purpose, including promoting and preventing Health care & sanitation			
	(i) Construction/acquisition of any asset	–	–	–
	(ii) On purposes other than (i) above*	45	–	45
	Total	**45**	**–**	**45**

*Represents a contribution to subsidiary Spark Minda Foundation which is a Section 8 registered Company under Companies Act, 2013. Out of the above, ₹ 6 million is spent by Spark Minda Foundation from previous year's unspent amount of ₹6 million as this pertains to ongoing projects. Subsequent to the year end, excess amount spent of ₹ 2 million.

Amount spent during the year ended March 31, 2022

S. No.	Project/ Activity	Paid in cash	Yet to be paid	Total
1	Contribution to Company formed under section 8 of Companies Act 2013 for the purpose, including promoting and preventing Health care & sanitation			
	(i) Construction/acquisition of any asset	–	–	–
	(ii) On purposes other than (i) above*	37	–	37
	Total	**37**	**–**	**37**

*Represents a contribution to subsidiary Spark Minda Foundation which is a Section 8 registered Company under Companies Act, 2013. Out of the above, ₹ 9 million is spent by Spark Minda Foundation from previous year's unspent amount of ₹15 million as this pertains to ongoing projects. Subsequent to the year end, amount of ₹ 6 million is unspent and same has been deposited by Spark Minda Foundation in separate bank account.

2.37 Earning per share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net profit attributable to equity shareholders		
Profit after tax	2,406	1,602
Number of weighted average equity shares		
Basic	239,079,428	239,079,428
Diluted	239,079,428	239,079,428
Nominal value of equity share (₹)	2.00	2.00
Earnings per share (₹) (Basic)		
Earnings per share (₹) (Diluted)	10.06	6.70
	10.06	6.70

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.38 Capital and other commitments

Capital Commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances): ₹445 million (March 31, 2022: ₹255 million)

2.39A (1) Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Claims against the Company not acknowledged as debts*		
a) Income-tax ^ {Amount paid under protest ₹ 10 million (previous year: ₹ 10 million)}	244	244
b) Sales tax/ VAT {Amount paid under protest ₹ 3 million (previous year: ₹ 3 million)}	59	50
c) Excise duty / Service tax / Custom duty {Amount paid under protest ₹ 2 million (previous year: ₹ 2 million)}	2	6

*Including claims in respect of transferor companies merged into Minda Corporation Limited, pursuant to scheme of merger, though the litigations may be continuing in the name of transferor companies, however any liability arising in future relating to these disputes will be borne by the Company.

Further on account of merger of Companies as mentioned in Corporate information under Note 1 to the financial statement, Minda Corporation Limited had filed one single return for Assessment year 2019-2020 relevant to financial year 2018-19 onwards and the prepaid/ advance taxes which were seen in Merged Companies have been considered by the Company in Income Tax Return. At the time of processing of income tax return by the authorities, income tax payable had been assessed without giving the credit of prepaid/ advance taxes paid by those merged entities and accordingly demand amounting to ₹ 381 million had been raised. In a similar manner for Assessment Year 2020-21 demand of ₹ 42 million had been raised by the authorities. With respect to both the assessment years the Company had filed rectification to Assessing Officer to allow the credit of prepaid/ advances taxes by the merged companies to the companies and management is hopeful for such adjustments and accordingly the same has not been disclosed under this note

In relation to income tax matters disclosed in (a) above, majorly includes

1. With respect to assessment year 2012-2013 till assessment year 2018-2019, the income tax authorities have increased the taxable income of the Company by ₹ 479 million (March 31, 2022: ₹ 479 million) on account of transfer pricing adjustments pertaining to disallowance of deduction claimed under section 80IC of Income Tax Act, 1961 and other adjustments. Tax impact of the same is ₹209 million (March 31, 2022: ₹ 209 million) against which Company had deposit amounting to ₹ 10 million (March 31, 2022: ₹ 10 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. Further, during the current year, the department has also adjusted refund amounting to ₹ 149 million (including interest) pertaining to assessment year 2020-2021 against the outstanding demand.

In relation to Sales tax/ VAT /GST disclosed in (b) above, majorly includes

1. In the previous year, matter pending with Deputy Commissioner of State Tax, Pune pertaining to financial year 2016-2017 for disallowance of input tax credit. The tax amount involved ₹ 3 million against which Company had deposit amounting to ₹ 1 million. During the current year, the Company has filed an application under Maharashtra Amnesty Scheme, 2022 for resolution of the matter and has accepted and paid demand raised by the department. Accordingly, the amount of demand involved in the case for the current year is ₹ Nil (March 31, 2022: ₹ 3 million) and the case has been closed.

2. In the previous year, matter pending with Deputy Commissioner of State Tax, Pune pertaining to financial year 2017-2018 for disallowance of input tax credit. The tax amount involved ₹ 1 million. During the current year, the Company has filed an application under Maharashtra Amnesty Scheme, 2022 for resolution of the matter and has accepted and paid demand raised by the department. Accordingly, the amount of demand involved in the case for the current year is ₹ Nil (March 31, 2022: ₹ 1 million) and the case has been closed.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

3. In the previous year, matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2017-2018 demand raised for non -submission of Statutory Form C. During the current year, an Order-in-Appeal has been passed by Joint Commissioner of State Tax whereby the whole demand has been disposed off by the Commissioner. Accordingly, the amount of demand involved in the case for the current year is Nil (March 31, 2022: ₹ 18 million) and the case has been closed.

4. Matter pending with Joint Excise & Taxation Commissioner (Appeals) pertaining to financial year 2017-2018 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 ₹ 14 million (March 31, 2022: ₹ 14 million).

5. Matter pending with Deputy Commissioner of State Tax, Bhiwandi pertaining to financial year 2017-2018 for GST Demand on account of difference in GST3B and GSTR1 and 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 ₹ 10 million (March 31, 2022: ₹ 10 million).

6. Matter pending with Deputy Commissioner of State Tax, Bhiwandi pertaining to financial year 2018-2019 for GST Demand on account of disallowance of excess Input Tax Credit availed. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved ₹ 32 million (March 31, 2022: Nil).

In relation to Excise Duty/Service Tax/ Custom duty disclosed in (c) above, majorly includes

1. Demand created on account of Show Cause Notice which was issued by the Directorate General of GST Intelligence (DGGI) under Central Excise Act, 1944 (CEA) on MCL and MSL for the period 2013-14 to 2017-18 (till June). Allegations made in the SCN is that assessee is engaged in manufacturing of equipment for principal manufacturer, which is, Maruti Suzuki India Limited (MSIL). To get the manufacturing done as per its specification, MSIL also provided drawing/designs to MCL and MSL, free of cost. While computing the value of excisable goods manufactured by MCL and MSL, the Company did not factor the cost of drawing/designs. Hence, allegations have been made that value of drawing/designs should have been added while determining taxable value for computing Excise Duty payable. During the current year, the adjudicating authority has held that the demand pertaining to the period April 2013 to February 2024 is time barred and accordingly the demand has been reduced to ₹ 0.02 million (March 31, 2022: ₹ 4 million). For the balance demand, the Company is in the process of filing an appeal before the relevant authority and believes that its position will likely be upheld and accordingly, no provision is necessary at this stage.

2.39A (2) Pursuant to judgement by the Hon'ble Supreme Court dated February 28, 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 applicable 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.

2.39B During the earlier years, one party raised a damage claim against the Company by filing a request with International Chamber of Commerce in Paris. The claim is based on Letter of Comfort ("LOC") signed between party and the Company. At the time of entering into the above mentioned LOC, the Company also obtained indemnity letter from ultimate parent of party, indemnifying the Company against any loss arising from the LOC. Based on legal opinion and the indemnification from ultimate parent of party, the management is of the view that there is no financial implication on the Company in respect of this damage claim. Subsequently, the parties have entered into settlement agreement, pursuant to which, a Consent Award has been passed by International Chamber of Commerce, vide which the Company is required to pay ₹ 492 million {(March 31, 2022 ₹ 463 million) (Euro 5.5 million)}. As per Ind AS 37, the Company has accounted for payable against settlement amount under ""other financial liabilities"" and correspondingly recognised receivable under ""other financial assets".

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

During the current year, in order to discharge its obligation under the said agreement, the Company requested requisite documents for making the foreign remittance which were awaited from the party.

Subsequent to the year end, the party has filed petition before the Hon'ble High Court of Delhi for the payment of settlement amount which is sub-judice at the moment. However management is of the view that no adjustments are required in the financial statements at the moment and loss if any, has already been provided for in the books of accounts.

2.40 Related party disclosures as required under India Accounting Standard (Ind AS) – 24 "Related party disclosures":

A) Related parties where control exists

Related parties and nature of related party relationships

	Description of relationship	Name of the party
(i)	**Subsidiary**	Minda Europe B.V., Netherlands
		Spark Minda Foundation
		P T Minda Automotive, Indonesia
		Minda Vietnam Automotive Co. Ltd., Vietnam
		P T Minda Automotive Trading, Indonesia
		Almighty International PTE Limited, Singapore
		Minda Corporation Limited - Employee Stock Option Scheme trust
		Spark Minda Green Mobility Systems Private Limited (w.e.f. February 22, 2021)
		Minda Instruments Limited, India (formerly known as Minda Stoneridge Instruments Limited, w.e.f. January 1, 2022)*

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

	Description of relationship	Name of the party
(i)	**Jointly control entity / Associate**	Minda Infac Private Limited (w.e.f. August 10, 2021)
		Minda Vast Access Systems Private Limited, India
		Furukawa Minda Electric Private Limited, India
		Minda Instruments Limited, India (formerly known as Minda Stoneridge Instruments Limited, upto December 31, 2021)*
		EVQ Point Solutions Private Limited (w.e.f. October 29, 2021)
(ii)	**Key Managerial Personnel**	Mr. Ashok Minda - Chairman
		Mr. Aakash Minda - Executive Director and CEO
		Mr. Vinod Raheja - Group CFO (w.e.f February 4, 2022)
		Mr. Naresh Kumar Modi - Executive Director & CFO (w.e.f May 18, 2021, up to February 4, 2022)
		Mr. Ashim Vohra - COO
		Mr. Pardeep Mann - Company Secretary
(iii)	**Relative of Key Managerial Personnel**	Mrs. Sarika Minda-Relative of Mr. Ashok Minda
(iv)	**Enterprise in which directors of the Company and their relatives are able to exercise significant influence:**	Minda Capital Private Limited, India
		Minda Silca Engineering Private Limited, India

*During the previous year, the Company had purchased 49% equity stake of Minda Instruments Limited (MIL) {Formerly known as Minda Stoneridge Instruments Limited (MSIL)} from the JV partner. Accordingly, MIL has become wholly owned subsidiary of the Company w.e.f. January 1, 2022.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.40 Related party disclosures as required under Ind AS 24 ''Related party disclosure"

Details of transactions and balances with related parties:

Party name	Period	Sale of goods	Sale of Property plant & equipment	Job work/ Service income recovered	Contri-bution towards CSR activities	Other incomes / expenses recovered	Purchase of goods	Manage-ment fees Income	Royalty Income
Subsidiary Companies									
P T Minda Automotive, Indonesia	2022-2023	282	–	–	–	–	1	8	43
	2021-2022	194	–	–	–	–	2	7	32
P T Minda Automotive Trading, Indonesia	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–
Minda Vietnam Automotive Co. Ltd., Vietnam	2022-2023	34	–	–	–	–	–	5	16
	2021-2022	28	–	–	–	–	–	5	11
Almighty International Private Limited	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–
Spark Minda Foundation	2022-2023	–	–	–	37	–	–	–	–
	2021-2022	–	–	–	28	–	–	–	–
Minda Corporation Limited- Employee Stock Option Scheme Trust	2022-2023	–		–		–	–	–	–
	2021-2022	–		–		–	–	–	–
Spark Minda Green Mobility Systems Private Limited	2022-2023	160	–	5		–	114	1	–
	2021-2022	–	–	13	–	–	4	2	–
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2022-2023	15	–	38		13	219	103	–
	2021-2022	3	–	8	–	8	57	14	–
Joint Venture									
Minda VAST Access System Private Limited	2022-2023	198	–	2	–	21	32	19	–
	2021-2022	132	–	–		15	26	14	–
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	9	–	15	–	16	136	33	–
Minda Infac Private Limited	2022-2023	–	–	2	–	9	–	–	–
	2021-2022	–	24	–		14	–	–	–
Associate									
Furukawa Minda Electric Private Limited	2022-2023	45	–	1	–	–	9	–	–
	2021-2022	3		8		–	–	–	–
Enterprise in which directors of the Company and their relatives exercise significant influence:									
Minda Silca Engineering Limited	2022-2023	50	–	–	–	1	184	4	–
	2021-2022	55		–		–	141	4	–
Key Managerial Personnel:									
Mr. Ashok Minda *	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–
Mr. Vinod Raheja *	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–
Mr. Laxman Ramnarayan *	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–
Mr Ashim Vohra *	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–

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Party name	Period	Sale of goods	Sale of Property plant & equipment	Job work/ Service income recovered	Contri-bution towards CSR activities	Other incomes / expenses recovered	Purchase of goods	Manage-ment fees Income	Royalty Income
Mr. Ajay Sancheti	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–
Mr. Pardeep Mann *	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–
Mr. Aakash Minda *	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–
Mr. N.K.Modi *	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–
Relative of Key Managerial Personnel:									
Mr. Aakash Minda	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–

Party name	Period	Lease Liability (including interest)/Rent payment	Remune-ration paid	Other expenses paid / reimbursed	Investments made	Dividend Income	Loan given	Loan taken
Subsidiary Companies								
P T Minda Automotive, Indonesia	2022-2023	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–
P T Minda Automotive Trading, Indonesia	2022-2023	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–
Minda Vietnam Automotive Co. Ltd., Vietnam	2022-2023	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–
Almighty International Private Limited	2022-2023	–	–	–	–	82	–	–
	2021-2022	–	–	–	–	117	–	–
Spark Minda Foundation	2022-2023	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–
Spark Minda Green Mobility Systems Private Limited	2022-2023	–	–	–	50	–	170	–
	2021-2022	–	–	–	93	–	–	–
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2022-2023	–	–	–	–	220	–	303
	2021-2022	–	–	–	1,611	131	–	–
Joint Venture								
Minda VAST Access System Private Limited	2022-2023	–	–	1	–	–	–	–
	2021-2022	–	–	1	–	–	–	–
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2022-2023	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–
Minda Infac Private Limited	2022-2023	–	–	–	–	–	–	–
	2021-2022	–	–	–	26	–	–	–
Associate								
Furukawa Minda Electric Private Limited	2022-2023	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–
Enterprise in which directors of the Company and their relatives exercise significant influence:								
Minda Silca Engineering Limited	2022-2023	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Party name	Period	Lease Liability (including interest)/Rent payment	Remune-ration paid	Other expenses paid / reimbursed	Investments made	Dividend Income	Loan given	Loan taken
Minda Capital Private Limited	2022-2023	198	–	7	–	–	–	–
	2021-2022	161	–	–	–	–	–	–
Key Managerial Personnel:								
Mr. Ashok Minda *	2022-2023	–	93	–	–	–	–	–
	2021-2022	–	80	–	–	–	–	–
Mr. Vinod Raheja *	2022-2023	–	19	–	–	–	–	–
	2021-2022	–	6	–	–	–	–	–
Mr Ashim Vohra *	2022-2023	–	15	–	–	–	–	–
	2021-2022	–	17	–	–	–	–	–
Mr. Pardeep Mann *	2022-2023	–	4	–	–	–	–	–
	2021-2022	–	3	–	–	–	–	–
Mr. Aakash Minda *	2022-2023	–	19	–	–	–	–	–
	2021-2022	–	15	–	–	–	–	–
Mr. N.K.Modi *	2022-2023	–	14	–	–	–	–	–
	2021-2022	–	29	–	–	–	–	–
Relative of Key Managerial Personnel:								
Mr. Aakash Minda	2022-2023	1	–	–	–	–	–	–
	2021-2022	1	–	–	–	–	–	–

* Does not include provisions for gratuity and compensated absences liabilities, since the provisions are based on actuarial valuations for the Company as a whole.

Party name	Period	Loan given during the year	Loan recovered or adjusted during the year	Purchase/ Sale of Property plant & equipment during the year	Security Deposit as at the year end*	Trade Receivable as at the year end	Other Receivable as at the year end	Payable as at the year end	Other Payable as at the year end
Subsidiary Companies									
P T Minda Automotive, Indonesia	2022-2023	–	–	–	–	56	–	1	–
	2021-2022	–	–	–	–	50	–	1	–
P T Minda Automotive Trading, Indonesia	2022-2023	–	–	–	–	–	–	–	
	2021-2022	–	–	–	–	–	–	–	–
Minda Vietnam Automotive Co. Ltd., Vietnam	2022-2023	–	–	3	–	5	–	–	
	2021-2022	–	–	1	–	10	–	–	–
Almighty International Private Limited	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–
Minda Corporation Limited- Employee Stock Option Scheme Trust	2022-2023	–	21	–	–	–	40	–	–
	2021-2022	–	7	–	–	–	57	–	–
Spark Minda Green Mobility Systems Pvt. Ltd	2022-2023	–	–	–	–	13	2	21	–
	2021-2022	–	–	–	–	–	–	–	–
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2022-2023	–	–	–	–	27	–	50	5
	2021-2022	–	–	–	–	22	–	45	–

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Party name	Period	Loan given during the year	Loan recovered or adjusted during the year	Purchase/ Sale of Property plant & equipment during the year	Security Deposit as at the year end*	Trade Receivable as at the year end	Other Receivable as at the year end	Payable as at the year end	Other Payable as at the year end
Joint Venture									
Minda VAST Access System Private Limited	2022-2023	–	–	–	–	59	–	6	–
	2021-2022	–	–	–	–	54	–	7	–
Minda Infac Private Limited	2022-2023	–	–	–	–	25	16	–	–
	2021-2022	–	–	–	–	–	–	–	–
Minda Instruments Limited (formerly known AS Minda Stoneridge Instruments Limited)	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–
Associate									
Furukawa Minda Electric Private Limited	2022-2023	–	–	–	–	7	–	3	–
	2021-2022	–	–	–	–	10	–	–	–
Enterprise in which directors of the Company and their relatives exercise significant influence:									
Minda Silca Engineering Limited	2022-2023	–	–	–	–	1	–	27	–
	2021-2022	–	–	5	–	–	–	14	–
Minda Capital Private Limited	2022-2023	–	–	–	137	–	11	5	–
	2021-2022	–	–	–	41	–	552	–	–
Key Managerial Personnel:									
Mr. Ashok Minda	2022-2023	–	–	–	–	–	–	64	–
	2021-2022	–	–	–	–	–	–	50	–
Mr. Vinod Raheja	2022-2023	–	–	–	–	–	–	1	–
	2021-2022	–	–	–	–	–	–	–	–
Mr. N.K.Modi	2022-2023	–	–	–	–	–	–	1	–
	2021-2022	–	–	–	–	–	–	–	–
Mr Ashim Vohra	2022-2023	–	–	–	–	–	–	1	–
	2021-2022	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–
Relative of Key Managerial Personnel:									
Mrs. Sarika Minda	2022-2023	–	–	–	–	–	–	–	–
	2021-2022	–	–	–	–	–	–	–	–
Mr. Aakash Minda	2022-2023	–	–	–	–	–	–	1	–
	2021-2022	–	–	–	–	–	–	–	–

*Represents actual deposit paid

Party name	Period	Lease Liability payable as at the year end	Loan receivable at the year end	Loan payable at the year end	Investments as at the year end
Subsidiary Companies					
P T Minda Automotive, Indonesia	2022-2023	–	–	–	–
	2021-2022	–	–	–	–
P T Minda Automotive Trading, Indonesia	2022-2023	–	–	–	–
	2021-2022	–	–	–	–

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Party name	Period	Lease Liability payable as at the year end	Loan receivable at the year end	Loan payable at the year end	Investments as at the year end
Minda Vietnam Automotive Co. Ltd., Vietnam	2022-2023	–	–	–	–
	2021-2022	–	–	–	–
Almighty International Private Limited	2022-2023	–	–	–	560
	2021-2022	–	–	–	560
Minda Corporation Limited- Employee Stock Option Scheme Trust	2022-2023	–	102	–	–
	2021-2022	–	102	–	–
Spark Minda Green Mobility Systems Pvt. Ltd	2022-2023	–	170	–	148
	2021-2022	–	–	–	98
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2022-2023	–	–	303	2,263
	2021-2022	–	–	–	2,263
Joint Venture					
Minda VAST Access System Private Limited	2022-2023	–	–	–	–
	2021-2022	–	–	–	
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2022-2023	–	–	–	
	2021-2022	–	–	–	–
Minda Infac Private Limited	2022-2023	–	–	–	26
	2021-2022	–	–	–	26
Associate					
Furukawa Minda Electric Private Limited	2022-2023	–	–	–	23
	2021-2022	–	–	–	273
Enterprise in which directors of the Company and their relatives exercise significant influence:					
Minda Silca Engineering Limited	2022-2023	–	–	–	–
	2021-2022	–	–	–	–
Minda Capital Private Limited	2022-2023	922	–	–	18
	2021-2022	785	–	–	16
Key Managerial Personnel:					
Mr. Ashok Minda	2022-2023	–	–	–	–
	2021-2022	–	–	–	–

2.41 Employee Share-Based Payment Plans

The members of the Company had approved 'Employee Stock Option Scheme, 2017' through Postal Ballot on February 10, 2017. The plan envisaged grant of stock options to eligible employees at an exercise price equal to the latest available closing price discounted by 50% or such other percentage as may be decided by the Nomination and Remuneration Committee.

Under the Plan, upto 5,341,840 stock options can be issued to eligible employees of the Company and its subsidiaries, whether working in India or out of India, including any Director of the Company and its subsidiaries, whether whole time or otherwise excluding the Independent Directors. Under the Plan, each option, upon vesting, shall entitle the holder to acquire one equity share of ₹ 2 each. The options granted will vest gradually over a period not earlier than one year and not later than five years from the date of Grant of such Options. Vesting of Options is a function of achievement of performance criteria or any other criteria, as specified by the Committee and communicated in the grant letter.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Summary of vesting and lock-in provisions are given below:

Grant - 1

Sr. No.	Vesting Schedule		
	% of options scheduled to vest	Vesting date	Lock-in period
1	20%	1 year from grant date	Nil
2	20%	2 years from grant date	Nil
3	20%	3 years from grant date	Nil
4	40%	4 years from grant date	Nil

Summary of vesting and lock-in provisions are given below:

Grant - 2

Sr. No.	Vesting Schedule		
	% of options scheduled to vest	Vesting date	Lock-in period
1	40%	1 year from grant date	Nil
2	40%	2 years from grant date	Nil
3	20%	3 years from grant date	Nil

Summary of vesting and lock-in provisions are given below:

Grant - 3

Sr. No.	Vesting Schedule		
	% of options scheduled to vest	Vesting date	Lock-in period
1	60%	1 year from grant date	Nil
2	40%	2 years from grant date	Nil

Summary of vesting and lock-in provisions are given below:

Grant - 4 (pertains to grants given to the employee of one of the subsidiary)

Sr. No.	Vesting Schedule		
	% of options scheduled to vest	Vesting date	Lock-in period
1	33%	1 year from grant date	Nil
2	33%	2 years from grant date	Nil
3	34%	3 years from grant date	Nil

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

The movement in the stock options under the Plan, during the year, is set out below:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	1,172,000	50	1,242,000	50
Granted during the year	227,646	50	530,000	50
Exercised during the year	(176,000)	50	(386,000)	50
Forfeit during the year	(256,000)	50	(214,000)	50
Outstanding at the end of the year	967,646	50	1,172,000	50
Exercisable at the end of the year	44,000	–	62,000	–

Stock compensation expense under the Fair Value Method has been determined based on fair value of the stock options. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions:

Particulars	Employee stock option scheme 2017
Expected volatility	42.2% - 68.3%
Risk free interest rate	4.2%-7.5%
Exercise price (₹)	0-50
Expected dividend yield	.4%-1.0%
Life of options (years)	2 - 4 years
Weighted average fair value of options as at the grant date (₹)	28.5-196.5

The options outstanding as at March 31, 2023 have a weighted average remaining contractual life of 2.40 years (March 31, 2022: 2.84 years).

The amount recognised as an expense in statement of profit and loss account for employee services received amounting to ₹28 million (March 31, 2022 ₹21 million) and ESOP expense recoverable from one of the subsidiary of ₹ 3 million. Further, there were no cancellations or modifications to the scheme in year ending March 31, 2023 or March 31, 2022.

2.42 Information pursuant to clause 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Loans and advances in the nature of loans / advances to wholly-owned subsidiary companies is as under:

Particulars	As at March 31		Maximum balance during the year ended	
	2023	2022	March 31, 2023	March 31, 2022
Minda Corporation Ltd. Employees Stock Option Scheme	102	102	102	102
Spark Minda Green Mobility Systems Private Limited	170	–	170	–

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.43 Leases

Company as a Lessee

The Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate and has measured right-of-use asset at an amount equal to lease liability.

Information about leases for which the Company is a lessee is presented in note 2.1(b)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	**959**	**445**
Add: Addition during the year	674	762
Less: Deletion during the year	20	48
Add: Finance cost*	106	65
Less: Repayment	309	265
Balance as at the end of the year	**1410**	**959**
Current	234	163
Non-current	1,176	796

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amounts recognised in Statement of Profit and Loss		
Interest on lease liabilities*	106	65
Depreciation expense	262	214
Expenses relating to short-term leases and leases of low-value assets	54	21
Amounts recognised in Cash Flow Statement		
Repayment of lease liabilities	309	265

*Includes interest capitalised of ₹ 21 million (March 31, 2022: Nil) and accordingly the finance cost amounting to ₹ 85 million has been charged to Statement of Profit and Loss.

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.

Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The future minimum lease rentals income in respect of non-cancellable operating leases	As at March 31, 2023	As at March 31, 2022
-Within one year	19	18
-Later than one year and not later than five years	84	82
-Later than five years	11	33

The future minimum lease rentals income in respect of non-cancellable operating leases	As at March 31, 2023	As at March 31, 2022
Lease rent income recognised in the Statement of profit and loss (Refer note 2.29)	18	19

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.44 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.

2.45 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.

2.46 The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and noted that there are no long term contracts. Accordingly, no provision is required to be created in the books of account under any law / accounting standards.

2.47 The Company, in earlier years, had made impairment provision amounting to ₹ 2,622 million (regarding Investment, Loan and other recoverable) in the books of accounts, with respect to its exposure related to recovery of said balances in erstwhile wholly owned subsidiary Minda KTSN Plastic Solutions Gmbh & Co. KG, Germany (KTSN, Germany). The Company was unsure of the statutory provisions regarding write off under various rules and Act. The Company has re-assessed the applicability of write off and has written off the same in view of recent updated FEMA Guidelines in the current financial year. The said write off is based on the progress report of insolvency proceedings and communication received from the insolvency administrator of KTSN, Germany as there is no probability of Company receiving any claim out of the insolvency proceedings.

Further, the Company based on its own assessment, and opinions obtained from independent experts has considered that such write off shall be admissible as a tax allowance and shall be claimed in its return of income for the year ended March 31, 2023. Accordingly, the Company has considered tax impact of above write off and accordingly income tax provision amounting to ₹ 487 million has been reversed in the current year

2.48 **(a)** During the year ended March 31, 2023, the Company, after due approval of Board, had purchased 191,40,340 equity shares of Pricol representing 15.7% of the total paid up equity share capital (as at December 31, 2022) of Pricol Ltd. aggregating amounting to ₹ 4,057 million from the open market. The investment is in nature of financial investment, and the Company has not acquired any special rights in Pricol Limited. As per IND AS-109 "Financial Instruments", any gains or losses arising on subsequent recognition at the time of reporting period end will be accounted directly through Other Comprehensive Income (OCI) and accordingly loss amounting to ₹ 90 million has been recognised in the financial statements.

(b) In case of an associate company "Furukawa Minda Electric Private Limited", since it has incurred consistent losses in past years due to which the net worth has been fully eroded as at March 31, 2023. However, in view of initiatives by the management of the associate company to improve its operations, profitability and continued support from Parent Company of the associate company, its financial statements for the year ended March 31, 2023 have been prepared on going concern basis. Further, the Company has done impairment testing as at March 31, 2023 on the basis of Discounted cash flows. Based on the above assessment by the management, an impairment loss amounting to ₹ 250 million has been provided in the books and shown the same as exceptional items.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.49 Financial instruments – Fair values and risk management

a. Financial instruments – by category and fair values hierarchy

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

i. As on March 31, 2023

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Investments (excluding investment in subsidiaries, jointly controlled entities/ associate)	–	3,997	18	4,015	3,967	–	30
(ii) Loans	–	–	–	–	–	–	–
(iii) Other financial assets	–	–	186	186	–	–	–
Current							
(i) Trade receivables	–	–	4,779	4,779	–	–	–
(ii) Cash and cash equivalents	–	–	551	551	–	–	–
(iii) Other bank balances	–	–	298	298	–	–	–
(iv) Loans	–	–	272	272	–	–	–
(v) Other financial assets	–	–	763	763	–	–	–
Total	**–**	**3,997**	**6,867**	**10,864**	–	–	–
Financial liabilities							
Non-current							
(i) Borrowings	–	–	1,716	1,716	–	–	–
(ii) Lease liabilities	–	–	1,176	1,176	–	–	–
Current							
(i) Borrowings	–	–	4,113	4,113	–	–	–
(ii) Lease liabilities	–	–	234	234	–	–	–
(ii) Trade payables	–	–	5,666	5,666	–	–	–
(iii) Other financial liabilities	5	–	874	879	5	–	–
Total	**5**	**–**	**13,779**	**13,784**			

ii. As on March 31, 2022

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Investments (excluding investment in subsidiaries, jointly controlled entities/ associate)	–	30	16	46	–	–	30

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
(ii) Loans	–	–	102	102	–	–	–
(iii) Other financial assets	–	–	186	186	–	–	–
Current							
(i) Trade receivables	–	–	4,506	4,506	–	–	–
(ii) Cash and cash equivalents	–	–	243	243	–	–	–
(iii) Other bank balances	–	–	1,921	1,921	–	–	–
(iv) Loans	–	–	–	–	–	–	–
(v) Other financial assets	–	–	634	634	–	–	–
Total	**–**	**30**	**7,608**	**7,638**			
Financial liabilities							
Non-current							
(i) Borrowings	–	–	848	848	–	–	–
(ii) Lease liabilities	–	–	796	796	–	–	–
Current							
(i) Borrowings	–	–	3,065	3,065	–	–	–
(ii) Lease liabilities	–	–	163	163	–	–	–
(ii) Trade payables	–	–	4,404	4,404	–	–	–
(iii) Other financial liabilities	1	–	699	700	1	–	–
Total	**1**	**–**	**9,975**	**9,976**			

The management assessed that the fair values of the quoted invesments are based on price quotations at the reporting date. The fair values of current financial assets and liabilities significantly approximate their carrying amounts largely due to the current maturities of these instruments. Accordingly, management has not disclosed fair values for financial instruments such as trade receivables, trade payables, cash and cash equivalents, other current assets, interest accrued on fixed deposits, other current liabilities etc.

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.

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2023 and March 31, 2022.

Valuation technique used to determine fair value

Specific valuation techniques used to value non current financial assets and liabilities for whom the fair values have been determined based on present values and the appropriate discount rates of the Company at each balance sheet date. The discount rate is based on the weighted average cost of borrowings of the Company at each balance sheet date.

Valuation processes

The Company has an established control framework with respect to the measurements of the fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements and reports to Senior Management. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

b. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

– Credit risk ;

– Liquidity risk ; and

– Market risk - Foreign exchange

– Market risk - Interest rate

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 uses derivative financial instruments exclusively for hedging financial risks that arise from its foreign exchange related exposures.

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.

(iii) Valuation technique used to determine fair value

The Company has used discounted cash flow method (income approach) for equity instrument and compulsorily convertible debentures.

(iv) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (iii) above for the valuation techniques adopted.

Particulars	Fair value as at		Significant unobservable inputs	Data inputs		Sensitivity*	
	31-Mar-23	31-Mar-22		31-Mar-23	31-Mar-22	1% increase in inputs	1% decrease in inputs
Investment in equity shares							
– FP West Solar Private Limited	21	21	Market Multiple	Weighted average cost of capital - 15% EV/Revenue multiple - 7.45x	Weighted average cost of capital - 15% EV/Revenue multiple - 7.45x	–	–
– AMP Solar Urja Private Limited	1	1	Market Multiple	Weighted average cost of capital - 12.50% EV/PAT multiple- 12.50x	Weighted average cost of capital - 13% EV/PAT multiple- 13.13x	–	–
Investment in Compulsorily Convertible Debentures							
– AMP Solar Urja Private Limited	8	8	Market Multiple	Weighted average cost of capital - 12.50% EV/PAT multiple- 12.50x	Weighted average cost of capital - 13% EV/PAT multiple- 13.13x	–	–

* Sensitivity has been considered for mentioned inputs, keeping the other variables constant. ₹ '-' represents values below ₹ 500,000 as the financials in round off to Rupees in millions

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

(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, 2023	As at March 31, 2022
Investments (excluding investment in jointly controlled entities/associate)	4,015	46
Trade receivables	4,779	4,506
Cash and cash equivalents	551	243
Other bank balances	298	1,921
Loans	272	102
Other financial assets	949	820

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 customers, loans.

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. Credit risk on investments is limited as the Company generally invests in entities after reviewing the liquidity position of the entities.

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.

Movement in the loss allowance in respect of trade receivables:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	(76)	(44)
Amount written off/Utilised	32	–
Provided during the year	(13)	(32)
Balance at the end of the year	**(57)**	**(76)**

a) Expected credit loss for trade receivables under simplified approach

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

Particulars	Gross carrying amount	
	As at March 31, 2023	As at March 31, 2022
Current (not past due)	4,221	3,957
1 to 30 days past due	331	290
31 to 60 days past due	45	52
61 to 90 days past due	60	44
More than 90 days past due *	179	239
Expected credit losses (Loss allowance provision)	(57)	(76)
Carrying amount of trade receivables (net of impairment)	**4,779**	**4,506**

*The Company believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full, based on historical payment behaviour.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

(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 to 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 ₹2,164 million as at March 31, 2023 (March 31, 2022 ₹2,164 million), 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.

– Maintaining diversified credit lines.

I. Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2023	As at March 31, 2022
From banks - Current	2,768	3,675
From others - Current	100	363

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, 2023	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Non-current liabilities							
Financial liabilities - Borrowings	1,716	–	–	–	1,716	–	1,716
Lease liabilities *	1,176	–	–	–	766	497	1,263
Current liabilities							
Financial liabilities - Borrowings	4,113	3,028	627	458	–	–	4,113
Lease liabilities	234	–	87	255	–	–	342
Trade payables	5,666	5,666	–	–	–	–	5,666
Other financial liabilities	879	879	–	–	–	–	879
Total	**13,784**	**9,573**	**714**	**713**	**2,482**	**497**	**13,979**

* Carrying value represents discounted value as at March 31, 2023

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

As at March 31, 2022	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Non-current liabilities							
Financial liabilities - Borrowings	848	–	–	–	848	–	848
Lease liabilities *	796	–	–	–	796	–	796
Current liabilities							
Financial liabilities - Borrowings	3,065	2,456	276	333	–	–	3,065
Lease liabilities	163	–	140	23	–	–	163
Trade payables	4,404	4,404	–	–	–	–	4,404
Other financial liabilities	700	700	–	–	–	–	700
Total	**9,976**	**7,560**	**416**	**356**	**1,644**	**–**	**9,976**

* Carrying value represents discounted value as at March 31, 2022

(iii) Market risk

Market risk is the risk that the fair value or 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.

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, 2023 and March 31, 2022 are as below:

Particulars	As at March 31, 2023				
	USD	EURO	CHF	JPY	GBP
Financial assets					
Trade receivables	275	395	–	–	1
	275	**395**	**–**	**–**	**1**
Financial liabilities					
Borrowings	23	–	–	–	–
Trade payables	182	108	2	25	–
	205	**108**	**2**	**25**	**–**

Particulars	As at March 31, 2022				
	USD	EURO	CHF	JPY	GBP
Financial assets					
Trade receivables	322	368	–	4	–
	322	**368**	**–**	**4**	**–**
Financial liabilities					
Borrowings	111	–	–	–	–
Trade payables	120	99	–	4	–
	231	**99**	**–**	**4**	**–**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at March 31, 2023 (previous year ended as on March 31, 2022) 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	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
For the year ended March 31, 2023				
USD	1	(1)	1	(1)
EUR	3	(3)	2	(2)
	4	**(4)**	**3**	**(3)**
For the year ended March 31, 2022				
USD	1	(1)	1	(1)
EUR	3	(3)	2	(2)
	4	**(4)**	**3**	**(3)**

USD: United States Dollar, EUR: Euro

Exposure to currency risk

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding Contracts	No. of Deals		Contract value of foreign Currency		Remaining period of maturity: Up to 12 months nominal amount		Remaining period of maturity: More than 12 months nominal amount	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
INR/USD Sell forward	5	13	3	1	260	100	–	–
INR/EUR Sell forward	7	2	8	–	702	17	–	–
INR/USD Buy forward	3	2	2	–	144	–	–	–
INR/EUR Buy forward	3	–	1	–	55	–	–	–
INR/JPY Buy forward	2	–	59	–	37	–	–	–
INR/USD Call Option	1	2	0	1	19	79	–	19
Interest rate swap#								
INR/USD Buy	1	2	0	1	19	79	–	19

Represent principal amount of loan hedged

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Sensitivity analysis

The following table details the group's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currency. The sensitivity analysis includes only outstanding forward exchange contracts as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number below indicates an increase in profit before tax or vice-versa.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
For the year ended March 31, 2023				
INR/USD Sell forward	3	(3)	2	(2)
INR/USD Call option	–	–	–	–
	3	**(3)**	**3**	**(2)**
For the year ended March 31, 2022				
INR/USD Sell forward	1	(1)	1	(1)
INR/USD Call option	1	(1)	1	(1)
	2	**(2)**	**2**	**(2)**

USD: United States Dollar, EUR: Euro

(iii) Market risk

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Exposure to interest rate risk

The Company's interest rate risk arises majorly from the term loans from banks carrying floating rate of interest. These obligations exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable-rate instruments	As at March 31, 2023	As at March 31, 2022
Non current borrowings	1,716	827
Current borrowings	2,715	2,193
Current maturities of non-current borrowings	611	361
Total	**5,042**	**3,381**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points (bps) in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	Profit or loss		Equity, net of tax	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest on term loans from banks				
For the year ended March 31, 2023	(26)	26	(19)	19
For the year ended March 31, 2022	(17)	17	(13)	13

2.50 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 of the parent. 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.

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

Particulars	As at March 31, 2023	As at March 31, 2022
Current borrowings (including current maturities and lease liabilities)	4,347	3,228
Non-current borrowings (including lease liabilities)	2,892	1,644
Less : Cash and cash equivalents	(551)	(243)
Adjusted net debt (A)	**6,688**	**4,629**
Total equity (B)	**13,841**	**11,728**
Adjusted net debt to adjusted equity ratio (A/B)	**48%**	**39%**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

2.50 Information in respect of Joint Ventures and Associates

As at March 31, 2023

Name of the entity	% of Ownership Interest	Total Assets	Total Liabilities	Profit for the year	Other Comprehensive Income	Total Comprehensive Income
	Amount	Amount	Amount	Amount	Amount	Amount
Associate (Investment as per equity method)						
Indian						
Furukawa Minda Electric Private Limited	25%	1,855	2,415	(350)	–	(350)
Jointly controlled entity (Investment as per equity method)						
Indian						
Minda Vast Access Systems Private Limited	50%	1,645	777	(7)	(1)	(8)
Minda Infac Private Limited	51%	128	97	(15)	–	(15)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

As at March 31, 2022

Name of the entity	% of Ownership Interest	Total Assets	Total Liabilities	Profit for the year	Other Comprehensive Income	Total Comprehensive Income
	Amount	Amount	Amount	Amount	Amount	
Associate (Investment as per equity method)						
Indian						
Furukawa Minda Electric Private Limited	25%	2,018	2,228	(137)	2	(135)
Jointly controlled entity (Investment as per equity method)						
Indian						
Minda Instruments Limited (formerly known AS Minda Stoneridge Instruments Limited)	51%	–	–	187	(2)	185
Minda Vast Access Systems Private Limited	50%	1,527	652	34	4	38
Minda Infac Private Limited	51%	80	34	(3)	–	(3)

2.51 Ratio Analysis and its elements

Ratio Analysis and its elements	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% Change	Reason of Variance
(a) Current ratio	Current assets	Current liabilities	1.07	1.37	-21.99%	Not applicable
(b) Debt-equity ratio	Total Debt	Shareholder's Equity	0.42	0.33	26.22%	Increase in ratio is due to new loans taken during the year for capex requirements.
(c) Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	0.88	0.92	-4.69%	Not applicable
(d) Return on equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	18.82%	14.56%	29.26%	Ratio has improved due to increase in profitability in current year
(e) Inventory turnover ratio *	Cost of goods sold	Average Inventory	5.22	4.49	16.29%	Not applicable
(f) Trade receivables turnover ratio *	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	7.52	6.23	20.75%	Not applicable
(g) Trade payables turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	4.53	3.73	21.49%	Not applicable
(h) Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	43.17	8.40	413.92%	Ratio has improved due to higher sales during the year and decrease in bank balances due to investment made during the year.
(i) Net profit ratio	Net Profit	Net sales = Total sales - sales return	6.89%	5.86%	17.56%	Not applicable

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Ratio Analysis and its elements	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% Change	Reason of Variance
(j) Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	13.52%	13.33%	1.45%	Not applicable
(k) Return on investment	Interest (Finance Income)	Investment	6.92%	9.20%	-24.73%	Not applicable
(l) Return on investment	Dividend Income	Investment	5.86%	10.40%	-43.62%	Ratio has changed due to increase in investments during the year.

* Turnover ratios has been computed considering net average receivables / inventory at the year end

2.52 Other statutory information

1. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

2. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

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

4. 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

5. 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,

6. 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 year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

7. The Company has done transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, and the outstanding balances as on the balance sheet date is as below:-

Name of Struck off Company	Nature of transactions with struck-off company	Balance Outstanding as on March 31, 2023	Relationship with the Struck off company, if any, to be disclosed	Balance Outstanding as on March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
Interium Automotive Private Limited	Payable	–	NA	3	NA
Sky Force Security & Alliance Services Private Limited	Payable	–	NA	1	NA
Paradise Plastic Enterprises Ltd	Receivable	–	NA	1	NA

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Name of Struck off Company	Nature of transactions with struck-off company	Balance Outstanding as on March 31, 2023	Relationship with the Struck off company, if any, to be disclosed	Balance Outstanding as on March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
Sumitron Exports Pvt. Ltd.	Payables	3	NA	–	NA
Protectron Electromech Pvt.Ltd	Payables	6	NA	7	NA
Pyrotek India Pvt Ltd.	Payables	1	NA	2	NA
Phoenix Industries Limited	Payables	27	NA	4	NA
Vaibhavi Impolo Auto Comp Pvt. Ltd.	Payable	7	NA	6	NA
Sunrise Autoelectronics Pvt. Ltd.	Payables	13	NA	11	NA
Alok Leasing Pvt. Ltd.	Payables	1	NA	–	NA
Genius Consultant Pvt. Ltd.	Payables	1	NA	1	NA

2.53 Quarterly returns submitted with the bank

The quarterly returns or statements filed by the Company for working capital limits with banks and financial institutions are not in agreement with the books of account of the Company and details of the difference were noted between the amount as per books for respective quarters and amount as reported in the quarterly statements is as follows:

The differences were in case of Debtors amounting to ₹ (71) million (amount reported ₹ 5,186 million vs amount per books of account ₹ 5,257 million), ₹ (4) million (amount reported ₹ 5,483 million vs amount per books of account ₹ 5,487 million), ₹ (36) million (amount reported ₹ 4,921 million vs amount per books of account ₹ 4,957 million) for the quarter ended June 30, 2022, September 30, 2022 and December 31, 2022 respectively.

In the previous year the differences were in case of Debtors amounting to ₹ 917 million (amount reported ₹ 4,424 million vs amount per books of account ₹ 3507 million), ₹ 472 million (amount reported ₹ 4245 million vs amount per books of account ₹ 3774 million), ₹ 250 million (amount reported ₹ 4131 million vs amount per books of account ₹ 3881 million), 577 million (amount reported ₹ 5083 million vs amount per books of account ₹ 4506 million) for the quarter ended June 30, 2021, September 30, 2021, December 31, 2021 and March 31, 2022 respectively.

Further, Creditors had a difference of ₹ 17 million (amount reported ₹ 700 million vs amount per books of account ₹ 718 million), ₹ (71) million (amount reported ₹ 672 million vs amount per books of account ₹ 601 million), ₹ 125 million (amount reported ₹ 846 million vs amount per books of account ₹ 971 million) for the quarter ended June 30, 2022, September 30, 2022 and December 31, 2022; and

In the previous year, Creditors had a difference of ₹ 1317 million (amount reported ₹ 2714 million vs amount per books of account ₹ 4031 million), ₹ 1440 million (amount reported ₹ 2964 million vs amount per books of account ₹ 4405 million), ₹ 1279 million (amount reported ₹ 2768 million vs amount per books of account ₹ 4047 million), 1745 million (amount reported ₹ 2659 million vs amount per books of account ₹ 4404 million) for the quarter ended June 30, 2021, September 30, 2021, December 31, 2021 and March 31, 2022 respectively.; and

Further, Inventory had no difference in amount reported and amount as per books of account, In Inventory, no difference (amount reported ₹ 3960 million vs amount per books of account ₹ 3960 million), no difference (amount reported ₹ 4221 million vs amount per books of account ₹ 4221 million), no difference (amount reported ₹ 4116 million vs amount per books of account ₹ 4116 million) for the quarter ended June 30, 2022, September 30, 2022 and December 31, 2022; and

In previous year, Inventory had a difference of ₹ 217 million (amount reported ₹ 4124 million vs amount per books of account ₹ 3908 million), ₹ 243 million (amount reported ₹ 3996 million vs amount per books of account ₹ 3753 million), ₹ 175 million (amount reported ₹ 4156 million vs amount per books of account ₹ 3981 million) 98 million (amount reported ₹ 3849 million vs amount per books of account ₹ 3751 million) for the quarter ended June 30, 2021, September 30, 2021, December 31, 2021 and March 31, 2022 respectively.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.54 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.

2.55 The Company evaluates events and transactions that occur subsequent to the Balance sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in financial statements. There were no subsequent events to be recognised or reported that are not already disclosed elsewhere in these financial statements.

2.56 Figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary including requirements of the amended Schedule III to the Companies Act 2013, to make them comparable with current year classification.

As per our report of even date attached

For **S R Batliboi & Co. LLP** Chartered Accountants FRN : 301003E/E300005	For and on behalf of the Board of Directors of **Minda Corporation Limited**			
Vikas Mehra Partner Membership No.: 094421	**Ashok Minda** Chairman & Group CEO DIN 00054727	**Aakash Minda** Executive Director DIN 06870774	**Vinod Raheja** Group CFO	**Pardeep Mann** Company Secretary Membership No.: A 13371
Place: New Delhi Date: May 19, 2023	Place: Noida Date: May 19, 2023			

INDEPENDENT AUDITOR'S REPORT

To the Members of **Minda Corporation Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Minda Corporation Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures comprising of the consolidated Balance sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition for sale of goods (as described in Note 2.27 of the consolidated financial statements)	
Revenue from sale of goods is recognized upon the transfer of control of the goods sold to the customer. The Company uses a variety of shipment terms across its operating markets, and this has an impact on the timing of revenue recognition. Revenue is measured by the Company at the fair value of consideration received/receivable from its customers and in determining the transaction price for the sale of products, the Company considers the effects of various factors such as volume-based discounts and price adjustments to be passed on to the customers based on various parameters like negotiations based on savings on materials/share of business, rebates etc. provided to the customers. The Company at the year end, provides for such price variations to be passed on to the customer. There is a risk that revenue could be recognized at incorrect amount on account of the significant judgement and estimate involved in calculation of price variations to be recorded as at the year end and in the incorrect period on account for sales transactions occurring on and around the year end. Therefore, revenue recognition has been identified as a key audit matter.	Our audit procedures included the following: • We evaluated the Company's accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of Ind AS 115 - Revenue from Contracts with Customers. • We performed test of controls of management's process of recognizing the revenue from sales of goods with regard to the timing of the revenue recognition as per the sales terms with the customers and management's process and the assumptions used in calculation of price variations. • We performed audit procedures on a representative sampling of the sales transactions to test that the revenues and related trade receivables are recorded taking into consideration the terms and conditions of the sale orders, including the shipping terms. Also tested, on sample basis, debit/credit notes in respect of agreed price variations passed on to the customers. • We performed audit procedures relating to revenue recognition by agreeing deliveries occurring around the year end to supporting documentation to establish that sales and corresponding trade receivables are properly recorded in the correct period. • We tested completeness, arithmetical accuracy and plausibility of the data used in the computation of price adjustments as per customer contracts and tested, on sample basis, credit notes issued and payment made as per customer contracts / agreed price negotiations. • We assessed the adequacy of revenue related disclosures in the consolidated financial statements.
Current tax Implication on write off of exposure in the erstwhile wholly owned subsidiary (as described in Note 2.47 of the consolidated financial statements)	
During the current year, the Holding Company has written off exposure of ₹2,622 million in an erstwhile wholly owned subsidiary which is undergoing insolvency proceedings in a foreign jurisdiction. The assessment of permissibility of such write off under the applicable FEMA guidelines and its admissibility thereof as a tax allowance under the provision of Income tax Act, 1961 is inherently complex, susceptible to interpretations and require exercise of significant judgement and estimation by the management. Given the significant level of judgement and the quantitative significance, we have determined this to be a key audit matter	Our audit procedures included the following: • Obtained progress of the insolvency administrator from the management. • Obtained the legal opinions of the experts engaged by the management. Assessed their competence and objectivity. • Involved specialist to evaluate the rationale and methodology used by the management experts on the admissibility of the write off as a tax allowance. • Tested the current tax computation prepared by the management and tested whether these write off have been considered. • Assessed the adequacy of the disclosures made in accordance with the relevant accounting standards.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements, and the same is expected to be made available to us after the date of the auditor's report.

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

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 8 subsidiaries, whose financial statements include total assets of ₹ 2,423 million as at March 31, 2023, and total revenues of ₹ 2,602 million and net cash outflows of ₹ 0.1 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of ₹ 84 million for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 1 associates, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the report(s) of such other auditors.

(b) The consolidated financial statements also include the Group's share of net loss of ₹ 7 million for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 1 joint venture and 1 associate, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of this joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, associate companies and joint ventures companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of theother auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

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

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

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report. Further, in case of subsidiaries incorporated outside India, report on the adequacy and the operating effectiveness of the internal financial controls over financial reporting is not applicable and accordingly the possible effect of the same on our reporting has not been considered;

   (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated financial statements – Refer Note 2.37 to the consolidated financial statements;

      ii. The Group, its associates and joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures, incorporated in India during the year ended March 31, 2023.

      iv. a) The respective managements of the Holding Company and its subsidiaries, associate andjoint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint ventures respectively that, to the best of its knowledge and belief, as disclosed in note 2.45 in the consolidated 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 Holding Company or any of such subsidiaries, associate and joint ventures 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 respective Holding Company or any of such subsidiaries, associate and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint ventures respectively that, to the best of its knowledge and belief, as disclosed in note 2.45 in the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries, associate and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associate and joint ventures shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

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

The interim dividend declared and paid during the year by the Holding Company and its subsidiaries incorporated in India and until the date of the respective audit reports of such Holding Company, subsidiaries, associate and joint ventures is in accordance with section 123 of the Act.

As stated in Note 2.17 to the consolidated financial statements, the Board of Directors of the Holding Company, have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

Sd/-
Vikas Mehra
Partner
Membership Number: 094421
UDIN: 23094421BGYFUJ8141

Place of Signature: New Delhi
Date: May 19, 2023

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Minda Corporation Limited ('the Holding Company')

In terms of the information and explanations sought by us and based on the consideration of report of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, we state that:

i) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are

S. No	Name	CIN	Holding Company/subsidiary/associate/Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Furukawa Minda Electric Private Limited	U29253DL2006PTC155275	Associate	ix (d)
2	Furukawa Minda Electric Private Limited	U29253DL2006PTC155275	Associate	xvii
3	Spark Minda Green Mobility Systems Private Limited	U34100DL2021PTC377353	Subsidiary	xvii
4	Minda Infac Private Limited	U29309DL2021PTC385027	Joint Venture	xvii

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

Sd/-
Vikas Mehra
Partner
Membership Number: 094421
UDIN: 23094421BGYFUJ8141

Place of Signature: New Delhi
Date: May 19, 2023

Annexure 2 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Minda Corporation Limited

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

In conjunction with our audit of the consolidated financial statements of Minda Corporation Limited (hereinafter referred to as the "Holding Company") as of and for the year March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors of the relevant subsidiary companies, associate companies and joint venture companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Opinion

In our opinion, the Group, its associates and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 2 subsidiaries, 1 associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, associates and joint ventures incorporated in India.

Further, 2 other subsidiaries and 1 joint venture, being exempted under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 by virtue of 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 over financial reporting, and the auditors of such subsidiaries have not issued a report on adequacy and operating effectiveness of the internal financial control over financial reporting of the subsidiaries and joint ventures, hence the same is not covered by us in our report on internal financial controls over financial reporting.

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

Sd/-
Vikas Mehra
Partner
Membership Number: 094421
UDIN: 23094421BGYFUJ8141

Place of Signature: New Delhi
Date: May 19, 2023

CONSOLIDATED BALANCE SHEET

as at March 31, 2023 (All amounts are in ₹ million unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2.1 (a,b)	8,645	7,204
Capital work-in-progress	2.1 (c)	852	325
Goodwill	2.2	929	929
Other intangible assets	2.3	683	737
Financial assets			
i. Investments	2.4	4,513	642
ii. Other financial assets	2.5	203	166
Deferred tax assets (net)	2.6	225	48
Income-tax assets (net)	2.7	230	144
Other non-current assets	2.8	129	74
Total non-current assets		**16,409**	**10,269**
Current assets			
Inventories	2.9	5,733	4,789
Financial assets			
i. Trade receivables	2.10	6,409	5,688
ii. Cash and cash equivalents	2.11	1,079	708
iii. Other bank balances	2.12	540	2,626
iv. Loans	2.13	–	–
iv. Other financial assets	2.14	832	734
Other current assets	2.15	1,241	905
Total current assets		**15,834**	**15,450**
Total assets		**32,243**	**25,719**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.16	478	478
Other equity	2.17	15,430	12,823
Total equity		**15,908**	**13,301**
Liabilities			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	2.18	1,716	848
ii Lease liabilities	2.35	1,349	970
Provisions	2.19	388	319
Deferred tax liabilities (net)	2.16	152	173
Other non-current liabilities	2.20	41	39
Total non-current liabilities		**3,646**	**2,349**
Current liabilities			
Financial liabilities			
i. Borrowings	2.21	3,810	3,066
ii. Lease liabilities	2.35	256	176
iii. Trade payables	2.22		
– total outstanding dues of micro enterprises and small enterprises		714	453
– total outstanding dues of creditors other than micro enterprises and small enterprises		6,542	5,222
iv. Other financial liabilities	2.23	758	582
Other current liabilities	2.24	469	371
Provisions	2.25	119	136
Current tax liabilities (net)	2.26	21	63
Total current liabilities		**12,689**	**10,069**
Total liabilities		**16,335**	**12,418**
Total equity and liabilities		**32,243**	**25,719**
Significant accounting policies	2		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **S R Batliboi & Co. LLP**
Chartered Accountants
FRN : 301003E/E300005

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

Vikas Mehra
Partner
Membership No.: 094421

Ashok Minda
Chairman & Group CEO
DIN 00054727

Aakash Minda
Executive Director
DIN 06870774

Vinod Raheja
Group CFO

Pardeep Mann
Company Secretary
Membership No.: A 13371

Place: New Delhi
Date: May 19, 2023

Place: Noida
Date: May 19, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	2.27	43,001	29,759
Other income	2.28	158	242
Total income		**43,159**	**30,001**
Expenses			
Cost of materials consumed	2.29	26,174	17,248
Purchase of stock-in-trade		1,853	1,373
Change in inventories of finished goods, work-in-progress and stock-in-trade	2.30	(254)	138
Employee benefits expense	2.31	6,255	4,742
Finance costs	2.32	407	309
Depreciation and amortization expense	2.1(a), 2.1(b), 2.3	1,381	1,120
Other expenses	2.33	4,358	3,313
Total expenses		**40,174**	**28,243**
Profit before exceptional items, share of profit of joint ventures/ associate and income tax		**2,985**	**1,758**
Exceptional item	2.51	–	327
Profit after exceptional items before share of profit of joint ventures/ associate and income tax		**2,985**	**2,085**
Tax expense			
Current tax	2.6	243	547
Tax for earlier year	2.6	(6)	(217)
Deferred tax	2.6	(196)	(90)
Total tax expense		**41**	**240**
Profit after tax before share of profit of joint ventures/ associate		**2,944**	**1,845**
Share of (loss)/ profits of joint ventures/associate (net of taxes)		(99)	74
Profit for the year		**2,845**	**1,919**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement gain/(loss) on defined benefit obligation for holding and subsidiaries		12	(4)
Income tax relating to items that will not be reclassified to profit or loss	2.6	20	1
Net (loss) on equity instruments through Other Comprehensive Income	2.48	(90)	–
Share of remeasurement of defined benefit liabilities (net of tax) of an associate and joint ventures		–	1
Net other comprehensive income not to be reclassified subsequently to profit or loss		**(58)**	**(2)**
Items that will be reclassified subsequently to profit or loss			
Exchange Difference in translating financial statement of foriegn operations		45	31
Net other comprehensive income to be reclassified subsequently to profit or loss		**45**	**31**
Other comprehensive income for the year (net of tax)		**(13)**	**29**
Total comprehensive income for the year		**2,832**	**1,948**
Earnings per share [Par value of ₹ 2 per equity share]	2.34		
Basic		12.10	8.16
Diluted		11.90	8.01
Significant accounting policies	2		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **S R Batliboi & Co. LLP**
Chartered Accountants
FRN : 301003E/E300005

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

Vikas Mehra
Partner
Membership No.: 094421

Place: New Delhi
Date: May 19, 2023

Ashok Minda
Chairman & Group CEO
DIN 00054727

Aakash Minda
Executive Director
DIN 06870774

Vinod Raheja
Group CFO

Pardeep Mann
Company Secretary
Membership No.: A 13371

Place: Noida
Date: May 19, 2023

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before tax and after adding share of share of profit of joint ventures/ associate	2,886	1,832
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expense	1,381	1,120
Share of loss / (profit) of joint ventures and associate (net of taxes)	99	(74)
Impairment allowances for trade receivable and other assets	13	32
Bad debts / amounts written off	4	15
Interest expense	407	309
Loss on sale/discard of property, plant and equipment (net)	3	8
Interest income	(135)	(201)
Liabilities / provisions no longer required written back	(13)	–
Fair value of investment in preference shares	(2)	(1)
Unrealised foreign exchange loss / (profit) (including mark to market on derivative contracts)	(29)	(3)
Gain on derecognition of ROU assets	(1)	(13)
Employee stock option expense	31	21
Others	19	16
	4,663	3,061
Working capital adjustments:		
(Increase) in trade receivables	(701)	(342)
(Increase) in inventories	(937)	(158)
(Increase) / decrease in loans, other financial assets and other assets	(561)	123
Increase / (decrease) in trade payables	1,589	(343)
Increase / (decrease) in other financial liabilities and other liabilities	124	(242)
Increase in provisions	44	56
Cash flow from operating activities post working capital changes	**4,221**	**2,154**
Income tax paid (net)	(347)	(486)
Net cash flows from operating activities (A)	**3,874**	**1,668**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and capital work-in-progress	(2,507)	(1,085)
Proceeds from sale of property, plant and equipment	19	8
Investment in joint venture and associates	–	(1,691)
Investment in others	(4,057)	(30)
Investment in fixed deposits (net)	2,108	2,494
Proceeds from sale of treasury shares	9	17
Interest received	147	214
Net cash flows (used in) investing activities (B)	**(4,281)**	**(73)**

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of interim dividend for the financial year 2021-2022	–	(69)
Payment of interim dividend for the financial year 2022-2023	(96)	–
Payment of dividend pertaining to final dividend for the financial year 2020-2021	–	(84)
Payment of dividend pertaining to final dividend for the financial year 2021-2022	(167)	–
Repayment of long term borrowings (including current maturities)	(451)	–
Proceeds from long term borrowings (including current maturities)	1,500	(468)
(Repayment of) / proceeds from short term borrowings (net)	563	(456)
Interest paid	(260)	(254)
Repayment of principal portion of lease liabilities	(346)	(277)
Net cash generated from/(used in) financing activities (C)	**743**	**(1,608)**
Net (decrease)/ increase in cash and cash equivalents (A + B + C)	**336**	**(13)**
Cash and cash equivalents at the beginning of the year	708	531
Translation adjustment on cash balance	35	7
Cash and cash equivalents acquired on business combination	–	183
Cash and cash equivalents as at the end of the year (refer note 2.10)	1,079	708
Significant accounting policies (refer note 2)		

Notes:

1. The above Consolidated Statement of cash flows has been prepared under the indirect method set out in Indian Accounting Standard (Ind AS)- 7 "Statement of Cash Flow".
2. Refer note no. 2.16 and 2.35 for change in financing activities.

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date attached

For **S R Batliboi & Co. LLP**
Chartered Accountants
FRN : 301003E/E300005

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

Vikas Mehra
Partner
Membership No.: 094421

Ashok Minda
Chairman & Group CEO
DIN 00054727

Aakash Minda
Executive Director
DIN 06870774

Vinod Raheja
Group CFO

Pardeep Mann
Company Secretary
Membership No.: A 13371

Place: New Delhi
Date: May 19, 2023

Place: Noida
Date: May 19, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at April 1, 2021	**478**
Issued during the year	–
Balance as at March 31, 2022	**478**
Issued during the year	–
Balance as at March 31, 2023	**478**

B. Other equity

Particulars	Attributable to owners of the Company											
	Reserves and surplus					Equity component of compound financial instrument-Cumulative redeemable preference share	Treasury shares	Employee stock compen-sation option outstanding	Equity investment through other compre-hensive income	Foreign currency translation reserve	Items of Other Comprehensive Income	Total
	Capital reserve	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings						Remeasurement of defined benefit obligations	
Balance as at April 1, 2022	**567**	**192**	**4,836**	**567**	**6,569**	**47**	**(8)**	**28**	**–**	**25**	**–**	**12,823**
Profit for the year	–	–	–	–	2,845	–	–	–	–	–	–	2,845
Other comprehensive income	–	–	–	–	–	–	–	–	(67)	45	9	(13)
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**2,845**	**–**	**–**	**–**	**(67)**	**45**	**9**	**2,832**
Premium on issue of shares by ESOP Trust	–	–	4	–	–	–	–	–	–	–	–	4
Profit on sale of treasury shares	–	–	–	–	4	–	–	–	–	–	–	4
Issue of equity shares on exercise of share based awards during the year	–	–	–	9	–	–	–	(9)	–	–	–	–
Remeasurement of defined benefit liability/(asset)	–	–	–	–	9	–	–	–	–	–	(9)	–
Employee stock compensation expense	–	–	–	–	–	–	–	31	–	–	–	31
Interim dividend (refer footnote 2 below)	–	–	–	–	(96)	–	–	–	–	–	–	(96)
Final dividend (refer footnote 1 below)	–	–	–	–	(168)	–	–	–	–	–	–	(168)
Balance as at March 31, 2023	**567**	**192**	**4,840**	**576**	**9,163**	**47**	**(8)**	**50**	**(67)**	**70**	**–**	**15,430**
Balance as at April 1, 2021	**567**	**192**	**4,828**	**549**	**4,795**	**47**	**(9)**	**25**	**–**	**(6)**	**–**	**10,988**
Profit for the year	–	–	–	–	1,919	–	–	–	–	–	–	1,919
Other comprehensive income	–	–	–	–	–	–	–	–	–	31	(2)	29
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**1,919**	**–**	**–**	**–**	**–**	**31**	**(2)**	**1,948**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	Attributable to owners of the Company											Total
	Reserves and surplus					Equity component of compound financial instrument- Cumulative redeemable preference share	Treasury shares	Employee stock compen-sation option outstanding	Equity investment through other compre-hensive income	Foreign currency translation reserve	Items of Other Comprehensive Income	
	Capital reserve	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings						Remeasurement of defined benefit obligations	
Premium on issue of shares by ESOP Trust	–	–	8	–	–	–	–	–	–	–	–	8
Profit on sale of treasury shares	–	–	–	–	10	–	–	–	–	–	–	10
Issue of equity shares on exercise of share based awards during the year	–	–	–	18	–	–	–	(18)	–	–	–	–
Remeasurement of defined benefit liability/(asset)	–	–	–	–	(2)	–	1	–	–	–	2	1
Employee stock compensation expense	–	–	–	–	–	–	–	21	–	–	–	21
Interim dividend (refer footnote below)	–	–	–	–	(69)	–	–	–	–	–	–	(69)
Final dividend (refer footnote below)	–	–	–	–	(84)	–	–	–	–	–	–	(84)
Balance as at March 31, 2022	**567**	**192**	**4,836**	**567**	**6,569**	**47**	**(8)**	**28**	**–**	**25**	**–**	**12,823**

(1) The Company has paid final dividend for the year ended March 31, 2022 of ₹ 0.70 (absolute amount) for every equity share of ₹ 2 (absolute amount) for the year after the approval of shareholders.

(2) The Company has paid interim dividend of ₹ 0.30 (absolute amount) for every equity share of ₹ 2 (absolute amount) {March 31, 2022 ₹ 0.30 (absolute amount)}.

(3) The Board of Directors of the Holding Company, in their meeting held on May 19, 2023, recommended a final dividend of ₹0.80 per equity share (40%) (face value of ₹ 2 per share) aggregating to ₹ 191 million for the year ended March 31, 2023 subject to approval of shareholders in ensuing Annual General Meeting of the Company. The total dividend declared for the financial year 2022-23 is ₹1.20 per equity share (60%) (face value of ₹ 2 per share)

(4) Refer note 2.16 for nature and purpose of other equity.

Significant accounting policies (refer note 2)

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date attached

For **S R Batliboi & Co. LLP**
Chartered Accountants
FRN : 301003E/E300005

Vikas Mehra
Partner
Membership No.: 094421

Place: New Delhi
Date: May 19, 2023

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

Ashok Minda
Chairman & Group CEO
DIN 00054727

Aakash Minda
Executive Director
DIN 06870774

Vinod Raheja
Group CFO

Pradeep Mann
Company Secretary
Membership No.: A 13371

Place: Noida
Date: May 19, 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

1. Corporate Information

Minda Corporation Limited (the 'Company' or the 'Parent 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 D-6-11, Sector 59, Noida, Uttar Pradash - 201301. The Company has been incorporated under the provisions of Indian Companies Act, 1956 and its equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has wholly owned subsidiaries in India, Germany, Indonesia and Vietnam. The Company, its subsidiaries, its joint ventures and associate (together referred to as "the Group") are primarily involved in manufacturing of Automobile Components and Parts thereof.

The consolidated financial statements were authorized for issue by the Group's Board of Directors on May 19, 2023.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Basis of preparation

(i) Statement of compliance

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

(ii) Functional and presentation currency

The management has determined the currency of the primary economic environment in which the group operates i.e., functional currency, to be Indian Rupees (₹). All amounts have been rounded-off to the nearest million Rupees unless otherwise indicated. Further, at some places '-' are also put up to values below ₹ 500,000 to make financials in round off to Rupees in millions.

(iii) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities (including derivatives instruments)	Fair value
Share-based payments	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

(iv) Use of assumptions, estimates and judgements

In preparation of these consolidated financial statements, management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements.

Assumptions, judgement and estimation uncertainties

- Recognition and estimation of tax expense including deferred tax – Note 2.6
- Estimated impairment of financial and non-financial assets – Note 2(D)(ix) and Note 2(E)(xxi)
- Assessment of useful life of property, plant and equipment and intangible asset – Note 2(D)(v) and Note 2(D)(vi)
- Estimation of obligations relating to employee benefits: key actuarial assumptions – Note 2.19.2
- Valuation of Inventories – Note 2(D)(viii)
- Share based payments – Note 2.41

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

- Recognition and measurement of provisions and contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 2.19, Note 2.25, Note 2.26 and Note 2.37
- Fair value measurement – Note 2.43

(v) Measurement of fair values

A number of accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Also, fair value of financial instruments measured at amortised cost is disclosed in Note 2.43.

B. Principles of Consolidation

(i) Subsidiaries:

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Equity method:

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the Group's share of other comprehensive income of the investee in other comprehensive income.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, then unless it has incurred obligations or made payments on behalf of the other entity, Group does not recognise further losses, Unrealised gains on transactions between the Group and its equity accounted investees are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

The details of the consolidated entities are as follows:

Name of the Company	Country of Incorporation	Nature of Interest	% of Ownership	
			March 31, 2023	March 31, 2022
Subsidiaries / Step-Subsidiaries				
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) *	India	Subsidiary	100	100
Spark Minda Green Mobility Systems Private Limited	India	Subsidiary	100	100
Minda Europe B.V.	Netherlands	Subsidiary	100	100
Almighty International PTE Ltd. ('Almighty')	Singapore	Subsidiary	100	100
PT Minda Automotive Indonesia ('PT Minda')	Indonesia	Subsidiary of 'Almighty'	100	100
PT Minda Automotive Trading Indonesia	Indonesia	Subsidiary of 'PT Minda'	100	100
Minda Vietnam Automotive Company Limited	Vietnam	Subsidiary of 'Almighty'	100	100
Minda Corporation Ltd. Employees Stock Option Scheme	India	Subsidiary	100	100
Spark Minda Foundation	India	Subsidiary	100	100
Jointly Controlled Entities/Associates				
Minda Vast Access Systems Private Limited	India	Jointly Controlled Entity	50	50
Minda Infac Private Limited	India	Jointly Controlled Entity	51	51
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) *	India	Jointly Controlled Entity	Nil	Nil
Furukawa Minda Electric Private Limited (formerly Minda Furukawa Electric Private Limited)	India	Associate	25	25
EVQ Point Solutions Private Limited**	India	Associate of 'Spark Minda Green Mobility Systems Private Limited'	29.5	29.5

* Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) became wholly owned subsidiary from January 1, 2022. Upto December 31, 2021 it was a Jointly Controlled Entity.

** During the year, Spark Minda Mobility Systems Private Limited has acquired 29.5% stake and accordingly it become step associate of the Group.

C. Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair value of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group.
- fair value of any asset or liability resulting from contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at their fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition related costs are expenses as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

- acquisition date fair value of any previous equity interest in the acquired entity

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognized directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest is remeasured to fair value at the acquisition date. Any gains arising from such remeasurement are recognized in the consolidated statement of profit and loss or other comprehensive income, as appropriate.

D. Summary of significant accounting policies

i) Current and non-current classification

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

Assets:

An asset is classified as current when it is:

a) expected to be realised the assets, or intends to sell or consume it, in its normal operating cycle;

b) held the asset primarily for the purpose of trading;

c) expected to realised the asset within 12 months after the reporting period; or

d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

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

Liabilities

A liability is classified as current when:

a) it is expected to settled in its normal operating cycle;

b) it is held primarily for the purpose of trading;

c) it is due to be settled within 12 months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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.

ii) Foreign currency transactions and translations

Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of transactions and monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, are translated at the balance sheet date exchange rates. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the balance sheet date exchange rates are generally recognised in consolidated statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing cost are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments (other than investment in subsidiaries and joint ventures) held at fair value through profit or loss are recognized in consolidated statement of profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments (other than investment in subsidiaries and joint ventures) classified as FVOCI are recognized in other comprehensive income.

The derivative financial instruments such as forward exchange contracts to hedge its risk associated with

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

foreign currency fluctuation are stated at fair value. Any gains or losses arising from changes in fair value are taken directly to the consolidated statement of profit or loss.

Foreign Operations

The assets and liabilities of foreign operations (subsidiaries) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss, are translated into the functional currency using the exchange rates at the dates of transactions and monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, are translated at the balance sheet date exchange rates. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the balance sheet date exchange rates are generally recognised in consolidated statement of profit and loss.

iii) Measurement of fair values

A number of accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Also, fair value of financial instruments measured at amortised cost is disclosed in Note 2.43.

iv) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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

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

Sale of goods

The Group recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

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Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition:

a) The Group's contracts with customers could include promises to transfer products to a customer. The Group assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component, if any. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

c) The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

d) The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

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.

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Dividend and interest income

Dividend income is recognized when the right to receive the income is established. Income from interest on deposits, loans and interest-bearing securities is recognized using the effective interest method.

v) Property, plant and equipment

(a) Recognition and measurement

Item of property, plant and equipment are carried at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, import duties and non-refundable purchase taxes, duties or levies, after deducting trade discounts and rebates, any other directly attributable cost of bringing the property, plant and equipment to its working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located. The present value of the expected cost for the decommissioning of an property, plant and equipment after its use is included in the cost of the respective property, plant and equipment if the recognition criteria for a provision are met. Refer to note 2.A.v regarding significant accounting judgements, estimates and assumptions. All other repairs and maintenance are charged to consolidated statement of profit or loss as incurred, if any.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

A property, plant and equipment is eliminated from the consolidated financial statements on disposal or when no further benefit is expected from its use and disposal. Property, plant and equipment retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising disposal of property, plant and equipment is recognized in the consolidated statement of profit and loss.

Once classified as held-for-sale, property, plant and equipment are no longer depreciated.

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.

Advance paid towards the acquisition of property, plant and equipment are shown under non-current asset and property, plant and equipment under construction are disclosed as capital work-in-progress. Capital work in progress includes cost of property, plant and equipment at site, direct and indirect expenditure incidental to construction and interest on the funds deployed for construction.

(b) Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The costs of the day to day servicing of property, plant and equipment are recognised in the consolidated statement of profit and loss as incurred.

(c) Derecognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. 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 in the consolidated statement of profit and loss.

(d) Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method at the rates reflective of the estimated useful life of the assets estimated by the management.

The identified components are depreciated over their useful life, the remaining asset is

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depreciated over the life of the principal asset. Leasehold improvements are depreciated over the shorter of the lease term and their useful lives. Freehold land is not depreciated.

The Group has estimated the following useful lives to provide depreciation:

Property, plant and equipment category	Useful life
Factory Buildings	30 years
Plant and Machinery	5 – 15 years
Tools	5 years
Electrical Installations	10 years
Office Equipment	5 years
Furniture & Fixtures	10 years
Computer hardware	3 years
Vehicles	4 Years

Leasehold Improvements are amortised on the straight-line basis over the lower of primary period of lease.

The management has estimated, supported by independent assessment by technical experts, professionals, the useful lives vehicles as 4 years which is lower than those indicated in Schedule II.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives are realistic and reflect fair value approximation of the period over which the assets are likely to be used.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

vi) Goodwill and other intangible assets

a) Recognition and measurement

Intangible assets comprise of goodwill, computer software, brands/trademarks and technical know-how acquired for internal use and are recorded at the consideration paid for acquisition of such assets are carried at cost less accumulated amortization and accumulated impairment, if any.

Cost of intangible assets under development as at the reporting date are disclosed as intangible assets under development.

Goodwill on consolidation represents the excess of purchase consideration over the net book value of the assets acquired of the subsidiary companies as on the date of acquisition. Other goodwill represents the excess of purchase consideration over the fair value of net assets/ liabilities purchased.

b) Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

c) Derecognition

Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the consolidated statement of profit and loss.

d) Amortisation

The intangible assets (except goodwill on consolidation) are amortized over a period of five years and customers contracts over 8 years, which in the management's view represents the economic useful life. Customer contracts are amortized over a period of eight years. Amortization expense is charged on a pro-rata basis for assets purchased during the year. The appropriateness of the amortization period and the amortization method is reviewed at each financial year-end. Goodwill on consolidation is tested for impairment on an annual basis.

Intangible assets are derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss.

vii) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or development of

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qualifying assets are capitalized. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Other borrowing costs are recognized as an expense in the consolidated statement of profit and loss in the year in which they are incurred.

viii) Inventories

Inventories which include raw materials, work in progress, finished goods, stock in trade and stores 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 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, wherever applicable.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realizable value is made on an item-by-item basis

ix) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. 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. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

The Group'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 Consolidated Statement of Profit and Loss. Impairment losses of continuing operations, including impairment on inventories, are recognized in the consolidated statement of profit and loss.

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In regard to assets for which impairment loss has been recognized in prior period, the Group 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.

Goodwill is tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired

x) Research and Development

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

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 Group's policy as stated above. Expenditure incurred at development phase, where it is reasonably certain that outcome of development will be commercially exploited to yield economic benefits to the Group, is considered as an intangible asset and amortized over the estimated life of the assets.

xi) Government Grant and Subsidies

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all the attached conditions.

Government grant relating to income are deferred and recognized in the consolidated statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income other than export benefits which are accounted for in the year of export based on eligibility and there is no uncertainty in receiving the same.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the consolidated statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within income.

xii) Dividend

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

xiii) Employee Benefits

Short – term employee benefits

All employee benefits payable / available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the consolidated statement of profit and loss in the period in which the employee renders the related service on an undiscounted basis.

Defined contribution plan:

Provident fund: Eligible employees of the Indian entities receive benefits from the provident fund, which is a defined contribution plan. Both the employees and the Indian entity make monthly contributions to the provident fund (with Regional Provident Fund Commissioner) equal to specified percentage of the covered employee's basic salary. The Group has no further obligations under the plan beyond its monthly contributions.

Eligible employees of certain overseas entities receive benefits from the social security contribution plans, which is a defined contribution plan. These entities have no further obligations under the plan beyond its monthly contributions.

Defined benefit plan:

Gratuity: The Indian entities provide for gratuity, a defined benefit retirement Plan (the "Gratuity Plan") covering eligible employees. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. Liabilities related to the Gratuity Plan are determined by actuarial valuation as at the balance sheet date.

Other long-term employee benefit:

Compensated absence: Un-availed leaves for the year are accumulated and allowed to carried over to the next year and are within service period of the employees in accordance with the service rules of the Group. Provision for compensated absence is made by the Indian entities based on the amount payable as per the above service, based on actuarial valuation as at the balance sheet date. Eligible employees of certain overseas entities receive vacation pay, being other long term employee benefit.

Other employee benefit plans:

Actuarial valuation:

The liability in respect of all defined benefit plans and other long term employee benefit is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary primarily using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows.

The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in 'other equity' in the consolidated statement of Changes in Equity and in the consolidated Balance Sheet.

xiv) Accounting for warranty

Warranty costs are estimated by the Group on the basis of past experience of costs. Provision is made for the estimated liability in respect of warranty costs in the year of recognition of revenue and is included in the consolidated statement of profit and loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

xv) Leases

The Effective April 1, 2019, the Group has applied Ind AS 116 using modified retrospective approach.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assess whether:

the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

the Group has the right to obtain substantially all of the economic benefits from use of the asset through the period of use; and

the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:

- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used

An entity shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

This policy is applicable to contracts entered into, or changed, on or after April 1, 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Group as a lessee

The Group accounts for assets taken under lease arrangement in the following manner:

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

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The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use assets are determined on the basis of remaining lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight- line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

xvi) Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as non-current investments.

xvii)Income taxes

Income tax expense comprises current and deferred tax. It is recognised in consolidated statement of profit and loss except to the extent that it relates to items recognised directly in equity.

a. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income

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 or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions wherever appropriate.

When the Group concludes that it is not probable that the taxation authority will accept an uncertain tax treatment, the Group reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates. The Group reflects the effect of uncertainty for each uncertain tax treatment by using the most likely amount method.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

b. 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. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. The carrying value deferred tax assets unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised. Significant management judgement is required to determine the probability of deferred tax asset. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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.

The criteria for recognising deferred tax assets arising from the carryforward of unused tax losses and tax credits are the same as the criteria for recognising deferred tax assets arising from deductible temporary differences. However, the existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, the Group recognises a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

xviii) Earnings per Share

Basic earnings/ (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

xix) Provisions, contingent liabilities and contingent assets

A provision is created when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow

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of resources embodying economic benefits to settle such obligation and the amount of such obligation can be reliably estimated. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value money and risks specific to the liability. When discounting is used, the increase in the provision due to passage of time is recognised as finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Group. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

The Group does not recognise assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, subsequently, if it becomes virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in the consolidated financial statements of the period in which the change occurs.

xx) Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash balance with bank, and highly liquid investments with maturity period of three months or less from the date of investment.

xxi) 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.

Initial recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

– Amortized cost;

– Fair Value through Other Comprehensive Income ('FVOCI') – debt instrument;

– FVOCI – equity investment; or

– FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

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

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables. Group has

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recognized financial assets viz. security deposit, trade receivables, employee advances at amortized cost.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Consolidated Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is re-classified from the equity to Consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity investments

Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

Investments in joint ventures/ associate

Investments in joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in joint ventures, the difference between net disposal proceeds and the carrying amounts are recognized in the Consolidated Statement of Profit and Loss.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

– the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

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- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial Assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss. However, see Note 2.43 for derivatives designated as hedging instruments.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investment at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investment at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

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Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

Derecognition

Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments and hedge accounting

The Group uses derivative instruments such as foreign exchange forward contracts and currency swaps to hedge its foreign currency and interest rate risk exposure. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

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

Compound financial instruments - convertible preference shares

Compound financial instruments issued by the Group comprise of convertible preference shares that can be converted to equity shares of the Group. Convertible preference shares are bifurcated into liability and equity components based on the terms of the contract.

The liability component of convertible preference shares is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of convertible preference shares is not remeasured subsequently.

Interest related to the liability component is recognised in Consolidated Statement of Profit and Loss. On conversion, the liability component is reclassified to equity and no gain or loss is recognised.

Impairment of financial assets

The Group recognizes loss allowances for expected credit losses on:

– Financial assets measured at amortized cost; and

– Financial assets measured at FVOCI – debt instruments.

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At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt instruments at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit – impaired includes the following observable data:

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to the Consolidated Statement of the Profit and Loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Group's procedures for the recovery of amount due.

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

a. Financial assets that are debt instruments, and are measured at amortized cost e.g., deposits and advances

b. Trade receivables that result from transactions that are within the scope of Ind AS 115

c. Financial guarantee contracts which are not measured as at FVTPL.

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group 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 EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

  ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Consolidated Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Consolidated Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

xxii) Employee stock option schemes

The Group has adopted the policy to account for Employees Welfare Trust as a legal entity separate from the Group but as a subsidiary of the Group. Any loan from the Group to the trust is accounted for as a loan in accordance with its term. The cost is calculated based on the fair value method i.e. the excess of fair value of underlying equity shares as of the date of the grant of options over the exercise price of such options is regarded as employee compensation and in respect of the number of options that are expected to ultimately vest, such cost is recognised on a straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares. The grant date fair value of options granted to employees of the Group is recognized as an employee expense, and those granted to employees of subsidiaries is considered as the Group's equity contribution and is added to the carrying value of investment in the respective subsidiaries, with a corresponding increase in share option outstanding account, over the period that the employees become unconditionally entitled to the options. The cost recognised at any date at least equals the fair value of the vested portion of the option at that date. Adjustment, if any, for difference in initial estimate for number of options that are expected to ultimately vest and related actual experience is recognised in the Consolidated Statement of Profit and Loss of that period. In respect of vested options expire unexercised, the related cumulative cost is credited to the General Reserve. Note – 2.41.

The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share-based payment transaction is presented as a separate component in equity under "employee stock option outstanding account". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black Scholes Merton). Corresponding balance of a share-based payment reserve is transferred to general reserve upon expiry of grants or upon exercise of stock options by an employee, as the Group is operating the Employee Stock Option schemes through Minda Corporation Limited Employee Stock Option Scheme Trust, which has purchased share from the Group.

xxiii) Treasury shares

The Group has created an Employee Stock Option Plan Trust ('Minda Corporation Limited Employee Stock Option Scheme Trust' or 'ESOP trust') for providing share-based payment to its employees. The Group uses ESOP trust as a vehicle for transferring shares to employees under the employee remuneration schemes. ESOP Trust buys shares of the Group, for giving shares to the Group's employees as part of ESOP scheme. The shares held by ESOP Trust are treated as treasury shares.

Own equity instruments (treasury shares) are recognized at cost and deducted from other equity. No gain or loss is recognized In Consolidated

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Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration is recognized in reserves. Share options exercised during the year are satisfied with treasury shares.

xxiv) Exceptional items

When an item of income or expense within Consolidated Statement of profit and loss from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the year, the nature and amount of such items is disclosed as exceptional items.

E. New and amended standards

The Group or the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2022.

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 1, 2022.

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

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

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

The amendment did not have any impact on financial statement of the Group.

(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 April 1, 2022. These amendments had no impact on the financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

(iii) Reference to the Conceptual Framework – Amendments to Ind AS 103

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

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

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

In accordance with the transitional provisions, the Group applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

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

(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 April 1, 2022 but do not apply to the Group as it is not a first-time adopter.

(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.

In accordance with the transitional provisions, the Group applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the financial statements of the Group as there were no modifications of the Group's financial instruments during the period.

(vi) 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 April 1, 2022. The amendments had no impact on the financial statements of the Group as it did not have assets in scope of Ind AS 41 as at the reporting date.

F. Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 1, 2023.

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

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

The amendments are effective for annual reporting periods beginning on or after April 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Group's financial statements.

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

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

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

The amendments are not expected to have a material impact on the accounting policy information included in the Group's financial statements.

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

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no

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longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 1, 2023.

The Group is currently assessing the impact of the amendments.

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2.1(a) Property, plant and equipment

	Gross block						Accumulated depreciation						Net block
	Balance as at April 1, 2022	Additions	Acquired through business acquisition	Disposals	Translation Adjustment	Balance as at March 31, 2023	Balance as at April 1, 2022	Depre-ciation	Acquired through business acquisition	On disposals	Translation Adjustment	Balance as at March 31, 2023	Balance as at March 31, 2023
	(a)	(b)	(c)	(d)	(e)	(f) = (a+b+c-d-e)	(g)	(h)	(i)	(j)	(k)	(l) = (g+h+i-j-k)	(m) = (f-l)
Freehold land	222	–	–	–	(5)	227	–	1	–	–	–	1	226
Buildings	1,631	134	–	1	(11)	1,775	381	83	–	1	(4)	467	1,308
Leasehold improvements	152	46	–	–	–	198	66	12	–	–	–	78	120
Plant and equipment	7,241	1,606	–	130	(13)	8,730	3,167	811	–	110	(11)	3,879	4,851
Furniture and fixtures	190	31	–	2	–	219	112	21	–	1	–	132	87
Vehicles	185	41	–	43	(1)	184	115	23	–	35	–	103	81
Office equipment	187	44	–	8	(1)	224	125	18	–	7	–	136	88
Computer hardware	248	80	–	12	(1)	317	157	46	–	12	(1)	192	125
Total (a)	**10,056**	**1,982**	**–**	**196**	**(32)**	**11,874**	**4,123**	**1,015**	**–**	**166**	**(16)**	**4,988**	**6,886**

Notes:

(i) Refer to note 2.18 and 2.21 for information on property, plant and equipment pledged as security by the Group.

(ii) For commitments with respect to property, plant and equipment, refer note 2.37.

(iii) On transition to Ind AS (i.e. April 1, 2016), the Group has elected to continue with the carrying value of all property, plant and equipment measured as per previous GAAP and used that carrying value as the deemed cost of property, plant and equipment.

2.1(b) Right of Use Assets

	Gross block						Accumulated depreciation						Net block
	Balance as at April 1, 2022	Additions*	Acquired through business acquisition	Disposals	Translation Adjustment	Balance as at March 31, 2023	Balance as at April 1, 2022	Depre-ciation*	Acquired through business acquisition	On disposals	Translation Adjustment	Balance as at March 31, 2023	Balance as at March 31, 2023
	(a)	(b)	(c)	(d)	(e)	(f) = (a+b+c-d-e)	(g)	(h)	(i)	(j)	(k)	(l) = (g+h+i-j-k)	(m) = (f-l)
Leasehold land	284	3	–	–	–	287	29	22	–	–	–	51	236
Building	1,507	784	–	22	–	2,269	495	259	–	3	–	751	1,518
Plant and equipment	6	–	–	–	–	6	2	–	–	–	–	2	5
Total (b)	**1,797**	**787**	**–**	**22**	**–**	**2,562**	**526**	**281**	**–**	**3**	**–**	**804**	**1,759**
Total (a+b)	**11,853**	**2,769**	**–**	**218**	**(32)**	**14,436**	**4,649**	**1,296**	**–**	**169**	**(16)**	**5,792**	**8,645**

*During the year, the Company has capitalised interest expense and depreciation expense of ₹ 21 million and ₹ 37 million respectively.

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2.2(a) Property, plant and equipment as at March 31, 2022

	Gross block						Accumulated depreciation						Net block
	Balance as at April 1, 2021	Additions	Acquired through business acquisition*	Disposals	Translation Adjustment	Balance as at March 31, 2022	Balance as at April 1, 2021	Depre-ciation	Acquired through business acquisition*	On disposals	Translation Adjustment	Balance as at March 31, 2022	Balance as at March 31, 2022
	(a)	(b)	(c)	(d)	(e)	(f) = (a+b+c-d-e)	(g)	(h)	(i)	(j)	(k)	(l) = (g+h+i-j-k)	(m) = (f-l)
Freehold land	138	–	80	–	(4)	222	–	–	–	–	–	–	222
Buildings	1,377	75	171	–	(8)	1,631	238	72	68	–	(3)	381	1,250
Leasehold improvements	144	8	–	–	–	152	54	12	–	–	–	66	86
Plant and equipment	5,505	852	976	98	(6)	7,241	2,000	676	582	95	(4)	3,167	4,074
Furniture and fixtures	164	8	19	1	–	190	78	19	16	1	–	112	78
Vehicles	177	37	18	48	(1)	185	117	24	12	36	2	115	70
Office equipment	162	16	15	6	–	187	102	16	12	5	–	125	62
Computer hardware	165	48	39	5	(1)	248	108	30	22	4	(1)	157	91
Total	**7,832**	**1,044**	**1,318**	**158**	**(20)**	**10,056**	**2,697**	**849**	**712**	**141**	**(6)**	**4,123**	**5,933**

* Also refer note 2.51

Notes:

(i) Refer to note 2.18 and 2.21 for information on property, plant and equipment pledged as security by the Group.

(ii) For commitments with respect to property, plant and equipment, refer note 2.37.

(iii) On transition to Ind AS (i.e. April 1, 2016), the Company has elected to continue with the carrying value of all property, plant and equipment measured as per previous GAAP and used that carrying value as the deemed cost of property, plant and equipment.

2.1(b) Right of Use Assets

	Gross block						Accumulated depreciation						Net block
	Balance as at April 1, 2021	Additions	Acquired through business acquisition**	Disposals***	Translation Adjustment	Balance as at March 31, 2022	Balance as at April 1, 2021	Depre-ciation	Acquired through business acquisition**	On disposals	Translation Adjustment	Balance as at March 31, 2022	Balance as at March 31, 2022
	(a)	(b)	(c)	(d)	(e)	(f) = (a+b+c-d-e)	(g)	(h)	(i)	(j)	(k)	(l) = (g+h+i-j-k)	(m) = (f-l)
Leasehold land	284	–	–	–	–	284	23	6	–	–	–	29	255
Building**	664	873	55	85	–	1,507	318	212	19	54	–	495	1,012
Plant and equipment	6	–	–	–	–	6	2	–	–	–	–	2	4
Total	**954**	**873**	**55**	**85**	**–**	**1,797**	**343**	**218**	**19**	**54**	**–**	**526**	**1,271**
Total (a+b)	**8,786**	**1,917**	**1,373**	**243**	**(20)**	**11,853**	**3,040**	**1,067**	**731**	**195**	**(6)**	**4,649**	**7,204**

**Also refer note 2.51

*** Includes ₹ 25 million whereby the management intends to vacate the one of its office space.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.1 (c) Capital work in progress

Particulars	As at March 31, 2023	As at March 31, 2022
Capital work in progress	852	325

As at March 31, 2023	Amount in Capital Work in Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	780	71	1	–	852
Projects temporarily suspended	–	–	–	–	–
Total	**780**	**71**	**1**	**–**	**852**

As at March 31, 2022	Amount in Capital Work in Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	279	45	1	–	325
Projects temporarily suspended	–	–	–	–	–
Total	**279**	**45**	**1**	**–**	**325**

Note:

Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan in ₹ Nil as at March 31, 2023 (March 31, 2022: ₹ Nil)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.2 Goodwill

	Gross block						Accumulated amortization					Net block
	Balance as at April 1, 2022	Additions	Acquired through business acquisition	Disposals	Translation Adjustment	Balance as at March 31, 2023	Balance as at April 1, 2022	Impair-ment for the year	On disposals	Translation Adjustment*	Balance as at March 31, 2023	Balance as at March 31, 2023
	(a)	(b)	(c)	(d)	(e)	(f) = (a+b-c-d-e)	(g)	(h)	(i)	(j)	(k) = (g+h-i-j)	(l) = (f-k)
Goodwill	929	–	–	–	–	929	–	–	–	–	–	929
Total	**929**	**–**	**–**	**–**	**–**	**929**	**–**	**–**	**–**	**–**	**–**	**929**

	Gross block						Accumulated amortization					Net block
	Balance as at April 1, 2021	Additions	Acquired through business acquisition*	Disposals	Translation Adjustment	Balance as at March 31, 2022	Balance as at April 1, 2021	Impair-ment for the year	On disposals	Translation Adjustment*	Balance as at March 31, 2022	Balance as at March 31, 2022
	(a)	(b)	(c)	(d)	(e)	(f) = (a+b-c-d-e)	(g)	(h)	(i)	(j)	(k) = (g+h-i-j)	(l) = (f-k)
Goodwill	299	–	630	–	–	929	–	–	–	–	–	929
Total	**299**	**–**	**630**	**–**	**–**	**929**	**–**	**–**	**–**	**–**	**–**	**929**

*Refer note 2.51

Impairment testing of goodwill

For the purposes of impairment testing, goodwill is allocated to the Cash Generating Unit (CGU) which represents the lowest level at which the goodwill is monitored for internal management reporting purposes.

The recoverable amount of the cash generating unit was based on its value in use. The value in use of this unit was determined to be higher than the carrying amount and an analysis of the calculation's sensitivity towards change in key assumptions did not identify any probable scenarios where the CGU recoverable amount would fall below their carry amount.

Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU. The calculation as at March 31, 2021 and March 31, 2020 was based on the following key assumptions: "

i. The anticipated annual revenue growth and margin included in the cash flow projections are based on past experience, actual operating results and the 5-year business plan in all periods presented.

ii. The terminal growth rate ranges from 4% to 5% (Previous year: 4% to 5%) representing management view on the future long-term growth rate.

iii. Discount rate ranging from 13% to 15% (Previous year: 13% to 15%) for all periods presented was applied in determining the recoverable amount of the CGU. The discount rate was estimated based on past experience and companies weighted average cost of capital."

The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external sources.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.3 Other intangible assets

	Gross block						Accumulated amortization						Net block
	Balance as at April 1, 2022	Additions	Acquired through business acquisition	Disposals	Translation Adjustment	Balance as at March 31, 2023	Balance as at April 1, 2022	Amortisa-tion for the year	Acquired through business acquisition**	On disposals	Translation Adjustment	Balance as at March 31, 2023	Balance as at March 31, 2023
	(a)	(b)	(c)	(d)	(e)	(f) = (a+b+c-d-e)	(g)	(h)	(i)	(j)	(k)	(l) = (g+h+i-j-k)	(m) = (f-l)
Brands/trademarks	138	–	–	–	–	138	123	3	–	–	–	126	12
Computer software	273	63	–	1	–	335	178	37	–	1	–	214	121
Customer Contracts	645	–	–	–	–	645	20	81	–	–	–	101	544
Technical knowhow	17	5	–	–	–	22	15	1	–	–	–	16	6
Total	**1,073**	**68**	**–**	**1**	**–**	**1,140**	**336**	**122**	**–**	**1**	**–**	**457**	**683**

	Gross block						Accumulated amortization						Net block
	Balance as at April 1, 2021	Additions	Acquired through business acquisition**	Disposals	Translation Adjustment	Balance as at March 31, 2022	Balance as at April 1, 2021	Amortisa-tion for the year	Acquired through business acquisition**	On disposals	Translation Adjustment	Balance as at March 31, 2022	Balance as at March 31, 2022
	(a)	(b)	(c)	(d)	(e)	(f) = (a+b+c-d-e)	(g)	(h)	(i)	(j)	(k)	(l) = (g+h+i-j-k)	(m) = (f-l)
Brands/trademarks	138	–	–	–	–	138	115	8	–	–	–	123	15
Computer software	165	43	68	3	–	273	107	25	49	3	–	178	95
Customer Contracts	–	–	645	–	–	645	–	20	–	–	–	20	625
Technical knowhow	17	–	–	–	–	17	15	–	–	–	–	15	2
Total	**320**	**43**	**713**	**3**	**–**	**1,073**	**237**	**53**	**49**	**3**	**–**	**336**	**737**

** Refer note 2.51

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.4 Investments

Particulars	As at March 31, 2023		As at March 31, 2022	
Investment in equity instruments of equity investee*				
Interest in joint ventures, unquoted				
21,332,700 (March 31, 2022: 21,332,700) equity shares of ₹ 10 each fully paid up in Minda Vast Access Systems Private Limited		430		434
2,550,000 (March 31, 2022: 2,550,000) equity shares of ₹ 10 each fully paid up in Minda Infac Private Limited**		16		24
Investment in associate, unquoted				
29,375,000 (March 31, 2022: 29,375,000) equity shares of ₹ 10 each fully paid up in Furukawa Minda Electric Private Limited		–		84
8,387 (March 31, 2022: 8,387) equity shares of ₹ 10 each fully paid up in EVQ Point Solutions Private Limited ***		50		53
Investment in others				
Investment in equity instruments at cost				
Unquoted equity instruments				
28,180,001 (March 31, 2022: 28,180,001) investment in Minda KTSN Plastic Solutions GmbH & Co. KG, Germany		–	2,207	
Less: Provision for impairment loss (refer note 2.47)		–	(2,207)	
Investment at amortised cost				
Unquoted preference shares				
520,000 (March 31, 2022: 520,000) 0.001% Cumulative redeemable preference shares of ₹100 each in Minda Capital Private Limited ^		19		16
Investment at fair value through OCI				
Quoted equity instruments				
19,140,340 (March 31, 2022: Nil) investment in Pricol Limited (Refer note 2.48)		3,967		–
Unquoted equity instruments				
1,121,667 (March 31, 2022: 1,121,667) equity shares of ₹ 10 each fully paid up in FP West Solar Private Limited		22		22
84,000 (March 31, 2022: 84,000) equity shares of ₹ 10 each fully paid up in AMP Solar Urja Private Limited		1		1
Investment in Compulsorily Convertible Debentures (CCDs)				
Unquoted compulsorily convertible debentures				
84,000 (March 31, 2022: 84,000) CCDs of ₹ 1000 each fully paid up in AMP Solar Urja Private Limited^^		8		8
		4,513		**642**

* Net of Group share of losses.

** During the previous year, the Holding Company has acquired 51% stake in Minda Infac Private Limited for a consideration of ₹ 26 million. The remaining stake is held by Infac Elecs Co. Ltd, Republic of Korea. Based on terms of agreement, Minda Infac Private Limited has been considered to be Joint Venture Company in accordance with Ind AS 28 "Investments in Associates and Joint Ventures".

*** During the previous year, one of the subsidiary has acquired 29.5% stake in EVQ Point Solutions Private Limited

^ 0.001% Cumulative Redeemable preference shares of ₹100 each redeemable at par at the expiry of 20 years from the date of issue. However, the board of the issuer company shall have an option to redeem the same at the expiry of 10 years from the date of allotment.

^^ The Company has subscribed to 0.01% unsecured Compulsorily Convertible Debentures (CCDs) of ₹ 1000/- each. Each CCD is compulsorily convertible into 100 equity shares on the completion period ending December 31, 2044 ("Mandatory Conversion Date"). However, at any time prior to the mandatory conversion date, the issuer company and the holder of CCDs shall have the right to convert each CCD into 100 equity shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate amount of unquoted investments (gross of impairment)	546	2,849
Aggregate book value of quoted investments	4,068	–
Aggregate market value of quoted investments	3,967	–
Aggregate amount of impairment in value of investments	–	2,207

2.5 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Non Current		
Balances with banks		
-Deposits maturity after 12 months from the balance sheet date	6	25
Advances to employees	2	–
Security deposits	104	109
Security deposits to related parties (refer note 2.39)	91	32
	203	**166**

2.6 Income tax & Deferred tax (net)

A. Amounts recognised in statement of profit and loss

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Tax expense	41	240
Current tax		
Current year	243	547
Adjustments in respect of current income tax of previous years *	(6)	(217)
	237	**330**
Deferred tax		
Origination and reversal of temporary differences	(196)	(90)
Tax expense reported in the statement of profit and loss	**41**	**240**

* It also includes reversal of tax provision in respect of certain expenses of discontinued business in earlier years considered as disallowed while recognising tax expense in the books of accounts in earlier years on a conservative basis. However based on legal opinion obtained by the company, such expenses are considered to be allowable as revenue expenditure while filing the return of income with the tax authorities in the current year.

B. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of following items, because it is not probable that future taxable profit will be available

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Impairment loss on investments (refer note 2.47)	17	2,225
Loss allowance on loans and receivable from related parties (refer note 2.47)	169	571
	186	**2,796**
Unrecognised tax effects		
The deductible temporary difference do not expire under current tax legislation (Refer note 2.47)	47	704

C. Amounts recognised in other comprehensive Income

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income tax		
Remeasurement of post employment benefit obligation	3	(1)
Net (loss) on equity instruments through Other Comprehensive Income (Refer note 2.48)	(23)	–
Income tax charges to other comprehensive (income)/expense	**(20)**	**(1)**

D. 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, 2023 and March 31, 2022:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Rate	Amount	Rate	Amount
Total Profit before tax excluding share of profit / (loss) of joint venture and including exceptional item		2,985		1,758
Tax using the Group's domestic tax rate	25.17%	751	25.17%	442
Tax effect of:				
Effect of non deductible expense and exempt income		22		16
DTA on impairment of Investment		(63)		–
DTA not created in earlier years (refer note 2.47)		(660)		–
Tax adjustment for earlier years		(6)		(217)
Impact of income of subsidiary company taxable at lower rate		4		(2)
Tax incentives - 80IC, 80IA and 80JJAA deduction		(1)		(3)
Difference in tax rate in foreign jurisdiction		(12)		(7)
Others		6		11
Tax expense for the period		**41**		**240**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

E. Component of deferred tax asset / (liability) (net)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax asset		
Accrued expense deductible on payment	39	33
Provision for gratuity and compensated absences	105	101
Loss allowance for trade receivables and advances	14	19
Brought forward losses	67	5
Provision for impairment of Financial Assets	63	–
Fair valuation impact on financial assets	23	–
Impact of Ind AS 116	34	43
Others	12	1
	357	**202**
Deferred tax liability		
Difference in book written down value and tax written down value of property, plant and equipment	145	167
Others	139	160
	284	**327**
Deferred tax assest / (liability) (net)	**73**	**(125)**

F. Movement of temporary differences

Particulars		As at April 1, 2022	Acquired through/ Recognised on business acquisition	Credited/ (charge) in statement of profit or loss during 2022-23	Foreign currency translation	Credited/ (charge) in OCI during 2022-23	As at March 31, 2023
Deferred tax assets							
Accrued expense deductible on payment		33	–	6	–	–	39
Provision for gratuity and compensated absences		101	–	7	–	(3)	105
Loss allowance for trade receivables		19	–	(5)	–	–	14
Brought forward losses		5	–	62	–	–	67
Provision for impairment of Financial Assets		–	–	63	–	–	63
Fair valuation impact on financial assets		–	–	–	–	23	23
Impact of Ind AS 116		43	–	(9)	–	–	34
Others		1	–	29	–	–	12
	A	**202**	**–**	**153**	**–**	**20**	**357**
Deferred tax liabilities							
Difference in book written down value and tax written down value of property, plant and equipment		167	–	(22)	–	–	145
Others		160	–	(21)	–	–	139
	B	**327**	**–**	**(43)**	**–**	**–**	**284**
Net deferred tax liability	**(A)-(B)**	**(125)**	**–**	**196**	**–**	**20**	**73**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars		As at April 1, 2021	Acquired through/ Recognised on business acquisition ***	Credited/ (charge) in profit or loss during 2021-22	Foreign currency translation	Credited/ (charge) in OCI during 2021-22	As at March 31, 2022
Deferred tax assets							
Accrued expense deductible on payment		21	1	11	–	–	33
Provision for gratuity and compensated absences		68	5	27	–	1	101
Loss allowance for trade receivables		13	–	6	–	–	19
Brought forward losses		–	–	5	–	–	5
Impact of Ind AS 116		27	19	(3)	–	–	43
Others		–	1	24	–	–	1
	A	**129**	**26**	**70**	**–**	**1**	**202**
Deferred tax liabilities							
Difference in book written down value and tax written down value of property, plant and equipment*		146	37	(16)	–	–	167
Others**		–	163	(3)	–	–	160
	B	**146**	**200**	**(19)**	**–**	**–**	**327**
Net deferred tax	**(A)-(B)**	**(17)**	**(174)**	**89**	**–**	**1**	**(125)**

* Includes Deferred Tax Liability amounting to ₹18 million arising on Business Combination on account of Fair Value of property, plant and equipment as per Ind AS-103 Business Combination on Acquisition of Minda Instruments Limited.

** Represents in Deferred Tax Liability amounting to ₹163 million arising on Business Combination on account of Fair Value of Intangible Asset as per Ind AS-103 Business Combination on Acquisition of Minda Instruments Limited .

*** Represents Deferred Tax Asset/Liability acquired during Acquisition of Minda Instruments Limited {formerly known as Minda Stoneridge Instruments Limited }.

Reflected in Balance Sheet as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	225	48
Deferred tax liabilities	152	173
Deferred tax liabilities (net)	**73**	**(125)**

2.7 Income tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income tax (net)	230	144
	230	**144**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.8 Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances	117	64
Prepaid expenses	6	2
Receivable from government authorities/ others	6	8
	129	**74**

2.9 Inventories

(Valued at cost or net realisable value, whichever is lower)

Particulars	As at March 31, 2023		As at March 31, 2022	
Raw materials (including packing materials, tools and dies)	3,428		2,822	
Add: Material-in-transit	229	3,657	161	2,983
Work-in-progress		724		545
Finished goods	343		332	
Add: Goods-in-transit	457	800	481	813
Stock-in-trade	485		371	
Add: Goods-in-transit	3	488	27	398
Stores and spares		64		50
		5,733		**4,789**

Refer note 2.18 and 2.21 for information on inventories pledged as security.
The cost of inventories recognised as an expense includes ₹ 23 million (Previous year: ₹ 19 million) in respect of write-down of inventory to net realisable value (excluding provision for obsolete inventory).

2.10 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables		
Unsecured, considered good *	6,317	5,604
Trade Receivables – which have significant increase in credit risk	–	–
Trade receivable – credit impaired	57	76
Receivable from related parties (refer note 2.39)	92	84
	6,466	**5,764**
Impairment Allowance (allowances for doubtful debts)		
Unsecured, considered good	–	–
Trade Receivables – which have significant increase in credit risk	–	–
Trade receivable – credit impaired	(57)	(76)
Total Trade Receivables	**6,409**	**5,688**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Trade receivables Ageing Schedule

As at March 31, 2023	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good*	5,713	592	82	20	2	–	6,409
Undisputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Undisputed trade receivable – credit impaired	–	–	13	9	–	35	57
Disputed trade receivables - considered good	–	–	–	–	–	–	–
Disputed trade receivables – credit impaired	–	–	–	–	–	–	–
Disputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Total	**5,713**	**592**	**95**	**29**	**2**	**35**	**6,466**

As at March 31, 2022	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good*	3,896	1,757	31	–	–	4	5,688
Undisputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Undisputed trade receivable – credit impaired	–	–	56	2	4	14	76
Disputed trade receivables - considered good	–	–	–	–	–	–	–
Disputed trade receivables – credit impaired	–	–	–	–	–	–	–
Disputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Total	**3,896**	**1,757**	**87**	**2**	**4**	**18**	**5,764**

* Net of accrual towards anticipated discount payable to customers

Refer to note 2.18 and 2.21 for information on trade receivables pledged as security by the Company.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

For terms and conditions relating to related party receivables, refer note 2.39.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.11 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	1	6
Balance with banks		
– Deposits with original maturity of 3 months or less	152	317
– On current accounts	926	385
	1,079	**708**

2.12 Other bank balances

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with bank		
-Deposits maturity for more than 3 months but less than 12 months *	540	2,626
	540	**2,626**

*Deposits include ₹298 million (March 31, 2022: ₹301 million) being fixed deposits held as margin money or security against borrowings, guarantee.

2.13 Loans

Particulars	As at March 31, 2023		As at March 31, 2022	
Current				
Loan to related party (refer note 2.39)	–		414	
Less: Loss allowance for doubtful loan	–	–	(414)	–
		–		**–**

Movement in expected credit loss on loans	As at March 31, 2023	As at March 31, 2022
Opening balance	**414**	**414**
Add : Amount pursuant to deconsolidation of subsidiary (refer note 2.47)	–	–
Add : Created during the year	–	–
Less : Written off/ utilised during the year	(414)	–
Closing balance	**–**	**414**

2.13.1 Detail of loans or advances in the nature of loans granted to related party that are repayable on demand or without specifying any terms or period of repayment

Name of subsidiary	Nature of loan / advance	Rate of interest	As at March 31, 2023	As at March 31, 2022
"Minda KTSN Plastic Solution GMBH & Co. KG, Germany"	Unsecured short term loan	12%	– *	–

* Net of provision for loss allowance amounting to ₹Nil (March 31, 2022: ₹414 million) as the above loan has been written off during the current year.

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.14 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Interest accrued on fixed deposits	21	33
Receivable pursuant to settlement agreement (refer note 2.38)	492	463
Rceivable from related party (refer note 2.39)	7	80
Unbilled revenue	196	116
Loan to employees	24	33
Others receivable	73	3
Security deposits	19	6
	832	**734**

2.15 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	87	55
Balance with government authorities	593	300
Amount paid under protest (refer note 2.37)	26	26
Advances to suppliers	367	308
Advances to related parties (refer note 2.39)	20	–
Export benefits/rebate claims/grants receivables	125	197
Others	23	19
	1,241	**905**

2.16 Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
2.16.1 Authorised		
692,500,000 (March 31, 2022: 692,500,000) equity shares of ₹ 2 each.	1,385	1,385
240,000 (March 31, 2022: 240,000) 0.001% cumulative redeemable preference shares of ₹ 800 each.	192	192
	1,577	**1,577**
2.16.2 Issued, subscribed and fully paid up		
a) Equity shares of ₹ 2 each (previous year ₹ 2 each)		
239,079,428 (March 31, 2022: 239,079,428) equity shares of ₹ 2 each	478	478
	478	**478**

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.16.3 Reconciliation of share capital outstanding as at the beginning and at the end of the year

Equity shares of ₹ 2 each (March 31, 2022: ₹ 2 each) fully paid up

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year (face value ₹ 2 per share)	239,079,428	478	239,079,428	478
Add: Issued during the year (face value ₹ 2 per share) (refer note 2.15.9)	–	–	–	–
Balance as at the end of the year [face value of ₹ 2 each (March 31, 2022: ₹ 2 each)]	**239,079,428**	**478**	**239,079,428**	**478**

Pursuant to the approval of the shareholders on March 23, 2014, the Company had allotted Bonus shares in the ratio of 1:1 and the nominal value of shares of the Company has been sub-divided from ₹ 10 (Rupees Ten) per share to ₹ 2 (Rupees Two) per share. Consequent to the same, the number of the equity shares of the Company has increased from 20,931,164 equity shares of ₹ 10 each to 209,311,640 shares (including shares held by Minda Corporation limited - Employee Stock Option Scheme trust) of ₹ 2 each.

2.16.4 Rights, preferences and restrictions attached to each class of shares

a) Equity shares of ₹ 2 each (March 31, 2022: ₹ 2 each) fully paid up

The Company has one class of equity shares having a par value of ₹ 2 per share (March 31, 2022 : ₹ 2 per share). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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) 0.001% cumulative redeemable preference shares of ₹ 800 each fully paid up

The Company had 240,000 cumulative redeemable preference shares of ₹ 800 each. The shares carry right of fixed preferential dividend at a rate of 0.001%. The holders of these shares do not have the right to vote and are compulsorily redeemable at par on or before the expiry of 20 years from the date of allotment. The dividend on the shares shall be cumulative and any unpaid dividend shall be added to the amount payable as dividend in the following year and no dividend can be paid on equity shares until the entire backlog of unpaid dividends on these shares is cleared. In the event of liquidation, these share holders are entitled to get their capital after satisfaction of dues for secured creditors, but they get preference over equity share capital. The shares have been redeemed during the year ended March 31, 2018.

2.16.5 a) Details of shareholder holding more than 5% shares as at year end

a) Equity shares of ₹ 2 each fully paid up

Name of shareholders	As at March 31, 2023		As at March 31, 2022	
	% of holdings	Number of shares held	% of holdings	Number of shares held
(i) Ashok Minda	34.1%	81,466,380	34.1%	81,466,380
(ii) Sarika Minda	14.0%	33,394,900	14.0%	33,394,900
(iii) Minda Capital Private Limited	16.1%	38,581,298	16.1%	38,581,298
		153,442,578		**153,442,578**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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b) Details of shares held by promoters

As at March 31, 2023	S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
	1	Ashok Minda	81,466,380	–	81,466,380	34.1%	–
	2	Sarika Minda	33,394,900	–	33,394,900	14.0%	–
	3	Minda Capital Private Limited	38,581,298	–	38,581,298	16.1%	–
	4	Whiteline Barter Limited	1,306,100	–	1,306,100	0.55%	–
Total			**154,748,678**		**154,748,678**		

As at March 31, 2022	S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
	1	Ashok Minda	81,466,380	–	81,466,380	34.1%	–
	2	Sarika Minda	33,394,900	–	33,394,900	14.0%	–
	3	Minda Capital Private Limited	38,581,298	–	38,581,298	16.1%	–
	4	Whiteline Barter Limited	1,306,100	–	1,306,100	0.55%	–
Total			**154,748,678**		**154,748,678**		

2.16.6 Shares allotted as fully paid up by way of bonus issue (during five years immediately preceding March 31, 2023)

Particulars	Years (number and aggregate number of shares)					
	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
Fully paid up equity shares of ₹2 each	–	–	–	–	–	–
Cumulative number of shares of ₹2 each	192,508,430	192,508,430	192,508,430	192,508,430	192,508,430	192,508,430

2.16.7 Issue of shares to Minda Corporation Limited Employees' Stock Option Scheme

Pursuant to the Board of Director's approval in Board meeting held on September 29, 2011, the Company has constituted a trust under the name ''Minda Corporation Limited Employee Stock Option Scheme Trust'' (MCL ESOS Trust), with the objective of acquiring and holding of shares, warrants or other securities of the Company for the purpose of implementing the Company's ESOP Scheme. The Company has contributed a sum of ₹0.1 million towards initial trust fund and later on advanced a sum of ₹134 million to fund the purchase of Company's equity shares by Minda Corporation limited - Employee stock option scheme trust. The Company had issued and allotted, 267,092 equity shares of the Face Value ₹ 10 each at the premium of ₹ 490 per equity share to the Minda Corporation limited - Employee stock option scheme trust, as approved in the Extra ordinary general meeting dated October 24, 2011. Further, the Company had issued bonus shares in proportion of one equity share for one share held on March 31, 2012, as decided in Extra ordinary general meeting held on March 16, 2012. During the financial year ended March 31, 2017, the members of the Company had approved 'Employee Stock Option Scheme, 2017' through Postal Ballot on February 10, 2017. The plan envisaged grant of stock options to eligible employees at an exercise price equal to the latest available closing price discounted by 50% or such other percentage as may be decided by the Nomination and Remuneration Committee (refer note 2.41).

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2.16.8 Qualified Institutional Placement (QIP) of equity shares

During the year ended March 31, 2019, the Company has raised funds amounting to ₹ 3,056 million (net of expenses of ₹ 50 million) by way of Qualified Institutional Placement (QIP) of equity shares for the objects of working capital requirement, repayment of outstanding loan, investment in subsidiaries and joint ventures, to fund growth and expansion and towards corporate general purpose. The Company has issued 17,910,645 shares at a price of ₹ 173.47 per share whereby equity share capital has increased by ₹ 36 million and securities premium is increased by ₹ 3,020 million (net of expenses).

Details of utilization of QIP proceeds are as follows:

Objects of the issue as per prospectus	Proceeds of QIP	Utilized upto March 31, 2023	Unutilized amount as at March 31, 2023	Unutilized amount as at March 31, 2022
Working capital requirement, repayment of outstanding loan, investment in subsidiaries and joint ventures, to fund growth and expansion and towards corporate general purpose	3,056	3,056	–	1,445

The unutilized amount of the issue till the date of utilisation has been temporarily deployed in bank accounts

2.16.9 Preferential allotment of equity shares

During the previous year ended March 31, 2021, the Company has raised additional capital aggregating to ₹ 824 million (net of expenses of ₹ 6 million) by way of preferential allotment of equity shares. The Company has issued 11,857,143 shares at a price of ₹70/- per share whereby equity share capital has increased by ₹ 24 million and securities premium account is increased by ₹ 800 million (net of expenses of ₹ 6 million).

Details of utilization of preferential allotment proceeds are as follows:

Objects of the issue	Proceeds from preferential allotment	Utilized upto March 31, 2023	Unutilized amount as at March 31, 2023	Unutilized amount as at March 31, 2022
Working capital requirement, repayment of outstanding loan, investment/acquisition of fixed/financial assets, to fund growth and expansion and toward general corporate purpose	824	824	–	–

2.17 Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
2.17.1 Capital reserve		
Opening balance	567	567
Closing balance	**567**	**567**
2.17.2 Securities premium		
Opening balance	4,836	4,828
Add: Premium on issue of shares	–	–
Less: Amount utilised towards expenses for increase in share capital	–	–
Add: Premium on issue of shares issued by ESOP Trust	4	8
Closing balance	**4,840**	**4,836**

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Particulars	As at March 31, 2023	As at March 31, 2022
2.17.3 Equity component of compound financial instrument-Cumulative redeemable preference share		
Opening balance	47	47
Closing balance	**47**	**47**
2.17.4 Employee stock compensation outstanding		
Opening balance	28	25
Add: Employee stock compensation expense	31	21
Less: Issue of equity shares on exercise of share based awards during the year	(9)	(18)
Closing balance	**50**	**28**
2.17.5 General reserve		
Opening balance	567	549
Add: Issue of equity shares on exercise of share based awards during the year	9	18
Closing balance	**576**	**567**
2.17.6 Retained earnings		
Opening balance	6,569	4,795
Add: Profit on sale of treasury shares	4	10
Add: Net profit/(loss) for the year	2,845	1,919
	9,418	**6,724**
Less : Final dividend (refer details below)	(168)	(84)
Less : Interim dividend (refer details below)	(96)	(69)
Remeasurement of defined benefit obligation, net of tax	9	(2)
Closing balance	**9,163**	**6,569**
2.17.7 Remeasurement of define benefit obligation		
Opening balance	–	–
(Less)/ Add : Remeasurement of define benefit obligation, net of tax	(9)	2
Transferred to retained earnings	9	(2)
Closing balance	**–**	**–**
2.17.8 Net (loss) on equity instruments through Other Comprehensive Income		
Opening balance	–	–
(Less) : Net (loss) on equity instruments through Other Comprehensive Income	(67)	–
Closing Balance	**(67)**	**–**
2.17.9 Capital redemption reserve		
Opening balance	192	192
Closing balance	**192**	**192**
2.17.10 Foreign currency translation reserve		
Opening balance	25	(6)
Add: Amount transferred during the year	45	31
Closing balance	**70**	**25**
2.17.11 Treasury shares		
Opening balance	(8)	(9)
Less: Issue of shares by ESOP trust	–	1
Closing balance	**(8)**	**(8)**
	15,430	**12,823**

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Distribution made and proposed	As at March 31, 2023	As at March 31, 2022
Dividends on equity shares declared and paid:		
Final dividend for the year ended March 31, 2023 : ₹ 0.70 per share (March 31, 2022: ₹ 0.35 per share)	168	84
Interim dividend for the year ended March 31, 2023 : ₹ 0.40 per share (March 31, 2022: ₹ 0.30 per share) *	96	69
	264	**153**
Proposed dividends on equity shares:**		
Proposed dividend for the year ended March 31, 2023 : ₹ 0.80 per share (March 31, 2022 : ₹ 0.70 per share)	191	167
	191	**167**

*Net of treasury shares adjusted

**Proposed dividends on equity shares are subject to approval at annual general meeting and are not recognised as a liability as at March 31, 2023

2.17.11 Nature and purpose of other equity

- **Securities premium**

  Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

- **General reserve**

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

- **Employee stock compensation outstanding**

  The fair value of the equity settled share based payment transactions with employees of the Group and its subsidiary is recognised in Consolidated Statement of Profit and Loss with corresponding credit to Employee stock compensation outstanding account. Corresponding balance of a ESOP outstanding is transferred to general reserve upon expiry of grants or upon exercise of stock options by an employee, as the Group is operating the Employee Stock Option scheme (refer note 2.41).

- **Remeasurements of defined benefit obligation**

  Remeasurements of defined benefit obligation comprises actuarial gains and losses.

- **Equity component of compound financial instrument - Cumulative redeemable preference share**

  The Group had issued compulsory redeemable preference shares @0.001% (below market rate). The same were recorded at cost under previous GAAP. The Group has redeemed such preference shares during the current year. Under Ind AS, the preference shares is treated as compound financial instruments and accordingly, classified as financial liability and equity. The same is recognised at amortized cost and is discounted using market rate. The differential between Fair Value and Book Value is considered as equity portion of compound financial instrument.

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- **Foreign currency translation reserve**

  Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the Group dispose or partially dispose off its interest in a foreign operation through sale, liquidation, repayment of share capital or abandonment of all, or part of, that entity.

- **Capital reserve**

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

- **Capital redemption reserve**

  This represents the unutilised accumulated amount set aside at the time of redemption of preference share. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

- **Treasury Shares**

  The reserve for shares of the Group held by the 'Minda Corporation Limited Employee Stock Option Scheme Trust (ESOP Trust). The Group has issued employees stock option scheme for its employees. The shares of the Holding Company have been purchased and held by ESOP Trust to issue and allot to employees at the time of exercise of ESOP by employees.

- **Retained Earnings**

  Represents surplus/(deficit) in statement of Profit and Loss during the year, including retained earnings of Transferor Companies/Demerged Company on account of merger.

- **Equity investment through other comprehensive income-net change in fair value**

  The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity instruments through Other Comprehensive Income within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

2.18 Non-current borrowings

Particulars	Footnote	Non-current		Current maturities	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Secured					
Term loans					
from banks	[1]	1,716	848	634	451
		1,716	**848**	**634**	**451**
Less: Amount shown under Short term borrowing [refer note 2.21]	–	–	-	634	451
		1,716	**848**	**–**	**–**

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Footnotes:

No.	Detail of Loan	Loan outstanding as at March 31, 2023*	Loan outstanding as at March 31, 2022*	Details of security / guarantee /other terms
1	Term loan from banks (denominated in ₹)**	2,327	1,188	**March 31, 2023:** Entire term loan is secured by 1. First Parri Passu charge on entire unencumbered movable fixed assets of the company 2. First pari passu charge on immovable properties of the company situated at- a) D6-11, Sector 59, Noida b) Plot no. 68, Echelon Institutional Area, Sector-32, Gurgaon, Haryana **March 31, 2022:** Entire term loan is secured by 1. First Parri Passu charge on entire unencumbered movable fixed assets of the company 2. First pari passu charge on immovable properties of the company situated at- a) D6-11, Sector 59, Noida b) Plot no. 68, Echelon Institutional Area, Sector-32, Gurgaon, HaryanaOther terms:
	Term loan from banks - ECB (denominated in USD)	23	111	
	Total	**2,350**	**1,299**	

*Net of transaction cost

Repayment Terms:

Loan Category	Frequency of principal repayments	Interest rates	March 31, 2023		March 31, 2022	
			No of installments	Amount	No of installments	Amount
Term loan from banks (denominated in ₹)	Quarterly Payments	7.60% to 9.47% (PY 5.90% to 7.20%)	13	325	17	425
			20	1,500	14	306
			10	219		
			10	267	14	373
	Monthly Payments	8.80% to 9.20% (PY 7.05% to 7.60%)	4	3	16	11
			3	14	15	70
			–	–	1	3
ECB loans (denominated in USD)	Quarterly Payments	4.36% (PY 1.87% to 1.97%)	–	–	3	47
			2	23	6	64

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Maturity profile for the year ended March 31, 2023:

Loan Category	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Term loan from banks (₹ denominated)	–	165	446	1,716	–	2,327
ECB loans (USD denominated)	–	12	11	–	–	23
Total	**–**	**177**	**457**	**1,716**	**–**	**2,350**

Maturity profile for the year ended March 31, 2022:

Loan Category	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Term loan from banks (₹ denominated)	–	92	269	827	–	1,188
ECB loans (USD denominated)	–	26	64	21	–	111
Total	**–**	**118**	**333**	**848**	**–**	**1,299**

Movement in current and non current borrowings

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Borrowings at the beginning of the year	3,913	4,832
Proceeds / Receipts during the year	2,063	–
Repayment during the year	(451)	(924)
Movement due to non-cash transactions:		
- Foreign exchange movement	1	5
Borrowings at the end of the year	**5,526**	**3,913**

2.19 Non current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits (refer to note 2.19.2)		
– Gratuity	180	145
– Compensated absence	146	124
– Other retirement benefits	48	40
Others		
– Provision for warranties (refer to note 2.19.1)	14	10
	388	**319**

2.19.1 Movement in warranty cost provision

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

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Particulars	As at March 31, 2023	As at March 31, 2022
At the beginning of the year	90	81
Provided during the year	21	16
Utilised / written back during the year	(27)	(7)
At the end of the year	**84**	**90**
Current portion	70	80
Non-current portion	14	10

2.19.2 Employee benefits

2.19.2.1 For Indian entities

a) Defined contribution plans

The Group'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 2.31.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contribution towards		
– Provident fund	213	163
– Employee state insurance	7	8
	220	**171**

b) Defined benefit plans- Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Group provides for gratuity as a defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested period of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the Group contributes the ascertained liability to Life Insurance Corporation of India by whom the plan assets are maintained.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
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	456	352
Liabilities assumed in business acquisition (refer note 2.51)	–	64
Interest cost	32	25
Acquisition adjustment	(0)	(2)
Current service cost	66	54
Benefits paid	(32)	(44)
Actuarial (gain)/ loss on obligation	(13)	8
Present value of defined benefit obligation at the end of the year	**509**	**456**

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Changes in the present value of the plan asset is as follows:		
Fair value of plan asset at the beginning of the year	285	232
Assets acquired in business acquisition	–	46
Return on plan asset	20	17
Contributions	14	–
Benefits paid	(5)	(7)
Premium paid	(5)	(3)
Fair value of plan asset at the end of the year	**309**	**285**
Net asset/(liability) recognised in consolidated financial statements		
Present value of defined benefit obligation at the end of the year	509	456
Fair value of plan asset at the end of the year	309	285
Net liability recognized in the consolidated financial statements as at the end of the year	**(200)**	**(171)**
Current portion	20	26
Non- current portion	180	145
Expenses recognized in the statement of profit and loss:		
Current service cost	66	54
Interest cost	32	25
Expected return on plan assets	(20)	(17)
Expenses recognized in the statement of profit and loss:	**78**	**62**
Remeasurements income recognised in other comprehensive income:		
Actuarial loss/(gain) loss on defined benefit obligation	(13)	5
Actuarial gain/(loss) on planned assets	–	–
Expenses recognised in other comprehensive income:	**(13)**	**5**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial assumptions:		
Discount rate	7.36%	7.19%
Expected salary increase rates	6.80% - 8.50%	8.50%
Mortality	100% of IALM 2012-14	100% of IALM 2012-14
Employee attrition rate		
Holding Company		
– Up to 30 years of age	12.00%	12.00%
– From 31 years of age to 44 years of age	8.00%	8.00%
– Above 44 years of age	5.00%	5.00%

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Subsidiary Company	Minda Instruments Limited		Spark Minda Green Mobility Systems Pvt. Ltd.	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
-Up to 30 years of age	3.00%	3.00%	12.00%	12.00%
-From 31 years of age to 44 years of age	2.00%	2.00%	8.00%	8.00%
-Above 44 years of age	1.00%	1.00%	5.00%	5.00%

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.

The weighted average duration of the defined benefit obligation is 10.25 years (previous year: 10.32 years). The Group expects to make a contribution of ₹ 87 million (previous year: ₹ 74 million) to the defined benefit plans during the next financial year.

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.

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (- / + 1%)	(45)	50	(34)	38
Future salary growth (- / + 1%)	43	(41)	33	(31)

Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does not 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:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1 year	32	27
2 to 5 years	114	116
More than 5 years	363	313

c) **Other benefit - Compensated absences**

The Group operates compensated absences plan, where in every employee is entitled to the benefit as per the policy of the Group in this regard. The salary for calculation of earned leave is last drawn salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

The other long- term benefit of compensated absence in respect of employees of the Group as at March 31, 2023 amounts to ₹176 million (March 31, 2022: ₹ 154 million) and the expense recognised in the statement of profit and loss

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

during the year for the same amounts to ₹ 68 million (March 31, 2022: ₹ 64 million) [Gross payment of ₹ 45 million during the year (March 31, 2022: ₹ 35 million)].

2.19.2.2 For overseas entities

a) **Social security contributions**

The Group's employee social security contributions are defined contributions plans. The following amounts have been recognised as expense for the year and shown under employee benefits expense in note 2.31.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contribution towards		
-Social security	27	24
	27	**24**

b) **Retirement and service anniversary**

Employees of certain entities in the Group are entitled to retirement benefits, which provides for a lump sum payment to the employees at the time of separation from service and long service awards on completion of vested period of employment. The liability on account of such benefits is based on actuarial valuation as at the end of the financial year.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Changes in the present value of the benefit obligation is as follows:		
Opening balance	40	34
Actuarial (Gain) / Loss on Obligation	1	(1)
Service cost	4	5
Interest cost	3	3
Benefit paid	(1)	(1)
Net balance	**47**	**40**
Translation adjustment	1	(0)
Closing balance	**48**	**40**
Current portion	–	–
Non- current portion	48	40
Expenses recognized in the statement of profit and loss:		
Current service cost	4	5
Interest cost	3	3
Expenses recognized in the statement of profit and loss:	7	8
Remeasurements income recognised in other comprehensive income:		
Actuarial loss / (gain) on defined benefit obligation	1	(1)
Actuarial assumptions:		
Discount rate	6.94%	7.17%
Expected salary increase rates	8.50%	8.50%
Mortality	TMI IV	TMI IV
Employee attrition rate	5.00%	5.00%

The impact of sensitivity analysis on actuarial assumptions for overseas entities is considered insignificant, hence the same has not been disclosed.

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.20 Other non-current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	41	39
	41	**39**

2.21 Current borrowings

Particulars	Footnote	As at March 31, 2023	As at March 31, 2022
Secured			
Cash credit and working capital demand loan			
from banks	[1,2]	2,725	2,457
Unsecured			
Purchase order financing facility			
from banks	[3]	151	120
from others	[4]	300	38
Current maturities of (refer note 2.18)			
– Term loans		634	451
		3,810	**3,066**

Footnotes:

No.	Detail of Loan*	Outstanding as at March 31, 2023	Outstanding as at March 31, 2022	Details of Security/ Other terms
1	Cash Credit & working capital demand loan - from banks	2,721	2,155	**March 31, 2023:** Secured by first pari passu charge on present & future current assets of the company. **March 31, 2022:** Secured by first pari passu charge on present & future current assets of the company.
2	Overdraft facility from banks	4	302	Secured by 100% margin on fixed deposits of the company.
3	Purchase order financing facility from banks	300	120	Unsecured
4	Purchase order financing facility from others	151	38	Unsecured
	Total	**3,176**	**2,614**	

*Current borrowings are either payable in one installment within one year or repayable on demand. All current loan are denominated in rupee and interest rate is at 4.16% to 9.00%. (PY 4.12% to 8.35%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.22 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	714	453
Total outstanding dues of creditors other than micro enterprises and small enterprises	6,542	5,222
	7,256	**5,675**

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables	7,151	5,545
Trade payables to related parties (refer note 2.39)	105	130
	7,256	**5,675**

Trade payables Ageing Schedule

As at March 31, 2023	Current but not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	294	420	–	–	–	714
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,974	1,638	3	–	1	5,616
Disputed dues of micro enterprises and small enterprises	–	–	–	–	–	–
Disputed dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–	–
Others *	859	67	–	–	–	926
Total	**5,127**	**2,125**	**3**	**–**	**1**	**7,256**

As at March 31, 2022	Current but not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	383	70	–	–	–	453
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,174	2,148	21	–	–	4,343
Disputed dues of micro enterprises and small enterprises	–	–	–	–	–	–
Disputed dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–	–
Others *	879	–	–	–	–	879
Total	**3,436**	**2,218**	**21**	**–**	**–**	**5,675**

* Pertains to expense payable for which bill yet to be received by the Company

Trade payables are non-interest bearing and are normally settled on 30-90 day terms.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.23 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on borrowings	22	1
Mark to market loss on derivative contracts	5	1
Capital creditors	182	94
Unpaid dividend **	1	1
Payable pursuant to settlement agreement (refer note 2.38)	502	463
Other payables	46	22
	758	**582**

** There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2.24 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	203	223
Advances from customers	264	132
Others	2	16
	469	**371**

2.25 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Provision for employee benefits (refer note 2.19.2)		
Gratuity	20	26
Compensated absence	29	30
Others		
Provision for warranty (refer note 2.19.1)	70	80
	119	**136**

2.26 Current tax liabilities (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for income tax (net of advance income tax)	21	63
	21	**63**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.27 Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Revenue from contract with customers		
Sale of products		
– Manufactured goods	39,814	27,272
– Traded goods	2,465	1,994
Sale of products*	**42,279**	**29,266**
b) Other operating revenues		
– Technical know how and service income	282	259
– Scrap sales	123	143
– Job work income	3	6
– Duty drawback and other export incentives	86	79
– Government incentive	207	–
– Other operating income	8	6
– Liabilities / provisions no longer required written back	13	–
Other operating revenues	722	493
Revenue from operations	**43,001**	**29,759**

* Disclosures relating to revenue from contract with customers.

2.27 (a) Timing of revenue recognition

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Goods transferred at a point in time	42,279	29,266
Total revenue from contract with customers	**42,279**	**29,266**

2.27 (b) Contract Balances

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Trade Receivables	6,409	5,688
Contract Assets (Unbilled revenue) (refer note 2.13)	196	116
Contract Liabilities (Advance from customers) (refer note 2.24)	264	132

Contract assets relates to revenue earned by the Company on account of rate difference agreed with the customer. Amount billed during the year ₹ 116 million (March 31, 2022: ₹ 144 million) and the closing balance represents amount to be billed at the year end.

Contract liabilities relates to amount received from customers as an advance against future sale. Performance obligation satisfied from the amount included in contract liabilities during the current year ₹ 132 million (March 31, 2022: ₹ 169 million). Advance amount received during the year is ₹ 264 million (March 31, 2022: 132 million) is outstanding at the year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue as per contracted price	43,303	29,958
Adjustments		
Sales return	(325)	(132)
Discount	(699)	(560)
Revenue from contract with customers	**42,279**	**29,266**

2.27 (d) Performance obligation

The Company recognised revenue when (or as) a performance obligation was satisfied , i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer and there is no unsatisfied performance obligation at the year end.

2.28 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income		
– on fixed deposits	113	194
– on others	22	7
Rental income (refer note 2.35)	18	19
Gain on derecognition of ROU assets	1	13
Miscellaneous income	4	9
	158	**242**

2.29 Cost of raw materials consumed*

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
Opening stock	2,976		2,679	
Add: Translation adjustment	13		4	
		2,989		2,683
Add: Purchases during the year	26,841		17,541	
		26,841		17,541
		29,830		**20,224**
Less: Closing stock	3,657		2,983	
Add: Translation adjustment	(1)		(7)	
		3,656		**2,976**
		26,174		**17,248**

*including packing, tools and dies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.30 Changes in inventories of finished goods, stock in trade and work in progress

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
Finished goods (including stock in trade)				
Opening stock	1,210		1,140	
Add/ (less): Translation adjustment	2		1	
		1,212		1,141
Closing stock	1,289		1,211	
Add/ (less): Translation adjustment	(1)		(1)	
		1,288		1,210
		(76)		(69)
Work in progress				
Opening stock	545		752	
Add/ (less): Translation adjustment	1		–	
		546		752
Closing stock	724		545	
Add/ (less): Translation adjustment	–		–	
		724		545
		(178)		**207**
(Increase) / Decrease in inventories		**(254)**		**138**

2.31 Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	5,632	4,282
Contribution to Provident fund and other funds (refer note 2.19.2)	247	196
Gratuity (refer note 2.19.2)	78	62
Employee stock compensation expense (refer note 2.41)	31	21
Staff welfare expense	267	181
	6,255	**4,742**

2.32 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense		
on borrowings from banks	243	200
on borrowings from others	5	13
on lease liabilities	124	69
Other borrowing costs	35	27
	407	**309**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

2.33 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Jobwork charges	644	574
Consumption of stores and spare parts	375	283
Power and fuel	815	599
Rent (refer note 2.35)	55	25
Repair and maintenance		
– buildings	98	79
– plant and machinery	221	169
– others	143	116
Travelling and conveyance	468	264
Legal and professional	239	154
Auditor Remuneration	10	8
Communication expenses	48	38
Bad debts/amounts written off	4	15
Loss allowance for expected credit loss	13	32
Rates and taxes	25	21
Exchange fluctuations (net)	40	5
Warranty expenses	21	16
Corporate social responsibility expenses	62	50
Loss on sale/discard of property, plant and equipment	3	8
Advertisement and business promotion	124	65
Freight and forwarding expenses	649	538
Insurance expenses	58	48
Bank charges	16	11
Security expense	11	6
Miscellaneous expenses*	216	189
	4,358	**3,313**

* Previous year includes ₹ 47 million being net loss incurred on account of non-realisation of claim from the customer.

2.34 Earning per share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net profit attributable to equity shareholders	2,845	1,919
Number of weighted average equity shares		
Basic	235,051,788	235,219,788
Diluted	239,079,428	239,423,428
Nominal value of equity share (₹)	2.00	2.00
Earnings per share (₹) (Basic)	12.10	8.16
Earnings per share (₹) (Diluted)	11.90	8.01

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2.35 Leases

Group as a Lessee

The Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate and has measured right-of-use asset at an amount equal to lease liability.

Information about leases for which the Group is a lessee is presented in note 2.1(b).

Lease liabilities	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	**1,146**	**445**
Add: Addition during the year	705	846
Add: Acquired through business acquisition (Refer note 2.51)	–	111
Less: Deletion during the year	(24)	(48)
Add: Finance cost*	124	69
Less: Repayment	(346)	(277)
Balance as at the end of the year	**1,605**	**1,146**
Current	256	176
Non-current	1,349	970

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amounts recognised in Statement of Profit and Loss		
Interest on lease liabilities*	124	69
Depreciation expense	282	218
Expenses relating to short-term leases and leases of low-value assets	55	25
Amounts recognised in Cash Flow Statement		
Repayment of lease liabilities	346	277

*Includes interest capitalised of ₹ 21 million (March 31, 2022: Nil) and accordingly the finance cost amounting to ₹ 124 million has been charged to Statement of Profit and Loss.

Most of the leases entered by the Group are long term in nature and the underlying leased properties are being used as manufacturing plants. The Group 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.

Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The future minimum lease rentals income in respect of non -cancellable operating leases	As at March 31, 2023	As at March 31, 2022
– Within one year	19	18
– Later than one year and not later than five years	84	82
– Later than five years	11	33

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Lease rent income recognised in the Statement of profit and loss (Refer note 2.28)	18	19

2.36 Capital and other commitments

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	463	358
Estimated amount of contracts remaining to be executed on capital account and not provided for pertaining to interest in joint ventures	6	3
	469	**361**

2.37 Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
i) Claims against the Group not acknowledged as debts*		
a) Income tax { Amount paid under protest ₹ 11 million (previous year: ₹ 11 million)}	318	316
b) Sales tax/ VAT (Amount paid under protest ₹ 10 million (previous year ₹ 14 million)	126	211
c) Excise duty/Service tax/ Custom Duty (Amount paid under protest ₹ 2 million (previous year ₹ 2 million)	2	6
d) Bonus payable for financial year 2014-15 as per payment of Bonus Act, 1965	1	1
Others		
Contingent liabilities related to joint ventures/ associate	42	21

*Including claims in respect of transferor companies merged into Minda Corporation Limited, pursuant to scheme of merger, though the litigations may be continuing in the name of transferor companies, however any liability arising in future relating to these disputes will be borne by the Company.

Further on account of merger of Companies in earlier years, Minda Corporation Limited had filed one single return for Assessment year 2019-2020 relevant to financial year 2018-19 onwards and the prepaid/ advance taxes which were seen in Merged Companies have been considered by the Company in Income Tax Return. At the time of processing of income tax return by the authorities, income tax payable had been assessed without giving the credit of prepaid/ advance taxes paid by those merged entities and accordingly demand amounting to ₹ 381 million had been raised. In a similar manner for Assessment Year 2020-21 demand of ₹ 42 million had been raised by the authorities. With respect to both the assessment years the Company had filed rectification to Assessing Officer to allow the credit of prepaid/ advances taxes by the merged companies to the companies and management is hopeful for such adjustments and accordingly the same has not been disclosed under this note.

In relation to income tax matters disclosed in (a) above, majorly includes

A. Matters Pertaining to Holding Company

1. With respect to assessment year 2012-2013 till assessment year 2018-2019, the income tax authorities have increased the taxable income of the Company by ₹ 479 million (March 31, 2022: ₹ 479 million) on account of transfer pricing adjustments pertaining to disallowance of deduction claimed under section 80IC of Income Tax Act, 1961 and other adjustments. Tax impact of the same is ₹209 million (March 31, 2022: ₹ 209 million) against which Company had deposit amounting to ₹ 10 million (March 31, 2022: ₹ 10 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. Further, during the current year, the department has also adjusted refund amounting to ₹ 149 million (including interest) pertaining to assessment year 2020-2021 against the outstanding demand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

B. For others (with respect to subsidiaries)

1. With respect to assessment year 2010-11, the income tax authorities have increased the taxable income by ₹49 million (March 31, 2022: ₹49 million) on account of disallowance of deduction of capital expenditure on scientific research development and other adjustments. Tax impact of the same is ₹17 million (March 31, 2022: ₹17 million) . The Subsidiary had received the favourable Order from ITAT in the previous year, pursuant to which the department had gone for further appeal with Hon'ble Delhi High Court. Based on the discussion with the legal counsel, the subsidiary is confident of favourable outcome.

2. With respect to assessment year 2018-2019, the income tax authorities have increased the taxable income by ₹12 million (March 31, 2022: ₹12 million) on account of transfer pricing adjustments Tax impact of the same is ₹7 million (March 31, 2022: ₹ 7 million) against which the subsidiary had deposit amounting to ₹1 million (March 31, 2021: ₹1 million). The Subsidiary has preferred an appeal with Commissioner of Income Tax(Appeals) in the previous year 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 subsidiary by ₹9 million (March 31, 2022: ₹ 9 million) on account of disallowance of certain professional expenses. Tax impact of the same is ₹4 million(March 31, 2022: ₹ 4 million). The subsidiary has preferred an appeal with Commissioner of Income Tax (Appeals) and based on the discussion with the legal counsel is confident of favourable outcome.

In relation to Sales tax/ VAT /GST disclosed in (b) above, majorly includes

A. Matters Pertaining to Holding Company

1. In the previous year, matter pending with Deputy Commissioner of State Tax, Pune pertaining to financial year 2016-2017 for disallowance of input tax credit. The tax amount involved ₹ 3 million against which Company had deposit amounting to ₹ 1 million. During the current year, the Company has filed an application under Maharashtra Amnesty Scheme, 2022 for resolution of the matter and has accepted and paid demand raised by the department. Accordingly, the amount of demand involved in the case for the current year is ₹ Nil (March 31, 2022: ₹ 3 million) and the case has been closed.

2. In the previous year, matter pending with Deputy Commissioner of State Tax, Pune pertaining to financial year 2017-2018 for disallowance of input tax credit. The tax amount involved ₹ 1 million. During the current year, the Company has filed an application under Maharashtra Amnesty Scheme, 2022 for resolution of the matter and has accepted and paid demand raised by the department. Accordingly, the amount of demand involved in the case for the current year is ₹ Nil (March 31, 2022: ₹ 1 million) and the case has been closed.

3. In the previous year, matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2017-2018 demand raised for non -submission of Statutory Form C. During the current year, an Order-in-Appeal has been passed by Joint Commissioner of State Tax whereby the whole demand has been disposed off by the Commissioner. Accordingly, the amount of demand involved in the case for the current year is Nil (March 31, 2022: ₹ 18 million) and the case has been closed.

4. Matter pending with Joint Excise & Taxation Commissioner (Appeals) pertaining to financial year 2017-2018 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 ₹ 14 million (March 31, 2022: ₹ 14 million).

5. Matter pending with Deputy Commissioner of State Tax, Bhiwandi pertaining to financial year 2017-2018 for GST Demand on account of difference in GST3B and GSTR1 and 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 ₹ 10 million (March 31, 2022: ₹ 10 million).

6. Matter pending with First Appellate authority pertaining to financial year 2018-2019 for GST Demand on account of disallowance of excess Input Tax Credit availed. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved ₹ 32 million (March 31, 2022: Nil).

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

B. For others (with respect to subsidiaries)

1. Matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2015-2016 demand raised for non -submission of Statutory Forms and other adjustments. The Subsidiary has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved ₹63 million (March 31, 2022: ₹63 million) against which Subsidiary had deposit amounting to ₹6 million (March 31, 2022: ₹ 6 million).

2. In the previous year, matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2015-2016 for disallowance of input tax credit. During the current year, the subsidiary has filed an application under Maharastra Amnesty Scheme, 2022 for resolution of the matter and has accepted and paid demand raised by the department. Accordingly, the amount of demand involved in the case for the current years is Nil (March 31, 2022: ₹ 14 million) and the case has been closed.

3. In the previous year, matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2016-17 demand was raised for non -submission of Statutory Forms and other adjustments.During the current year, the subsidiary has filed an application under Maharashtra Amnesty Scheme, 2022 for resolution of the matter and has accepted and paid demand raised by the department. Accordingly, the amount of demand involved in the case for the current year is Nil (March 31, 2022: ₹ 65 million) and the case has been closed.

4. In the previous year, matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2016-2017 for disallowance of input tax credit. During the current year, the subsidiary has filed an application under Maharashtra Amnesty Scheme, 2022 for resolution of the matter and has accepted and paid demand raised by the department. Accordingly, the amount of demand involved in the case for the current year is Nil (March 31, 2022: ₹ 11 million) and the case has been closed.

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 ₹8 million (March 31, 2022: ₹ 8 million) against which Company has deposited ₹ 1 million (March 31, 2022: ₹ 1 million).

In relation to Excise duty/Service tax/Custom Duty disclosed in (c) above, majorly includes (Holding Company)

1. Demand created on account of Show Cause Notice which was issued by the Directorate General of GST Intelligence (DGGI) under Central Excise Act, 1944 (CEA) on MCL and MSL for the period 2013-14 to 2017-18 (till June). Allegations made in the SCN is that assessee is engaged in manufacturing of equipment for principal manufacturer, which is, Maruti Suzuki India Limited (MSIL). To get the manufacturing done as per its specification, MSIL also provided drawing/designs to MCL and MSL, free of cost. While computing the value of excisable goods manufactured by MCL and MSL, the Company did not factor the cost of drawing/designs. Hence, allegations have been made that value of drawing/designs should have been added while determining taxable value for computing Excise Duty payable. During the current year, the adjudicating authority has held that the demand pertaining to the period April 2013 to February 2024 is time barred and accordingly the demand has been reduced to ₹ 0.02 million (March 31, 2022: ₹ 4 million). For the balance demand, the Company is in the process of filing an appeal before the relevant authority and believes that its position will likely be upheld and accordingly, no provision is necessary at this stage.

In relation to Contingent Liability related to Joint Ventures/ Associates (majorly includes Share of Group in the contingent liabilities)

For Joint Venture

1. In the previous year, demand created on account of Show Cause cum demand Notice which was issued by the Directorate General of GST Intelligence (DGGI) under Central Excise Act, 1944 (CEA) on joint venture and Maruti Suzuki India Limited for the period 2012-13 to 2016-17 Allegations made in the SCN is that the joint venture is engaged in manufacturing of equipment for principal manufacturer, which is, Maruti Suzuki India Limited (MSIL). To get the manufacturing done as per its specification, Maruti Suzuki India Limited also provided drawing/designs to the joint venture and MSL, free of cost. While computing the value of excisable goods manufactured by the joint venture and Maruti Suzuki India Limited, the joint venture did not factor the cost of drawing/designs. Hence, allegations have been made that value of drawing/ designs should have been added while determining taxable value for computing excise duty payable. The joint venture

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has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved ₹ 7 million (March 31, 2022: ₹ 7 million).

For Associates

1. With respect to assessment year 2013-14, the income tax authorities have raised the demand of ₹8 million (March 31, 2022: ₹8 million) on account of various adjustments under Income Tax Act, 1961. The Associate has preferred an appeal with Commissioner of Income Tax(Appeals) and based on the discussion with the legal counsel is confident of favourable outcome.

2. During the current year, an inquiry/inspection by the Provident Fund department has been initiated on the associate. Based on the legal advice obtained by the associate, the management is of the view that it has sufficient justification to support its position on non-recognition of additional provident fund liability, if any, on salary paid to expatriates outside India pertaining to the period November 2008 to September 2016. The matter is subject to judicial interpretation and will be adjudged by the appropriate regulatory authorities. Pending outcome of the inquiry/inspection, management does not foresee any material effect of this matter on the consolidated financial statements as of and for the year ended March 31, 2023.

   The above matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded, will not, in the opinion of the management, have a material effect on the results of the operations or financial position. It is not practical for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with the various forums/authorities.

ii) Pursuant to judgement by the Hon'ble Supreme Court dated February 28, 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 applicable of the judgement and period from which the same applies and accordingly, the Group 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 Group has not recognised any provision till March 2019. Further management also believes that the impact of the same on the Group will not be material.

2.38 During the earlier years, one party raised a damage claim against the Holding Company by filing a request with International Chamber of Commerce in Paris. The claim is based on Letter of Comfort ("LOC") signed between party and the Holding Company. At the time of entering into the above mentioned LOC, the Holding Company also obtained indemnity letter from ultimate parent of party, indemnifying the Holding Company against any loss arising from the LOC. Based on legal opinion and the indemnification from ultimate parent of party, the management is of the view that there is no financial implication on the Holding Company in respect of this damage claim. Subsequently, the parties have entered into settlement agreement, pursuant to which, a Consent Award has been passed by International Chamber of Commerce, vide which the Holding Company is required to pay ₹ 492 million {(March 31, 2022 ₹ 463 million) (Euro 5.5 million)}. As per Ind AS 37, the Holding Company has accounted for payable against settlement amount under ""other financial liabilities"" and correspondingly recognised receivable under ""other financial assets".

During the current year, in order to discharge its obligation under the said agreement, the Holding Company requested the requisite documents for making the foreign remittance which were awaited from the party.

Subsequent to the year end, the party has filed petition before the Hon'ble High Court of Delhi for the payment of settlement amount which is sub-judice at the moment. However management is of the view that no adjustments are required in the financial statements at the moment and loss if any, has already been provided for in the books of accounts.

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2.39 Related party disclosures as required under India Accounting Standard (Ind AS) – 24 "Related party disclosures":

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

	Description of relationship	Name of the party
(i)	**Key Managerial Personnel**	Mr. Ashok Minda - Chairman
		Mr. Aakash Minda - Executive Director and CEO
		Mr. Vinod Raheja - Group CFO (w.e.f February 4, 2022)
		Mr. Naresh Kumar Modi - Executive Director & CFO (w.e.f May 18, 2021, up to February 4, 2022)
		Mr. Ashim Vohra - COO
		Mr. Pardeep Mann - Company Secretary
(ii)	**Relative of Key Managerial Personnel**	Mrs. Sarika Minda - Relative of Mr. Ashok Minda
(iii)	**Jointly controlled entities / associate**	Minda Infac Private Limited (w.e.f August 10, 2021)
		Minda Vast Access Systems Private Limited
		Furukawa Minda Electric Private Limited
		Minda Instruments Limited, India (formerly known as Minda Stoneridge Instruments Limited, upto December 31, 2021)*
		EVQ Point Solutions Private Limited (w.e.f. October 29, 2021)
(iv)	**Enterprise in which directors of the Company and their relatives are able to exercise significant influence:**	Minda Capital Private Limited, India
		Minda Silca Engineering Private Limited, India

*During the previous year, the Holding Company has purchased 49% equity stake of Minda Instruments Limited (MIL) {Formerly known as Minda Stoneridge Instruments Limited (MSIL)} from the JV partner. Accordingly, MIL has become wholly owned subsidiary of the Holding Company w.e.f. January 1, 2022.

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2.39 Related party disclosures as required under Ind AS 24 "Related party disclosure"

Details of transactions and balances with related parties:

Party name	Period	Sale of goods	Sale of Property plant & equipment during the year	Job work/ Service income recovered during the year	Contribution towards CSR activities	Other incomes / expenses recovered during the year	Purchase of goods during the year	Management fees Income	Investments made during the year	Lease Liability (including interest)/Rent payment	Remuneration paid	Other expenses paid / reimbursed during the year
Joint Venture												
Minda VAST Access System Private Limited	**2022-23**	**198**	**–**	**2**	**–**	**21**	**64**	**19**	**–**	**–**	–	**1**
	2021-22	132	–	–	–	15	99	14	–	–	–	1
Minda Infac Private Limited	**2022-23**	**–**	**–**	**2**	**–**	**9**	**–**	**–**	**–**	**–**	**–**	**2**
	2021-22	–	24	–	–	14	–	–	26	–	–	–
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	**2022-23**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2021-22	9	–	26	5	6	155	33	–	–	–	–
Associate												
Furukawa Minda Electric Private Limited	2022-23	45	–	1	–	–	9	–	–	–	–	–
	2021-22	28	–	5	–	–	–	–	–	–	–	–
EVQ Point Solutions Private Limited	2022-23	–	–	–	–	6	–	–	–	–	–	–
	2021-22	–	–	–	–	–	–	–	–	–	–	–
Enterprise in which directors of the Company and their relatives exercise significant influence:												
Minda Silca Engineering Limited	2022-23	50	–	–	2	1	184	4	–	–	–	–
	2021-22	55	–	–	1	–	141	4	–	–	–	–
Minda Capital Limited	2022-23	–	–	–	–	–	–	–	–	212	–	7
	2021-22	–	–	–	–	–	–	–	–	174	–	–
Key Managerial Personnel:												
Mr. Ashok Minda *	2022-23	–	–	–	–	–	–	–	–	–	93	–
	2021-22	–	–	–	–	–	–	–	–	–	80	–
Mr. Vinod Raheja *	2022-23	–	–	–	–	–	–	–	–	–	19	–
	2021-22	–	–	–	–	–	–	–	–	–	6	–
Mr Ashim Vohra *	2022-23	–	–	–	–	–	–	–	–	–	15	–
	2021-22	–	–	–	–	–	–	–	–	–	17	–

Party name	Period	Sale of goods	Sale of Property plant & equipment during the year	Job work/ Service income recovered during the year	Contribution towards CSR activities	Other incomes / expenses recovered during the year	Purchase of goods during the year	Management fees Income	Investments made during the year	Lease Liability (including interest)/Rent payment	Remuneration paid	Other expenses paid / reimbursed during the year
Mr. Pardeep Mann *	2022-23	–	–	–	–	–	–	–	–	–	4	–
	2021-22	–	–	–	–	–	–	–	–	–	3	–
Mr. Aakash Minda *	2022-23	–	–	–	–	–	–	–	–	–	19	–
	2021-22	–	–	–	–	–	–	–	–	–	15	–
Mr. N.K.Modi *	2022-23	–	–	–	–	–	–	–	–	–	14	–
	2021-22	–	–	–	–	–	–	–	–	–	29	–
Relative of Key Managerial Personnel:												
Mr. Aakash Minda	2022-23	–	–	–	–	–	–	–	–	1	–	–
	2021-22	–	–	–	–	–	–	–	–	1	–	–

* Does not include provisions for gratuity and compensated absences liabilities, since the provisions are based on actuarial valuations for the Group as a whole.

2.39 Related party disclosures as required under Ind AS 24 ''Related party disclosure''

Details of transactions and balances with related parties:

Party name	Period	Security Deposit as at the year end	Trade Receivable as at the year end	Other Receivable as at the year end	Payable as at the year end	Lease Liability payable as at the year end	Investments as at the year end
Joint Venture							
Minda VAST Access System Private Limited	2022-23	–	60	–	4	–	430
	2021-22	–	54	–	18	–	434
Minda Infac Private Limited	2022-23	–	25	16	2	–	16
	2021-22	–	–	32	–	–	24
Minda Stoneridge Instruments Limited	2022-23	–	–	–	–	–	–
	2021-22	–	22	–	48	–	–

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Party name	Period	Security Deposit as at the year end	Trade Receivable as at the year end	Other Receivable as at the year end	Payable as at the year end	Lease Liability payable as at the year end	Investments as at the year end
Associate							
Furukawa Minda Electric Private Limited	2022-23	–	7	–	3	–	–
	2021-22	–	8	–	–	–	84
EVQ Point Solutions Private Limited	2022-23	–	–	–	6	–	50
	2021-22	–	8	–	–	–	53
Enterprise in which directors of the Company and their relatives exercise significant influence:							
Minda Silca Engineering Limited	2022-23	–	1	–	27	–	–
	2021-22	–	–	–	14	–	–
Minda Capital Limited*	2022-23	142	–	11	5	922	19
	2021-22	41	–	472	–	774	16
Key Managerial Personnel:							
Mr. Ashok Minda	2022-23	–	–	–	64	–	–
	2021-22	–	–	–	50	–	–
Mr. Vinod Raheja	2022-23	–	–	–	1	–	–
	2021-22	–	–	–	–	–	–
Mr Ashim Vohra	2022-23	–	–	–	1	–	–
	2021-22	–	–	–	–	–	–
Mr. Pardeep Mann	2022-23	–	–	–	–	–	–
	2021-22	–	–	–	–	–	–
Mr. Aakash Minda	2022-23	–	–	–	1	–	–
	2021-22	–	–	–	–	–	–
Mr. N.K.Modi	2022-23	–	–	–	1	–	–
	2021-22	–	–	–	–	–	–

* represents actual payment.

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2.40 As per Ind-AS 108, Operating segments have been defined based on the regular review by the Group's Chief Operating Decision Maker to assess the performance of each segment and to make decision about allocation of resources. The Group'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 sales, year end assets and property, plant and equipment and intangible assets are as follows:

Location	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue		
Domestic	35,797	24,802
Overseas		
Asia (excluding domestic)	3,551	1,794
America	738	615
Europe	2,915	2,548
Total	**43,001**	**29,759**

Carrying amount of assets

Location	For the year ended March 31, 2023	For the year ended March 31, 2022
Domestic	29,458	23,687
Overseas		
Asia (excluding domestic)	1,607	1,276
America	231	261
Europe	947	495
Total	**32,243**	**25,719**
Additions of property, plant and equipment and intangible fixed assets		
Domestic		
– Property, plant and equipment	1,908	1,031
– Intangible fixed assets	68	43
	1,976	**1,074**
Overseas		
Asia (excluding domestic)		
– Property, plant and equipment	74	13
– Intangible fixed assets	–	–
	74	**13**

Segment revenue in the geographical segments considered for disclosure is as follows:-

– Revenue within India (Domestic) include sale to customers located within India; and

– Revenue outside India (Overseas) include sale of products manufactured in India and outside India to customers located outside India

Segment assets in the geographical segments considered for disclosure represents assets locate outside India and sundry debtor balances against export sales from India operations.

Besides the accounting policies followed as described in Note 2, segment revenues and assets include the respective amounts directly identified to each of the segments and amounts / or allocated on a reasonable basis.

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2.41 Employee share-based payment plans

The members of the Group had approved 'Employee Stock Option Scheme, 2017' through Postal Ballot on February 10, 2017. The plan envisaged grant of stock options to eligible employees at an exercise price equal to the latest available closing price discounted by 50% or such other percentage as may be decided by the Nomination and Remuneration Committee.

Under the Plan, upto 5,341,840 stock options can be issued to eligible employees of the Group, whether working in India or out of India, including any Director of the Group, whether whole time or otherwise excluding the Independent Directors. Under the Plan, each option, upon vesting, shall entitle the holder to acquire one equity share of ₹ 2 each. The options granted will vest gradually over a period not earlier than one year and not later than five years from the date of Grant of such Options. Vesting of Options is a function of achievement of performance criteria or any other criteria, as specified by the Committee and communicated in the grant letter.

Summary of vesting and lock-in provisions are given below:

Grant - 1

Sr. No.	Vesting Schedule		
	% of options scheduled to vest	Vesting date	Lock-in period
1	20%	1 year from grant date	Nil
2	20%	2 years from grant date	Nil
3	20%	3 years from grant date	Nil
4	40%	4 years from grant date	Nil

Grant - 2

Sr. No.	Vesting Schedule		
	% of options scheduled to vest	Vesting date	Lock-in period
1	40%	1 year from grant date	Nil
2	40%	2 years from grant date	Nil
3	20%	3 years from grant date	Nil

Grant - 3

Sr. No.	Vesting Schedule		
	% of options scheduled to vest	Vesting date	Lock-in period
1	60%	1 year from grant date	Nil
2	40%	2 years from grant date	Nil

Grant - 4

Sr. No.	Vesting Schedule		
	% of options scheduled to vest	Vesting date	Lock-in period
1	33%	1 year from grant date	Nil
2	33%	2 years from grant date	Nil
3	34%	3 years from grant date	Nil

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The movement in the stock options under the Plan, during the year, is set out below:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	1,172,000	50	1,242,000	50
Granted during the year	227,646	50	530,000	50
Exercised during the year	(176,000)	50	(386,000)	50
Forfeited during the year	(256,000)	50	(214,000)	50
Outstanding at the end of the year	967,646	50	1,172,000	50
Exercisable at the end of the year	44,000	–	62,000	–

Stock compensation expense under the Fair Value Method has been determined based on fair value of the stock options. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions:

Particulars	Employee stock option scheme 2017
Expected volatility	42.2% - 68.3%
Risk free interest rate	4.2%-7.5%
Exercise price (₹)	0-50
Expected dividend yield	.4%-.6%
Life of options (years)	2 - 4 years
Weighted average fair value of options as at the grant date (₹)	28.5-196.5

The options outstanding as at March 31, 2023 have a weighted average remaining contractual life of 2.40 years (March 31, 2022: 2.84 year)

The amount recognised as an expense in statement of profit and loss account for employee services received amounting to ₹31 million (March 31, 2022: ₹ 21 million). Further, there were no cancellations or modifications to the scheme in year ending March 31, 2023 or March 31, 2022.

2.42 Additional information as required under schedule III to the Companies Act, 2013 of the companies consolidated as Subsidiary and Joint Ventures/Associate

As at March 31, 2023

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in Profit or (loss)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
Parent Company				
Minda Corporation Limited	88.58%	14,092	93.36%	2,656
Subsidiaries				
Indian				
Spark Minda Foundation	0.03%	4	(0.49%)	(14)
Minda Corporation Limited - Employee Stock Option Scheme trust	(0.26%)	(41)	(0.04%)	(1)

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Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in Profit or (loss)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
Spark Minda Green Mobility System Private Limited	0.47%	74	(1.65%)	(47)
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	5.49%	873	17.33%	493
Foreign				
PT Minda Automotive Indonesia, Indonesia	3.08%	490	3.06%	87
Almighty International PTE Limited, Singapore	2.85%	454	2.88%	82
PT Minda Automotive Trading, Indonesia	0.26%	41	0.04%	1
Minda Vietnam Automotive Co. Limited , Vietnam	3.09%	492	4.57%	130
Minda Europe BV	0.14%	22	0.07%	2
Associate (Investment as per equity method)				
Indian				
Furukawa Minda Electric Private Limited	(0.64%)	(102)	(2.95%)	(84)
Jointly controlled entity (Investment as per equity method)				
Indian				
Minda Vast Access Systems Private Limited	0.30%	48	(0.14%)	(4)
Minda Infac Private Limited	(0.06%)	(10)	(0.28%)	(8)
Eliminations/adjustments	(3.32%)	(529)	(15.75%)	(448)
Total	**100.00%**	**15,908**	**100.00%**	**2,845**

As at March 31, 2022

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in Profit or loss	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
Parent Company				
Minda Corporation Limited	88.17%	11,728	83.45%	1,602
Subsidiaries				
Indian				
Spark Minda Foundation	0.13%	18	(0.57%)	(11)
Minda Corporation Limited - Employee Stock Option Scheme trust	(0.36%)	(48)	(0.05%)	(1)
Spark Minda Green Mobility System Private Limited	0.44%	70	(1.41%)	(27)
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	15.84%	2,107	10.94%	210
Foreign				
PT Minda Automotive Indonesia, Indonesia	3.17%	422	2.08%	40
Almighty International PTE Limited, Singapore	3.43%	456	5.94%	114
PT Minda Automotive Trading, Indonesia	0.24%	38	0.21%	4
Minda Vietnam Automotive Co. Limited , Vietnam	2.86%	387	3.91%	75

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Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in Profit or loss	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
Minda Europe BV	0.15%	20	0.00%	–
Associate (Investment as per equity method)				
Indian				
Furukawa Minda Electric Private Limited	(0.11%)	(18)	(1.77%)	(34)
Jointly controlled entity (Investment as per equity method)				
Indian				
Minda Vast Access Systems Private Limited	0.39%	51	0.89%	17
Minda Infac Private Limited	(0.01%)	(1)	(0.05%)	(1)
Eliminations/adjustments	(14.50%)	(1,928)	(3.62%)	(70)
Total	**100.00%**	**13,301**	**100.00%**	**1,919**

2.43 Financial instruments – Fair values and risk management

a. Financial instruments – by category and fair values hierarchy

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

i. As on March 31, 2023

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Investments (excluding investment in jointly controlled entities/associate)	–	3,998	19	4,017	3,967	–	31
(ii) Other financial assets	–	–	203	203	–	–	–
Current							
(i) Trade receivables	–	–	6,409	6,409	–	–	–
(ii) Cash and cash equivalents	–	–	1,079	1,079	–	–	–
(iii) Other bank balances	–	–	540	540	–	–	–
(iii) Other financial assets	–	–	832	832	–	–	–
Total	**–**	**3,998**	**9,082**	**13,080**			
Financial liabilities							
Non-current							
(i) Borrowings	–	–	1,716	1,716	–	–	–
(ii) Lease Liability	–	–	1,349	1,349	–	–	–
Current							
(i) Borrowings	–	–	3,810	3,810	–	–	–
(ii) Lease Liability	–	–	256	256	–	–	–
(iii) Trade payables	–	–	7,256	7,256	–	–	–
(iv) Other financial liabilities	5	–	753	758	5	–	–
Total	**5**	**–**	**15,140**	**15,145**			

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

ii. As on March 31, 2022

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Investments (excluding investment in jointly controlled entities/associate)	–	31	16	47	–	–	31
(ii) Other financial assets	–	–	166	166	–	–	–
Current							
(i) Trade receivables	–	–	5,688	5,688	–	–	–
(ii) Cash and cash equivalents	–	–	708	708	–	–	–
(iii) Other bank balances	–	–	2,626	2,626	–	–	–
(v) Other financial assets	–	–	734	705	–	–	–
Total	**–**	**31**	**9,938**	**9,940**			
Financial liabilities							
Non-current							
(i) Borrowings	–	–	848	848	–	–	–
(ii) Lease Liability	–	–	970	970	–	–	–
Current							
(i) Borrowings	–	–	3,066	3,066	–	–	–
(ii) Lease Liability	–	–	176	176	–	–	–
(iii) Trade payables	–	–	5,675	5,675	–	–	–
(iv) Other financial liabilities	1	–	581	582	1	–	–
Total	**1**	**–**	**11,316**	**11,317**			

The management assessed that the fair values of current financial assets and liabilities significantly approximate their carrying amounts largely due to the current maturities of these instruments. Accordingly, management has not disclosed fair values for financial instruments such as trade receivables, trade payables, cash and cash equivalents, other current assets, interest accrued on fixed deposits, other current liabilities etc.

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.

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2023 and March 31, 2022.

(i) Credit risk

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

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Particulars	As at March 31, 2023	As at March 31, 2022
Investments (excluding investment in jointly controlled entities/associate)	4,017	47
Trade receivables	6,409	5,688
Cash and cash equivalents	1,079	708
Other bank balances	540	2,626
Other financial assets	1,035	900

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans.

Credit risk on cash and cash equivalents and bank deposits is limited as the Group generally invests in banks with high credit ratings assigned by domestic credit rating agencies. Credit risk on investments is limited as the Group generally invests in entities after reviewing the liquity position of the entities.

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. The Group does monitor the economic environment in which it operates.

As per Ind AS 109, the Group uses expected credit loss (ECL) model to assess the impairment loss or gain. The Group 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 Group's historical experience for customers.

Movement in the loss allowance in respect of trade receivables:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	(76)	(44)
Impairment loss recognised/ (reversed), net	(13)	(32)
Amount written off / utilised	32	–
Balance at the end of the year	**(57)**	**(76)**

a) **Expected credit loss for trade receivables under simplified approach**

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

Particulars	Carrying amount	
	As at March 31, 2023	As at March 31, 2022
Current (not past due)	5,713	5,013
1 to 30 days past due	402	351
31 to 60 days past due	75	56
61 to 90 days past due	73	74
More than 90 days past due*	203	270
Expected credit losses (Loss allowance provision)	(57)	(76)
Carrying amount of trade receivables (net of impairment)	**6,409**	**5,688**

*The Group believes that the unimpaired amounts that are past due by more than 90 days are still collectable in full, based on historical payment behaviour.

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Valuation technique used to determine fair value

Specific valuation techniques used to value non current financial assets and liabilities for whom the fair values have been determined based on present values and the appropriate discount rates of the Group at each balance sheet date. The discount rate is based on the weighted average cost of borrowings of the Group at each balance sheet date.

Valuation processes

The Group has an established control framework with respect to the measurements of the fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements and reports to Senior Management. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

b. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk - Foreign exchange
- Market risk - Interest rate

Risk management framework

The Holding Company's board of directors has overall responsibility for the establishment and oversight of the Group'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 Group's risk management policies are established to identify and analyse the risks faced by the Group, 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 Group's activities. The Group, 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 Group uses derivative financial instruments exclusively for hedging financial risks that arise from its foreign exchange related exposures.

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

(iii) Valuation technique used to determine fair value

The company has used discounted cash flow method (income approach) for equity instrument and compulsorily convertible debentures.

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(iv) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (iii) above for the valuation techniques adopted.

Particulars	Fair value as at		Significant unobservable inputs	Data inputs		Sensitivity*	
	31-Mar-23	31-Mar-22		31-Mar-23	31-Mar-22	1% increase in inputs	1% decrease in inputs
Investment in equity shares							
– FP West Solar Private Limited	21	21	Market Multiple	Weighted average cost of capital - 15% EV/Revenue multiple - 7.45x	Weighted average cost of capital - 15% EV/Revenue multiple - 7.45x	–	–
– AMP Solar Urja Private Limited	1	1	Market Multiple	Weighted average cost of capital - 12.50% EV/PAT multiple- 12.50x	Weighted average cost of capital - 13% EV/PAT multiple- 13.13x	–	–
Investment in Compulsorily Convertible Debentures							
– AMP Solar Urja Private Limited	8	8	Market Multiple	Weighted average cost of capital - 12.50% EV/PAT multiple- 12.50x	Weighted average cost of capital - 13% EV/PAT multiple- 13.13x	–	–

* Sensitivity has been considered for mentioned inputs, keeping the other variables constant. ₹ '-' represents values below ₹ 500,000 as the financials in round off to Rupees in millions

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to 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 Group's reputation.

The Group believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent of ₹ 1,619 million as at March 31, 2023 (March 31, 2022: ₹ 3,334 million), 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 Group 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 Group will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

The Group'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 Group's liquidity position on the basis of expected cash flows.

– Maintaining diversified credit lines.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

I. **Financing arrangements**

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2023	As at March 31, 2022
From banks - Current	2,768	3,675
From banks - Non current	–	–
From others - Current	100	363

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

As at March 31, 2023	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Non-current liabilities							
Borrowings	1,716	–	–	–	1,716	–	1,716
Lease liabilities *	1,349	–	–	–	916	589	1,505
Current liabilities							
Borrowings	3,810	3,028	627	458	–	–	4,113
Lease liabilities	256	–	10	31	–	–	41
Trade payables	7,256	7,256	–	–	–	–	7,256
Other financial liabilities	758	758	–	–	–	–	758
Total	**15,145**	**11,042**	**637**	**489**	**2,632**	**589**	**15,390**

* Carrying value represents discounted value as at March 31, 2023

As at March 31, 2022	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Non-current liabilities							
Borrowings	848	–	–	–	848	–	848
Lease liabilities *	970	–	–	–	970	–	970
Current liabilities							
Borrowings	3,066	2,457	276	333	–	–	3,066
Lease liabilities	176	–	141	35	–	–	176
Trade payables	5,675	5,675	–	–	–	–	5,675
Other financial liabilities	582	582	–	–	–	–	582
Total	**11,317**	**8,714**	**417**	**368**	**1,818**	**–**	**11,317**

* Carrying value represents discounted value as at March 31, 2022

(iii) Market risk

Market risk is the risk that the fair value or 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.

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 Group is exposed to the effects of fluctuation in the prevailing foreign currency exchange

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rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency of the respective entities within the group and other currencies from the Group's operating, investing and financing activities.

Exposure to currency risk

The summary of quantitative data about the Group's exposure to currency risk, as expressed in Indian Rupees, as at March 31, 2023 and March 31, 2022 are as below:

Particulars	As at March 31, 2023				
	USD	EURO	CHF	JPY	GBP
Financial assets					
Trade receivables	711	405	–	0	1
Other financial asset	159	–	–	–	–
	870	**405**	**–**	**0**	**1**
Financial liabilities					
Borrowings	23	–	–	–	–
Trade payables	733	113	11	25	–
	756	**113**	**11**	**25**	**–**

Particulars	As at March 31, 2022				
	USD	EURO	CHF	JPY	GBP
Financial assets					
Trade receivables	646	385	–	4	–
Other financial asset	11	–	–	–	–
	657	**385**	**–**	**4**	**–**
Financial liabilities					
Borrowings	111	–	–	–	–
Trade payables	623	105	–	11	–
	734	**105**	**–**	**11**	**–**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at March 31, 2023 (previous year ended as on March 31, 2022) 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	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
For the year ended March 31, 2023				
USD	1	(1)	1	(1)
EUR	3	(3)	2	(2)
	4	**(4)**	**3**	**(3)**

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for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
For the year ended March 31, 2022				
USD	(1)	1	(1)	1
EUR	3	(3)	2	(2)
	2	**(2)**	**2**	**8**

USD: United States Dollar, EUR: Euro

Exposure to currency risk

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding Contracts	No. of Deals		Contract value of foreign Currency		Remaining period of maturity: Up to 12 months nominal amount		Remaining period of maturity: More than 12 months nominal amount	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
INR/USD Sell forward	5	13	3	1	260	100	–	–
INR/EUR Sell forward	7	2	8	–	702	17	–	–
INR/USD Buy forward	3	2	2	–	144	–	–	–
INR/EUR Buy forward	3	–	1	–	55	–	–	–
INR/JPY Buy forward	2	–	59	–	37	–	–	–
INR/USD Call option	1	2	–	1	19	79	–	19
Interest rate swap#								
INR/USD Buy	1	2	–	1	19	79	–	19

Represent principal amount of loan hedged

Sensitivity analysis

The following table details the group's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currency. The sensitivity analysis includes only outstanding forward exchange contracts as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number below indicates an increase in profit before tax or vice-versa.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
For the year ended March 31, 2023				
INR/USD Sell forward	3	(3)	2	(2)
INR/EUR Sell forward	7	(7)	5	(5)
INR/USD Buy forward	1	(1)	1	(1)
INR/EUR Buy forward	1	(1)	–	–
	12	**(12)**	**8**	**(8)**

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Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
For the year ended March 31, 2022				
INR/USD Sell forward	1	(1)	1	(1)
INR/EUR Sell forward	0	(0)	0	(0)
INR/USD Buy forward	–	–	–	–
INR/USD Call option	1	(1)	1	(1)
	2	**(2)**	**2**	**(2)**

USD: United States Dollar, EUR: Euro

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

Exposure to interest rate risk

The Group's interest rate risk arises majorly from the term loans from banks carrying floating rate of interest. These obligations exposes the Group to cash flow interest rate risk. The exposure of the Group's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable-rate instruments	As at March 31, 2023	As at March 31, 2022
Non current borrowings	1,716	827
Current borrowings	2,715	2,193
Current maturities of non-current borrowings	611	361
Total	**5,042**	**3,381**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points (bps) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or loss		Equity, net of tax	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest on term loans from banks				
For the year ended March 31, 2023	**(26)**	**26**	**(19)**	**19**
For the year ended March 31, 2022	(17)	17	(13)	13

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2.44 Capital management

For the purpose of the Group's capital management, capital includes issued equity share capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the management of the Group'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 Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may return capital to shareholders, raise new debt or issue new shares.

The Group monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts less cash and cash equivalents divided by total capital (equity attributable to owners of the parent plus interest-bearing debts).

Particulars	As at March 31, 2023	As at March 31, 2022
Current borrowings (including current maturities and lease liabilities)	4,066	3,242
Non-current borrowings (including lease liabilities)	3,065	1,818
Less : Cash and cash equivalents	(1,079)	(708)
Adjusted net debt (A)	**6,052**	**4,352**
Total equity (B)	**15,908**	**13,301**
Adjusted net debt to adjusted equity ratio (A/B)	**38.0%**	**32.7%**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

2.45 Other statutory information

1. The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

2. The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

3. The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

4. The Group have 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 Group (Ultimate Beneficiaries) or

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

5. The Group 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 Group shall:

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

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

6. The Group has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

7. The Group has done transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, and the outstanding balances as on the balance sheet date is as below:-

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Name of Struck off Company	Nature of transactions with struck-off company	Balance Outstanding as on March 31, 2023	Relationship with the Struck off company, if any, to be disclosed	Balance Outstanding as on March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
Interium Automotive Private Limited	Payable	–	NA	3	NA
Sky Force Security & Alliance Services Private Limited	Payable	–	NA	1	NA
Paradise Plastic Enterprises Ltd	Receivable	–	NA	1	NA
Sumitron Exports Pvt. Ltd.	Payable	3	NA	0	NA
Protectron Electromech Pvt. Ltd.	Payable	6	NA	7	NA
Pyrotek India Pvt. Ltd.	Payable	1	NA	2	NA
Phoenix Industries Limited	Payable	27	NA	4	NA
Vaibhavi Impolo Auto Comp Pvt. Ltd.	Payable	7	NA	6	NA
Sunrise Autoelectronics Private Limited	Payable	13	NA	11	NA
Alok Leasing Pvt. Ltd.	Payable	1	NA	0	NA
Genius Consultant Pvt. Ltd.	Payable	1	NA	1	NA

2.46 Quarterly returns submitted with the bank

The quarterly returns or statements filed by the Group for working capital limits with banks and financial institutions are not in agreement with the books of account of the Group, details of the differences were noted between the amount as per books of account for respective quarters and amount as reported in the quarterly statements is as follows.

The differences were in case of Debtors amounting to ₹ (71) million (amount reported ₹ 5,186 million vs amount per books of account ₹ 5,257 million), ₹ (4) million (amount reported ₹ 5,483 million vs amount per books of account ₹ 5,487 million), ₹ (36) million (amount reported ₹ 4,921 million vs amount per books of account ₹ 4,957 million), for the quarter ended June 30, 2022, September 30, 2022, and December 31, 2022 respectively.

In the previous year the differences were in case of Debtors amounting to ₹ 917 million (amount reported ₹ 4,424 million vs amount per books of account ₹ 3,507 million), ₹ 472 million (amount reported ₹ 4,245 million vs amount per books of account ₹ 3,774 million), ₹ 250 million (amount reported ₹ 4,131 million vs amount per books of account ₹ 3,881 million) 965 million (amount reported ₹ 5240 million vs amount per books of account ₹ 4275 million) for the quarter ended June 30, 2021, September 30, 2021, December 31, 2021 and March 31, 2022 respectively.

Further, Creditors had a difference of ₹ 18 million (amount reported ₹ 700 million vs amount per books of account ₹ 718 million), ₹ (71) million (amount reported ₹ 672 million vs amount per books of account ₹ 601 million), ₹ 125 million (amount reported ₹ 846 million vs amount per books of account ₹ 971 million), for the quarter ended June 30, 2022, September 30, 2022 and December 31, 2022 respectively.; and

In the previous year, Creditors had a difference of ₹ 1,317 million (amount reported ₹ 2,714 million vs amount per books of account ₹ 4,031 million), ₹ 1,440 million (amount reported ₹ 2,964 million vs amount per books of account ₹ 4,405 million), ₹ 1,279 million (amount reported ₹ 2,768 million vs amount per books of account ₹ 4,047 million) 366 million (amount reported ₹ 4349 million vs amount per books of account ₹ 4714 million) for the quarter ended June 30, 2021, September 30, 2021, December 31, 2021 and March 31, 2022 respectively. ; and

Inventory had no difference in amount reported and amount as per books. In inventory, no difference (amount reported ₹ 3,960 million vs amount as per books of accounts ₹ 3,960 million). No (amount reported ₹ 4,221 million vs amount as per books of account ₹ 4,221 million). No (amount reported ₹ 4,116 million vs amount as per books of account ₹ 4,116 million), for the quarter ended June 30, 2022, September 30, 2022 and December 31, 2022.

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In previous year, Inventory had a difference of ₹ 217 million (amount reported ₹ 4,124 million vs amount per books of account ₹ 3,908 million), ₹ 243 million (amount reported ₹ 3,996 million vs amount per books of account ₹ 3,753 million), ₹ 175 million (amount reported ₹ 4,156 million vs amount per books of account ₹ 3,981 million) ₹ 98 million (amount reported ₹ 3849 million vs amount per books of account ₹ 3751 million) for the quarter ended June 30, 2021, September 30, 2021, December 31, 2021 and March 31, 2022 respectively.

Furthermore, information's/ detailed for the quarter ended March 31, 2023 are yet to be submitted by the Group, basis their discussion with the banks the same shall be submitted post finalisation of statutory audit for the year ended March 31, 2023.

2.47

The Group, in earlier years, had made impairment provision amounting to ₹ 2,622 million (regarding Investment, Loan and other recoverable) in the books of accounts, with respect to its exposure related to recovery of said balances in erstwhile wholly owned subsidiary Minda KTSN Plastic Solutions Gmbh & Co. KG, Germany (KTSN, Germany). The Group was unsure of the statutory provisions regarding write off under various rules and Act. The Group has re- assessed the applicability of write off and has written off the same in view of recent updated FEMA Guidelines in the current financial year. The said write off is based on the progress report of insolvency proceedings and communication received from the insolvency administrator of KTSN, Germany as there is no probability of Group receiving any claim out of the insolvency proceedings.

Further, the Group based on its own assessment, and opinions obtained from independent experts has considered that such write off shall be admissible as at aallowance and shall be claimed in its return of income for the year ended March 31, 2023. Accordingly, the Group has considered tax impact of above write off while computing the income tax provision for the current year.

2.48

During the year ended March 31, 2023, the Holding Company, after due approval of Board, had purchased 191,40,340 equity shares of Pricol representing 15.7% of the total paid up equity share capital (as at December 31, 2022) of Pricol Ltd. aggregating amounting to ₹4,057 million from the open market. The investment is in nature of financial investment, and the Holding Company has not acquired any special rights in Pricol Limited. As per IND AS-109 "Financial Instruments", any gains or losses arising on subsequent recognition at the time of reporting period end will be accounted directly through Other Comprehensive Income (OCI) and accordingly loss amounting to ₹ 90 million has been recognised in the financials statements.

2.49

The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and noted that there are no long term contracts. Accordingly, no provision is required to be created in the books of account under any law / accounting standards.

2.50

The Group 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 Group 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.

2.51

During the previous year, The Group has acquired additional 49% equity stake (with voting rights) in Minda Stoneridge Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) {acquisition date December 31, 2021} and accordingly post this acquisition by combining the previously held stake and additional stake, it become wholly owned subsidiary of the Group.

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The acquisition has been accounted for using the acquisition method prescribed under Ind AS 103 – 'Business Combinations', and accordingly, the identifiable assets (both tangible and intangible) acquired and liabilities assumed are recorded at their acquisition date fair values as determined by an independent valuer. Excess of purchase consideration over the fair value of identified assets acquired and liabilities assumed has been recognised as Goodwill.

The total purchase consideration is ₹ 3,288 Million. The fair value of identifiable assets acquired and liabilities assumed on acquisition are as follows:

Particulars	For the year ended March 31, 2022
Property, plant and equipment	606
Capital work-in-progress	98
Right of use assets	36
Customer relationship contracts	645
Other intangible assets	19
Deferred tax assets	7
Trade receivables	964
Inventories	665
Cash and cash equivalents	183
Other bank balances	678
Other financial / non-financial assets (net)	327
Total assets	**4,228**
Trade Payables	963
Lease Liabilities	111
Provision for Gratuity	18
Other financial / non-financial liabilities (net)	297
Total liabilities	**1,389**
Net identifiable assets acquired (B)	**2,839**
Fair value of stake previously held by Group	1,677
Purchase consideration (A)	**3,288**
Excess purchase consideration over fair value of net assets (Goodwill) C = (A-B)	**449**
Net deferred tax liability created on difference in book value and fair value (D)	**181**
Adjusted Goodwill E = (C+D)	**630**

(i) The fair value of trade receivables and other financial assets is equivalent to the contractual amount receivable (net of provision). Further there are no trade receivables and other financial assets as at the acquisition date whose contractual cash flow are not expected to be collected.

(ii) Gain on re-measurement of previously held equity interest

The gain recognized on fair value of existing equity stake in Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) as the acquisition date amounts to ₹ 327 million. The same is disclosed as exceptional item.

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(iii) Contribution to group results

Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) has contributed ₹ 1,384 million of revenue and ₹ 153 million to profit before tax from January 1, 2022 to March 31, 2022. Had the acquisition taken place at the beginning of the year i.e. April 1, 2021, Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) would have contributed total revenue of ₹ 4,845 million and profit before tax of ₹ 406 million.

(iv) For Contingent Liability acquired through business acquisition refer note 2.37.

2.52

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

2.53 Information in respect of Joint Ventures and Associates

As at March 31, 2023

Name of the entity	% of Ownership Interest	Total Assets	Total Liabilities	Profit for the year	Other Comprehensive Income	Total Comprehensive Income
	Amount	Amount	Amount	Amount	Amount	Amount
Associate (Investment as per equity method)						
Indian						
Furukawa Minda Electric Private Limited	25%	1,855	2,415	(350)	–	(350)
Jointly controlled entity (Investment as per equity method)						
Indian						
Minda Vast Access Systems Private Limited	50%	1,645	777	(7)	(1)	(8)
Minda Infac Private Limited	51%	128	97	(15)	–	(15)

As at March 31, 2022

Name of the entity	% of Ownership Interest	Total Assets	Total Liabilities	Profit for the year	Other Comprehensive Income	Total Comprehensive Income
	Amount	Amount	Amount	Amount	Amount	Amount
Associate (Investment as per equity method)						
Indian						
Furukawa Minda Electric Private Limited	25%	2,018	2,228	(137)	2	(135)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023 (All amounts are in ₹ million, unless otherwise stated)

Name of the entity	% of Ownership Interest Amount	Total Assets Amount	Total Liabilities Amount	Profit for the year Amount	Other Comprehensive Income Amount	Total Comprehensive Income Amount
Jointly controlled entity (Investment as per equity method)						
Indian						
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)*	51%	–	–	187	(2)	185
Minda Vast Access Systems Private Limited	50%	1,527	652	34	4	38
Minda Infac Private Limited	51%	80	34	(3)	–	(3)

*During the previous year, The Group has acquired additional 49% equity stake (with voting rights) in Minda Stoneridge Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) {acquisition date December 31, 2021} and accordingly post this acquisition by combining the previously held stake and additional stake, it become wholly owned subsidiary of the Group.

2.54

The Group evaluates events and transactions that occur subsequent to the Balance sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in financial statements. There were no subsequent events to be recognised or reported that are not already disclosed elsewhere in these financial statements.

2.55

Figures for the corresponding previous year have been regrouped / reclassified, wherever considered necessary including requirements of the amended Schedule III to the Companies Act 2013, to make them comparable with current year classification.

As per our report of even date attached

For **S R Batliboi & Co. LLP**
Chartered Accountants
FRN : 301003E/E300005

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

Vikas Mehra
Partner
Membership No.: 094421

Ashok Minda
Chairman & Group CEO
DIN 00054727

Aakash Minda
Executive Director
DIN 06870774

Vinod Raheja
Group CFO

Pardeep Mann
Company Secretary
Membership No.: A 13371

Place: New Delhi
Date: May 19, 2023

Place: Noida
Date: May 19, 2023

FORM NO. AOC 1

(All amounts are in ₹ million, unless otherwise stated)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014

Sl. No.	Name of the Subsidiary	Financial period ended	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (1)	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of shareholding
1	Minda Instruments Limited	31.03.2023	INR	119	2,261	4,057	1,677	-	6,682	662	169	493	-	100%
2	Spark Minda Foundation	31.03.2023	INR	0	4	10	6	-	-	(14)	-	(14)	-	100%
3	Minda Europe B.V.	31.03.2023	Euro 89.3478	27	(27)	0	1	-	-	3	0	2	-	100%
4	Almighty International Pte. Ltd.	31.03.2023	USD 82.1533	233	402	635	-	632	-	82	-	82	-	100%
5	PT Minda Automotive Indonesia	31.03.2023	IDR 0.00546	300	192	707	215	24	1,158	113	26	87	-	100%
6	PT Minda Automotive Trading	31.03.2023	IDR 0.00546	24	16	64	23	-	90	2	0	1	-	100%
7	Minda Vietnam Automotive Company Limited	31.03.2023	VND 0.0035	35	457	642	150	-	940	160	30	130	-	100%
8	Spark Minda Green Mobility System Private Limited	31.03.2023	INR	148	(70)	411	332		236	(53)	(9)	(47)	-	100%
9	ESOP Trust	31.03.2023	INR	-	(41)	102	143		-	7	1	7	-	100%

(This space has been intentionally left blank)

FORM NO. AOC 1

(All amounts are in ₹ million, unless otherwise stated)

Part B- Associates and Joint Ventures

SL. No	Name of the Joint venture	Minda VAST Access Systems Private Limited	Furkawa Minda Electric Private Limited	Minda Infac Private Limited
1	Latest audited Balance Sheet Date	31st March 2023	31st March 2023	31st March 2023
2	Shares of Associate/ Joint Ventures held by the company on the year end			
	No.	0*	2,93,75,000	25,50,000
	Amount of investment in Assoiciates/ Joint Ventures	43,00,65,297	272688730#	1,57,51,637
	Extent of Holding %	50%	25%	51%
3	Description of how there is significance influence	We have 50% control on Board.	We have 25% control on Board.	We have 51% control on Board.
4	Reason why the associate/ Joint Venture is not consolidated	Ind AS 28 does not allow to consoldiate jointly contolled entity.	Ind AS 28 does not allow to consoldiate jointly contolled entity.	Ind AS 28 does not allow to consoldiate jointly contolled entity.
5	Net Worth attributable to Shareholding as per latest audited Balance Sheet	434	(140)	15
6	Profit/ Loss for the year	(7)	(350)	(16)
i	Considered in Consolidation	(4)	(88)	(8)
ii	Not considered in Consolidation	(4)	(263)	(8)

* Amount in absolute is Rs 901 (31 March 2022: Rs 901)

Investment impaired during the year of 250 Million not considered above

1. Name of subsidiaries which are yet to commence operations – Nil
2. Name of subsidiaries which have been liquidated or sold during the year - Nil

SPARK MINDA

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