

July 06, 2022

The Officer-In-Charge (Listing) Listing Department National Stock Exchange of India Ltd., Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: MINDACORP	Head - Listing Operations, BSE Limited, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001 Scrip Code: 538962
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Sub: Annual Report for the financial year 2021-22

Dear Sir,

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), we are submitting herewith the Annual Report of the Company for the financial year 2021-22 which is being sent through electronic mode to the Members.

The Annual Report for the Financial Year 2021-22 is also available on Company's website www.sparkminda.com

For Minda Corporation Limited



Pardeep Mann
Company Secretary
Membership No A13371

Encl: As Above

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DISRUPT

INNOVATE
LEAD



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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.



DISRUPT INNOVATE LEAD

Over the years, we have invested considerably in enhancing the core and deepening our capabilities.

We have focused on certain key aspects:

ensuring manufacturing excellence and sourcing; improving the working capital cycle and optimising costs; building a strong ecosystem of technology and digitisation; and above all nurturing a culture of customer centricity. The result of our strategy was evident during the reporting year.

FY22 brought in its wake several challenges for us in the form of continued threat of virus mutants, supply chain constraints and subdued demand scenario. However, we continued to outperform industry with double digit revenue growth, strong order book and attractive pipeline of patents filed.

We will continue to sharpen our capabilities to disrupt the market in terms of design, diversity and functionality of our products, accelerate our innovation to match the aspirations of our global customers, and attain leadership position.

Closer Look at our Growing Business

Minda Corporation has emerged as one of India's leading automotive component manufacturing companies, with a significant national and international footprint. It is the flagship company of Spark Minda, which was part of the erstwhile Minda Group. We are present across 5 countries, with 33 manufacturing plants and 16000+ employees.

The Company has a diversified product portfolio that encompasses Mechatronics, Information and Connected Systems, Interior Plastic and electronics for auto OEMs. These products cater to passenger vehicles, commercial vehicles, motorcycles and scooters, off-road vehicle and Tier 1 manufacturers in India with a presence in Indonesia, Vietnam, Uzbekistan and Japan. The Company has a diversified customer base, including Indian and global original equipment manufacturers and Tier-1 customers.

For assimilating best-in-class technologies, the Company has set up a dedicated R&D facility and collaborations with the pioneers in the automobile industry. This has provided it with cutting-edge expertise in product design and technology to conform to stringent international quality standards. The Group companies are accredited with QS 9000, ISO-14001, and TS Certification.





Vision

To be a Dynamic, Innovative and Profitable Global Automotive Organisation for 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 & Fairness, Nurture Talent, Competency & Willingness, Respect & Humility.

Key Highlights

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Countries



33

Plants and Offices

16000+

Employees

₹ 1077 million

CAPEX

The Year under Review

Quarter 1

Our revenue continued to grow better than the industry

We received a strong lifetime order of ₹ 2,378 million from an electric vehicle manufacturer

Our new businesses won exceeded replacement business for quarter 1

We signed a joint venture with INFAC during the quarter for the manufacturing of vehicle antenna system

We filed six new patents in Q1, which included one in cyber security

Nearly 95% of temporary and permanent workers were vaccinated with the first dose of vaccination.

Quarter 2

Increased stake in Minda Stoneridge and expanded technical collaboration with Stoneridge.

We acquired a 26% strategic stake in EVQ Point to strengthen our battery charger range for green mobility.

Our revenue for the quarter continued to outperform the industry numbers

We delivered a double-digit EBITDA margin for the quarter, which improved both sequentially and year-on-year basis

Total lifetime order book accomplished in Q2 FY22 reached ₹ 12,987 million

We strengthened our EV order book with a lifetime order win of ₹ 4,881 million in Q2 FY22 with 100% SOB

Quarter 3

We filed an application for Production Linked Incentive (PLI) scheme

We completed the transaction to make Minda Stoneridge Instruments Limited (MSIL) 100% subsidiary

Revenue for the quarter continued to outperform the industry performance

Improved double-digit EBITDA margin for the quarter on a sequential basis, despite lower automotive production

Total lifetime order book accomplished in Q3 FY22 is ₹ 16,516 million

We filed 4 more patents in quarter 3, taking the total patent in the company to 210

We strengthened our EV order book by adding 2 new customers and a lifetime order win of ₹ 1,167 million

Quarter 4

Application for PLI approved under Component Champion Incentive Scheme

Revenue Growth for the Quarter continues to outperform the Industry performance

Improved double digit EBITDA Margin for third straight quarter on sequential basis

Highest ever quarterly PAT of ₹ 759 million

Total lifetime order booked in Q4FY22 of ₹ 14,500 million

8 patents filled during the quarter taking the total patent in the company to 218

We strengthened our EV order book with a lifetime order win of ₹ 1,094 million

Financial Highlights

₹ in Million	FY 2022 *	FY 2021*	FY 2020*	FY 2019	FY 2018
Operating Revenue minus Excise duty	29,759	23,679	22,226	30,920	25,935
Cost of Goods Sold	18,759	14,925	13,385	19,032	15,586
Employee Benefit Expense	4,742	3,827	3,566	5,092	4,413
Other Expenses	3,313	2,757	2,821	3,872	3,207
EBITDA	2,946	2,170	2,454	2,924	2,729
Other Income	242	332	426	355	163
Depreciation & Amortisation	1,120	936	866	883	738
Finance Cost	309	358	389	490	371
PBT before exceptional item & profit/(loss) from JV	1,758	1,208	1,625	1,905	1,783
Share of Profit/(Loss) of joint ventures/associate	74	39	125	280	131
Exceptional item	327	-	-	175	-
Profit Before Tax on Continued Operations	2,159	1,247	1,750	2,360	1,914
Tax on Continued Operations	240	312	394	668	487
Profit After Tax from Continued Operations	1,919	935	1,356	1,692	1,427
Profit/(loss) from Discontinued Operations	-	9	(361)	-	-
Exceptional item in Discontinued Operations	-	(416)	(2,933)	-	-
Tax expense related to discontinued operations	-	-	60	-	-
Loss from discontinued operations (after tax)	-	(407)	(3,354)	-	-
Profit/(loss) for the year	1,919	528	(1,998)	1,692	1,427
Equity including minority Interest	13,301	11,466	9,750	11,950	7,407
Gross Debt	3,914	4,832	5,319	6,806	7,232
Cash & Cash equivalent	3,334	4,994	4,724	3,670	261
Net Debt	580	(162)	595	3,136	6,971
Receivables	5,688	4,420	3,898	5,464	5,705
Inventory	4,789	3,959	3,949	4,464	4,479
Trade Payables	5,675	5,065	5,093	4,103	4,409
Capex	1,077	1,306	1,461	1,182	1,939
Gross Profit %	37.0%	37.0%	39.8%	38.4%	39.9%
EBITDA %	9.9%	9.2%	11.0%	9.5%	10.5%
EBIT %	6.9%	6.5%	8.9%	7.7%	8.3%
PBT %	6.1%	5.2%	7.7%	7.5%	7.3%
PAT %	5.4%	4.1%	6.0%	5.4%	5.5%
Net Debt/Equity	0.04	(0.01)	0.06	0.26	0.94
EBITDA/Net Debt	5.08	(13.47)	4.12	0.93	0.39
ROCE	11.9%	9.6%	17.8%	16.4%	15.9%
Dividend Payout	50%	32.5%	17.5%	35%	30%
Basic EPS from continued Operations	8.16	4.13	6.09	7.69	6.99

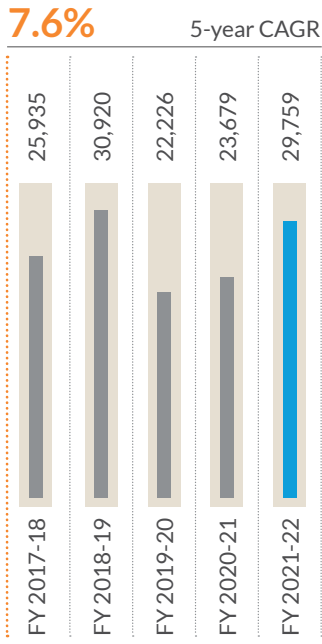
* Note:

1. Net profit/Net profit after taxes has been computed excluding exceptional items for both FY 22 and FY21.
2. The Financials of FY2021 and FY2020 on continued operations does not include MKTSN as it has been classified under discontinued operations for both the years.

Financial Highlights

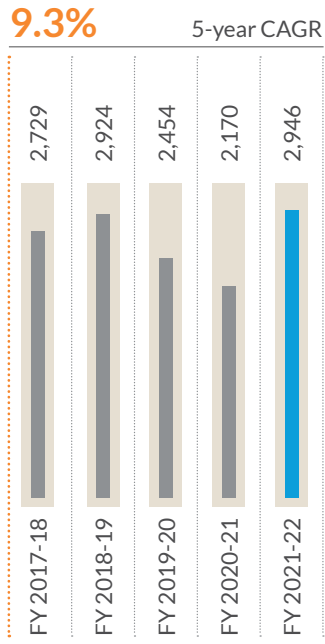
Operating Revenue

(₹ In Mn)



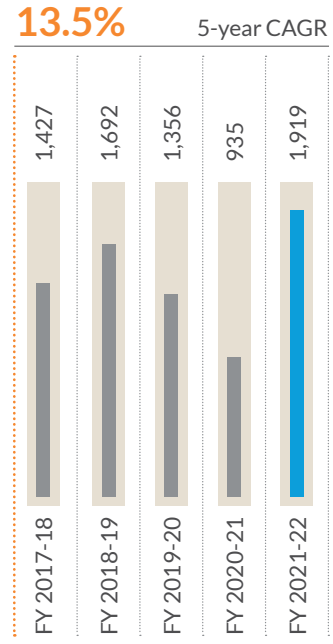
EBITDA

(₹ In Mn)



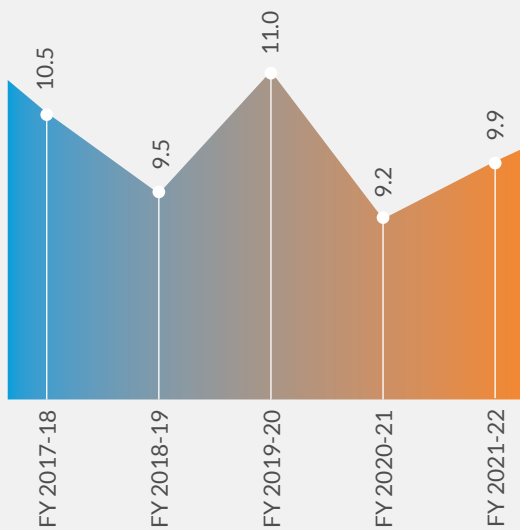
PAT

(₹ In Mn)



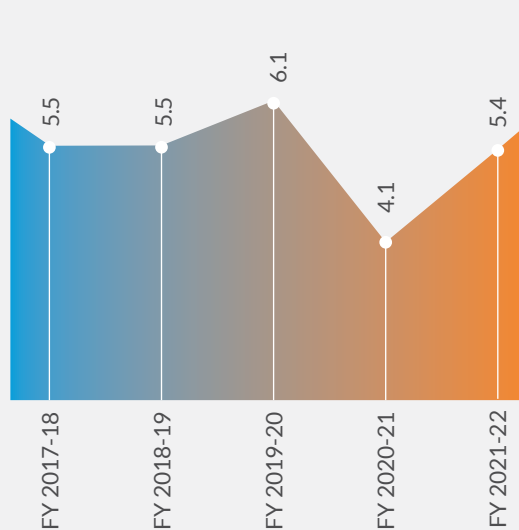
EBITDA Margin

(in %)



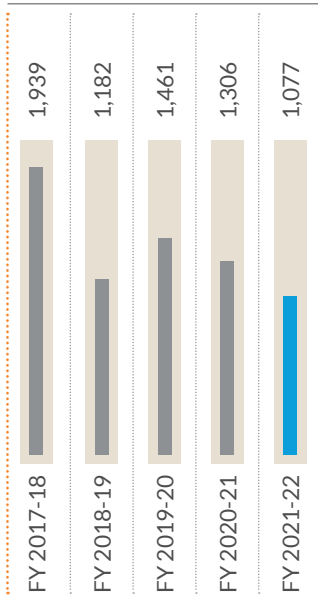
PAT Margin

(in %)

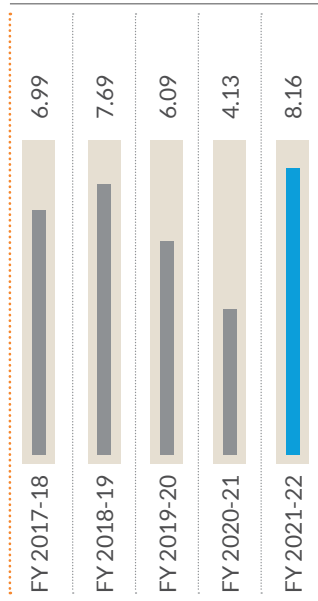


CAPEX

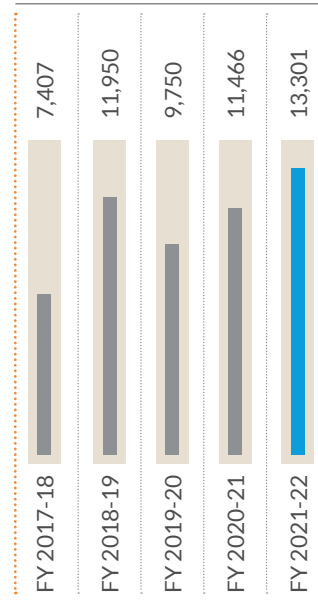
₹ In Mn

**Basic EPS**

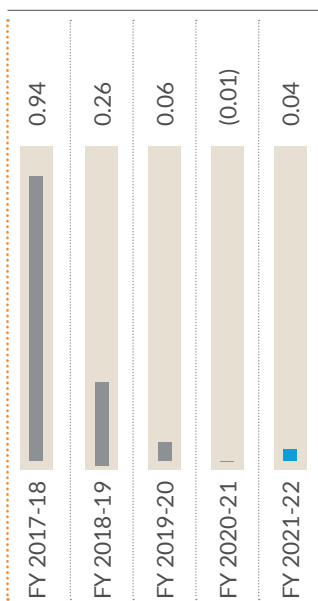
₹

**Net Worth**

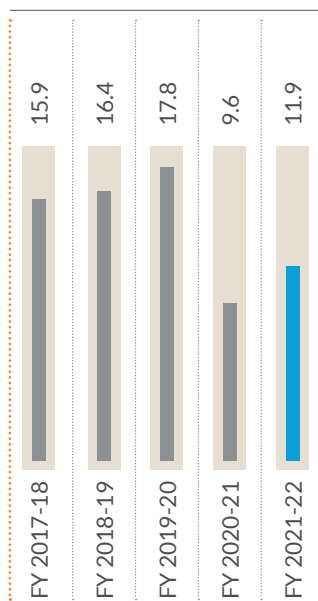
₹ In Mn

**Debt Equity Ratio**

(in times)

**ROCE**

(in %)



Message from Chairman

“

The pandemic has put us on a steep learning curve which made us even more resilient and strong. We continue to derive strength from our business model, focus on Research & Development, strong order book and highly experienced management team. We are cautiously optimistic about the Indian auto sector as well as the country's economic growth.

” Ashok Minda | Chairman



Dear Shareholders,

Over the years, we have primarily focused on enhancing the organisation's core and deepening our capabilities. I am happy to inform you that this strategy has enabled us to put up an exceptional performance in FY22, despite a multitude of challenges.

If we look at the global macro environment, the post-pandemic recovery started taking shape from the second quarter of FY22, which was subsequently impacted by the escalation of geopolitical tensions during the third and fourth quarter of the year.

Commodity prices shot up and supply chain pressures, which were set to ease, began to rise again. The surge in global commodity prices has exacerbated inflationary pressures across advanced economies (AEs) and emerging market economies (EMEs) alike, causing a sharp upward revision in their inflation projections. India was also severely impacted, where rising inflation continues to be a cause for concern.

Despite inflationary pressures weighing on real growth forecasts, the Indian economy continues to rank among the fastest growing economies of the world. However, the threat from Omicron, supply chain disruptions, and an overall subdued sentiment had a broader adverse impact on all vehicle segments and categories.

In this context, I must reiterate that Spark Minda has been able to outperform the industry, owing to its diversified product portfolio, strong engagement with global customers, robust manufacturing capabilities and advanced R&D, backed by six decades of automotive experience.

The pandemic has put us on a steep learning curve, wherein we have strengthened our business model by focusing on cost and capex as well as ensuring risk mitigation, basic hygiene to ensure good health and safety of our teams, and transparency in our operations.

During the year under review, we continued to leverage operational efficiency to navigate through the challenges faced by the auto industry. Our primary focus has been to create a very strong order book, elevate operating efficiency, strengthen free cash flow and work towards disruptive technologies.

We delivered a consolidated revenue of ₹ 29,759 million with 25.7% Y-o-Y growth against an industry growth of 1.2% in FY22. Our EBDITA for the year stood at ₹ 2,946 million with 9.9% EBIDTA margin. Our Profit After Tax from continued operations for the year stood at 1,919 million as against ₹ 935 million in FY21.

We have also made some strategic moves to drive innovation. Our partnership with Ride Vision and the joint venture with INFAC Elecs are examples to this thought.

We continue to monitor the scenario of high input costs and semiconductor shortages, impacting domestic manufacturing and exports. We remain cautiously optimistic about the Indian auto sector as well as the country's economic growth.

With an absolute intent to drive value for our shareholders as well as customers, we are sharpening our focus on technology and innovation. Keeping in mind the changing landscape of mobility worldwide, we at Minda are aiming to become a one-stop solutions provider.

For moving on to our next course of growth, we have proactively developed our technological abilities to stay ahead of the curve. Our 3-pronged approach describes our efforts to bring about palpable change

- We have been heavily investing in R&D and have already set up our state-of-the-art in-house R&D facility for advanced solutions, while simultaneously scouting for partners to bring in quality, scalable, cost-effective solutions
- We intend to establish technological partnerships to further strengthen our

core business and maintain dominance in our legacy product business.

- To introduce latest technologies and products to the Indian customers, we are on lookout for new JV opportunities with global suppliers who would give us access to new technology

We are very well positioned to combat the technological shift owing to a change in customer requirements, emerging market trends, and even government regulations. Our investments in new technologies such as light weighting, electronics and EV related products are some of our most recent endeavours.

With our firm foothold in segments of two wheelers, aftermarket operations, and off-road vehicles, we are now enhancing our focus on four-wheeler segment by strengthening our passenger vehicle offering.

For the long term, we will put the extent of our focus on the electric vehicle space and drive our strategic growth endeavours.

With our strategic investments in place and priorities defined, I am confident that our ideas will keep contributing to the next generation of electric mobility and we will continue to Innovate, Disrupt and Lead.

I have always been proud of the contribution of my talent pool. This year it has been reinforced due to their commitment to scale the Company to new heights. I want to thank all my colleagues for their efforts and engagement. In the coming years, we will continue to improve our technologies, processes and sustain our commitment towards 'right capital allocation' to provide best-in-class quality products to our customers and deliver sustainable profitable growth.

**Regards,
Ashok Minda**

Conversation with Executive Director

“

We are looking at global industry trends to drive profitability. Our next stage of growth will be led by our target to become a complete system solution provider. Moreover, premiumisation of our existing products will drive revenues and profitability.

” Aakash Minda | Executive Director





How would you describe the important developments of the year under review?



The fiscal year 2021-22 was a remarkable period of learning and delivering. The first quarter witnessed the second Covid-19 wave, which shook us personally and professionally. But in spite of all the challenges, Minda Corporation continued to deliver.

I am pleased to share that MCL could deliver its best ever performance in terms of revenue and profitability in Q4 FY2021-22. If we look at year FY22, we take satisfaction in ending the year with ₹ 29,759 million revenue at 9.9% EBITDA margin. This was made possible with three successive quarter (Q2, Q3, Q4 FY21-22) of double-digit EBITDA and sustained performance improvement.

Our aim is to be agile in every aspect of operations, sourcing, sales and R&D. We have internalized the processes to receive and act-upon the market feedback swiftly and regularly.

Our initiatives to drive inorganic and organic growth gave us a good start, although operational challenges and risks remain. We are on track to lead the technological shift in national and international markets, while also adding scale, consistently.

We acquired 26% stake in EVQPOINT as we strengthened our battery charger range of products and added to our Green Mobility portfolio. Further, in line with our vision to strengthen our technology domain and enhance value for our stakeholders, we also reinforced our technological collaboration with Stonebridge Inc.

I am also pleased that we have added many marquee customers to our EV portfolio – Ather, Ola Electric, Hero Electric, BMW and Ultraviolette Automotive. We have

also won a lifetime order book of about ₹ 59,300 million including EV order book of ₹ 9,520 million.



What are your views on the automotive industry as a whole and your plans to sustain your performance in the long run, especially in the backdrop of prevalent geopolitical concerns and elevated inflation globally?



There's a variety of factors at play currently, causing headwinds for the industry. These include rise in fuel prices, the rising cost of ownership, and supply-chain issues, among others. In the case of passenger vehicles, supply constraints are the major hurdle despite demand remaining strong. These hurdles are being exacerbated by global factors such as the persisting semiconductor shortage, lockdown in parts of China owing to the surge in COVID-19 cases, and the geopolitical tensions.

These disruptions are a blessing in disguise, as they will bring out the best in our industry. The raw material prices will hopefully level down in sometime, even if they do not, organisations and our industry need to be well equipped to manage these situations and also think about alternatives.

As an example, at Spark Minda, our robust inventory management system works to strengthen relationships with global chip suppliers and distributors to improve allocations. For semiconductor chips, schedules and forecasts are released to our distributors and suppliers for 12 to 15 months, thereby supporting better planning capabilities. As part of MCL's 'Uncertainty Management Strategy', the company has conducted several 'Value Addition and Value Engineering' (VAVE) workshops around cost optimization

and adopted a policy of structured cost management to make the processes more resilient to external fluctuations.

Moreover, the world's post-pandemic 'China plus one' strategy to diversify supply chains will play out in favour of India. There will be a lot of opportunities for us to explore and unlock value. The agility and flexibility of our organisation is what we are striving to work on consistently. While COVID-related disruptions and geopolitical changes might continue to be challenging in the short term, we are working towards becoming more agile in dealing with the adversity.



What are some of the strengths that enable the company to sustain its competitive edge?



Technology and scale.

Our investments in R&D (1.5% -2.0% of the revenue) have yielded significant results. We have applied for 28 new patents in FY22 with total patents count filled now increasing to 218. We have also gained access to future proof technologies from our partnerships with global suppliers. Our technological know-how coupled with our experience in the sector has ensured that we stay ahead in providing more solutions to our customers, while also staying close to them.

Moreover, we enjoy a good market share in the country for all our products. Through our professionalism and commitment, we have been able to support our customers and win their trust and loyalty. It is this trust with our clients established over the years that validates the amount of hard work and time, it has taken for us to establish genuine relationships and strong engagements with our clients.



How do you plan to maintain your commitment to ensure profitability?



We are looking at global industry trends to drive profitability. Our next stage of growth will be led by our target to become a complete system solution provider. Moreover, premiumisation of our existing products will drive revenues and profitability.

While we already have achieved double-digit EBDITA, we aim to improve and sustain it over the medium and long term through our proactive approach to building capability and capitalising on the EV opportunity in India and globally.



What are the global industry trends that will shape Spark Minda in the coming years?



The global trends shaping the automotive industry are Autonomous, Connected, Electrification and Shared Mobility. We believe that similar trends are also visible in the Indian industry as well. The evolution of the auto-ancillary ecosystem will also revolve around these trends. Besides electrification of vehicles, enhanced safety for passengers, emission control and fuel economy, human-machine interface are also important trends to consider.

Spark Minda’s strategic vision is to lead such change and tap into the potential presented by this evolving industry. The Company’s new product development and acquisition strategies will be focused

on electrification, e-mobility, safety and light-weighting solutions.

Our swift rollout of strategic investments for the development of antennas, telematics, ITS and connected digital clusters for the connected vehicles, ADAS technology, airbag wiring harness, TPM sensors for safety, plastic light weighing parts and electrification of keyless car locks and tachometers and powertrain sensors, supporting improvements in emissions, alongside a wide range of battery chargers to power electric vehicles should hold the Company in good stead within an immensely transformative overdrive.



Any government initiative that you want to emphasise in this context?



The government has opened a number of opportunities for the companies in the auto-industry. With the extension of FAME-II Scheme till 2024, enhancement of incentives for two-wheelers and the launch of production-linked incentive (PLI) scheme for auto and auto component sector, we are hopeful that enormous support to the sector will help it flourish further.



How will the PLI scheme help the company?



The PLI scheme launched by the government is here to give impetus to the auto ancillary sector. Born out of the need to bring strategic changes to support companies achieve scale

and competitiveness, we believe it will encourage more and more domestic players to invest in R&D and focus on New Technology rather than obtaining access to technology from overseas. India currently being the receiver of technology when it comes to automotive, with the PLI scheme, I hope that Indian companies through their inhouse teams become self-sufficient and reliant.

We are pleased to announce that MCL has been approved under the PLI scheme. We will certainly be utilizing this opportunity to invest in local technology and achieve scale in manufacturing of best-in class at competitive costs.



What are the different growth opportunities for EVs that Spark Minda plans to capitalise upon and what is your approach to expand?



We are well prepared with the EV vehicle opportunity. In the last 12 months, we have closed three partnerships. We have partnered with RideVision from Israel for two-wheeler ADAS system. We entered into a joint venture with INFAC Elecs of Korea for Shark Fin Antenna and Micro Pole Antenna technology. We acquired 26 per cent stake in EVQPOINT, EV solutions from Bengaluru. Our alliances have helped in adding to our competency and capability to reduce the timeline and product offering to the market.

To gain a major foothold into the EV space, we have developed a 3x3 strategy: To make products for under three-wheelers, under three-kilowatt products and into three product lines- battery management systems, motor controllers and power electronics (aspect). Also, with EV Kit potential offerings worth 16,000 to 20,000 ₹, we are increasing our EV reach and aiming to become the preferred partners of the most reputed OEMs.

Reiterating about our proactive approach, I would like to mention when the world was talking about (ICE) internal combustion engine or Bharat Stage (BS-VI), we had laid the foundation in our Technical Center for EVs. With significant human capital employed in our EME division, we are ensuring to put the best minds on to bringing the best technologies for our customers and lead the EV transformation.



Can you explain in brief your overall strategy, going forward?



We are strengthening our capabilities on multiple fronts: Evolve our legacy products with new technology and enter into new segments with new products.

We have also now enhanced our focus in the four-wheeler space with new offerings focussed on the PV segment. We are also constantly working towards premiumisation of our legacy products. Even though all of our ICE offerings are EV proof, we believe innovation will be key to our growth in the next phase and we continue to invest in research and development to incubate new offerings. The R&D team of Spark Minda is capable on working on complex projects from conceptualisation to design and development.

In EV space our strategy is two-fold. First, to disrupt the market with advanced versions of our legacy solutions for e.g. our wiring harness, keyless locking systems etc. These will contribute to an increase in the content of our legacy products. Second, with our state-of-the-art R&D facility in Pune- the Spark Minda Tech Centre –we have mapped new products we need in the EV space. We estimate that we shall have a combined

KIT value of 16,000-20,000 ₹ ready for 2W EVs. Besides our own investments, we are also on the lookout for partners to bring in quality, scalable and cost-effective solutions in the EV space.



What are some of the Company's efforts towards sustainability?



We have devised a comprehensive approach to sustainability that addresses the challenges endangering our planet and people. Our 'Sustainability Policy' outlines our philosophy to manage the many pillars - ethical business, sustainable operations, responsible value chain, care

for people and inclusive growth - of our sustainability framework. It has helped us in our goal of speeding our efforts for stakeholder value creation while minimizing our environmental impacts.

Ensuring compliance obligations with all applicable environment, labour and legal regulations and requirements including customer specific requirements; continually exploring and implementing initiatives that support water positivity, carbon neutrality as well as zero waste to landfill; collaboration with supply chain partners to actively promote environment stewardship and social responsibility; continually improve the way we work to ensure that our solutions and products delivered to customers exceed their expectations are some of our conscious initiatives we take in order to stand by our commitment and philosophy.



We believe innovation will be the key to our growth in the next phase and we continue to invest in research and development to incubate new offerings. The R&D Team at Spark Minda is capable of working on complex projects right from conceptualisation to design and development.



Aakash Minda | Executive Director

Board of Directors



Mr. Ashok Minda

Chairman & Group CEO

Mr. Ashok Minda brings along an extensive experience of more than 37 years in the automotive component industry. His futuristic approach ensured that the business grew into a multifarious and multi-product organisation in the domain of automotive components with a nationwide footprint and international recognition.

Under the futuristic vision and dynamic leadership of Mr. Minda, the Group is expanding on a global platform with a diversified product portfolio and comprises various companies in India and abroad. He has a successful track record of partnering with leading global auto component companies of the US, Germany, Japan and France. Mr. Minda has also been instrumental in initiating greenfield projects in Indonesia, Vietnam, and various parts of India.



Mr. Aakash Minda

Executive Director

Executive Director - Group Finance & Strategy and CEO, Plastics & Interior and Electronic Manufacturing Excellence. Akash Minda holds a Bachelor's degree from Cox School of Business, France and Executive MBA from the Indian School of Business.

He started his journey with Schaeffler Group as a management trainee. He joined Spark Minda with his first assignment to look after the newly acquired company, Minda Autoelektrik Ltd. A well-rounded experience in the group, he led the Spark Minda's European subsidiary, Minda KTSN Plastic Solutions GmbH & Co as its Managing Director and was instrumental in improving the cash flow and working capital of the Company.

He took the mantle of MCL's Interior Plastic division as its CEO in June 2020. In September, he was elevated to the Board as Executive Director for Strategy & Finance. He also leads the newly created division, Electronic Manufacturing Excellence, as its CEO. From FY23, both Group Marketing and Group Technology function has also started working directly with him.



N K Modi

Executive Director

Naresh Kumar Modi is a Chartered Accountant and a Company Secretary. With over overall 33 years of rich experience, he has worked with E&Y and Birla Group before joining Spark Minda Group.

He has over 25 years of experience at Spark Minda Group and has taken various roles internally in different areas of business including strategy, finance, human resource and operations. He was the Business Head at Minda Stoneridge Instruments and Group CHRO and CEO of the Information & Connected System vertical. Mr. N K Modi was also responsible for strategic sourcing at group level and effective vendor management, supplier risk management, developing common polices and processes for material function.

Currently Mr. N K Modi is the CEO of Starter Motors & Alternators Division.

**Rakesh Chopra**

Independent Director

Mr. Rakesh Chopra is a Chartered Accountant (England & Wales) and MBA from Cranfield University, U.K. having rich experience of over 40 years and is currently Director of GPR Enterprises, Kempty Cottages, Pragma Holdings, Bharat Gears, Cleantec Infra. Founder Member and Chairman of Indraprastha Cancer Society (Rajiv Gandhi Cancer Hospital & Research Centre).

**Avinash P. Gandhi**

Independent Director

Mr. Avinash P. Gandhi is a Mechanical Engineer from the Birla Institute of Technology and completed management programs at IIMs and Administration Staff College of India. He has rich experience of over 50 years in various capacities as Strategic Advisor, Director and other senior managerial positions in leading auto companies. He is presently also on the board of Lumax Industries, EV Motors India, Schaeffler India, QRG Enterprises, Action Construction Equipment Limited, Uni Products (India) Limited etc.

**Ravi Sud**

Independent Director

Mr. Ravi Sud has a bachelor's degree with honours in commerce and an MBA from IIM Ahmedabad. He also holds FCS and AICWA certifications. Mr. Ravi Sud is having vast experience of over 35+ years in automotive sector at various positions like General Manager, Company Secretary, Senior Vice President & CFO in areas like Finance, Accounts, Secretarial, Legal, Internal Audit, Investor Relations and evaluating various options for Mergers/Acquisitions, stitching successful joint ventures and investment opportunities.

**Ashok Kumar Jha**

Independent Director

Mr. Ashok Jha, an IAS officer of the 1969 batch, has a 38 years stint in the Civil Services. Mr. Jha had held crucial positions in India's State and Central Government apparatus including the position of the Finance Secretary, Government of India. He is a renowned expert in handling policy issues of key ministries of the Government dealing with economic issues. Presently, he is also serving on the Board of Setco Automotive, - Xpro India.

**Pratima Ram**

Independent Director

Mrs. Pratima Ram holds a Master's Degree from University of Virginia, USA and graduated from Bangalore University. She served as Chief Executive Officer of South Africa Operations of SBI and also as Country Head (U.S.A. Operations) of SBI at New York. She was also head of Mergers & Acquisitions at SBI Capital Markets. Presently, she is also on the Board of Cadila Pharmaceuticals, Manappuram Home Finance Limited, Moneyline Credit Limited, Avaali Solutions Private Limited, Minda Instruments Ltd, GPS Renewables Private Limited.

Presently, Mr. Ravi Sud is an operating partner with Phi Capital and he advises portfolio companies on issues related to strategy, financial management including cost control, and review of audit and MIS systems and processes. Also serving on the Board of Innovative Design Solution Private Limited and Eto Motors Private Limited.

Leadership Team



Arvind Chandra

CEO, Mechatronics

Arvind Chandra holds an MS degree in Industrial Engineering & Management from Oklahoma State University along with an MBA in Marketing & Strategy from the University of Michigan.

He has over 26 years of industry experience and has worked with premier companies including Wabco Corporation, Faurecia Corporation, Delphi Corporation and General Motors. Before joining Spark Minda, he owned a consulting firm, AC Consulting & Investments, with operations in Germany and Spain. The company supported strategy transformation for companies like Toyota and Aptiv, among others, to enable digital and powertrain technology disruption.

He came on board Spark Minda in early 2020 to head its Mechatronics vertical and is responsible for executing business plans of the vertical.



Biranchi Mohapatra

CEO, Information & Connected System

Biranchi Mohapatra completed his B.Tech in Mechanical Engineering from National Institute of Technology, Rourkela. With over 30 years of experience in diverse industries, he has a rich experience of setting up and growing diverse business portfolios.

He has spent the last 15 years primarily specialising in successfully turning around the business and growing businesses multi-fold through a mix of organic and inorganic strategies, while maintaining a rigorous focus on driving operating margins and free cash flows. He has worked with well-known companies including Continental Engines, Varroc and Ashok Leyland. Before joining Spark Minda, he was associated with Plastic Omnium India as its Managing Director.

At Spark Minda he is heading the Information and Connected Systems vertical and is responsible for establishing the strategy roadmap and business plan for the vertical. In FY22, he has taken up the responsibility of Managing Director in our wholly owned subsidiary company, Minda Instruments Limited.



Neeraj Sharan

CEO, Aftermarket

Neeraj Sharan completed his BE degree from IIT Dhanbad and followed it with an MBA degree in Marketing and Finance from Xavier Institute of Management, Bhubaneswar.

He has around 31 years of industry experience having worked with some well-known brands including Greaves Cotton Limited, Doosan Infracore India Pvt Limited, and Tractor India Limited. Prior to joining Spark Minda, he was the CEO of Lohia Global Solutions, a subsidiary of Lohia Corp Limited.

At Spark Minda he is leading the Aftermarket vertical. He is responsible for executing the business plans of the vertical. He is also responsible to build the Aftermarket into a sizeable business along with establishing a strategy roadmap and strengthening existing distribution channels and develop new channels for sales.



Neeraj Mahajan

Group Chief Marketing Officer

Neeraj Mahajan completed his PGDBM in Sales and Marketing from Bhartiya Vidya Bhawan, New Delhi and PG Diploma in Industrial and Personnel Relations.

He brings in a strong industry experience of 31 years and has worked with many reputed brands in the automobile industry including Genacvo LLC-UAE, Sona BLW, Al Naboodah Group & Arabian Automobile Co., Toyota Kirloskar Motors, Kirloskar Brothers, ARB Bearing, among others. Prior to joining Spark Minda, he was the Chief Marketing Officer at JTEKT, India.

He has strong experience and insights in areas like strategy, business planning and operations, new business development, Greenfield projects, distribution channel set-up and building customer orientated organisations.

At Spark Minda he is leading the Group Marketing with a responsibility to make Spark Minda one of the most trusted and valuable automotive brands in India.



Suresh D

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

Suresh D holds a BE degree in Electronics & Communication from Bharathiar University in Coimbatore. A hard core R&D person, he has over 21 years of experience in the automotive industry across a span of functions including automotive products development, engineering and industrialisation.

He has worked with reputed companies in their R&D functions including Pricol and Bosch. Before joining Spark Minda, he was the Chief Engineer at Bosch India and was responsible for the development of various Electronic Control Units for automotive engine management systems and spearheaded the set-up of hardware development and product development out of India for automotive business.

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.



Vinod Raheja

Group Chief Financial Officer

Vinod Raheja is a Chartered Accountant and completed his Bachelor of Commerce (B.Com) from Kurukshetra University. He has around 29 years of industry experience having worked with some acclaimed brands such as Akums Drug & Pharmaceuticals Limited and Shriram Pistons & Rings Ltd, as Chief Financial Officer.

At Spark Minda he is leading the finance function across the organisation and plays a key role in strategic Finance, Group Budgeting, Accounting and Taxation, Fund Management, Secretarial and Legal, Risk Management and IT. He has been successful in building a top notch finance and accounting team at the group.

Leadership Team



Vikas Thapa

Group Chief Human Resources Officer

Vikas Thapa holds an MBA degree and PG diploma in Industrial Relations from Indore University. With over 28 years of industry experience, he has worked with some of the best-known brands including Cummins India, the Tata Group and the Indian Army.

He has rich experience in areas like HR strategy, talent management, labour relations, leadership development and team-based work system, and has set up many Greenfield projects. He is a certified six-sigma green belt and is also a practitioner and coach of Myers-Briggs Type Indicator (MBTI), FIRO-B and HR Change agent.

Vikas joined Spark Minda in early 2020 and is responsible to lead the Group HR function. He is the lead for 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.



Romi Jatta

Group Chief Purchase Officer

Romi Jatta holds SAP MM certification and BE degree in Electronics & Communication from VIT, Pune University. She comes with a vast industry experience of more than 22 years in have worked with prestigious brands like Philips Healthcare, Pune, leading the Procurement Site; Whirlpool Corporation as Global Director, heading the Worldwide Commodity.

At Spark Minda she is leading the materials procurement function across the organisation. Additionally, she is also responsible for Group Sourcing Strategy, Supplier Rationalisation and Development, Cost Reduction Initiatives, Developing Electronics Competency, Standardisation and Automation of processes and developing talent in Material function across the organisation.



Ashim Vohra

Group Chief Operation Officer

Ashim Vohra is an engineer by qualification and has over 36 years of rich industry experience with over 32 years in Spark Minda. He has served as the CEO of Die Casting division and COO of the Mechatronics vertical.

As the CEO of the Die Casting division, he was instrumental in turnaround of the business and taking it to new heights.

At Spark Minda, he leads the Business Excellence and Manufacturing Engineering at the Group Corporate level. He is responsible for development, improvement and adherence of systems and processes. He is also the leader in the Manufacturing and Industrial Engineering vertical including IT enablement of processes.

Awards and Accolades



Minda Corporation Limited Bags ICSI'S Prestigious 6th Annual National CSR Award

Minda Corporation Limited is the recipient of ICSI'S Prestigious 6th Annual National CSR Award 2021 in the "Emerging Category".

The award was conferred to Minda Corporation Limited by Shri. Amit Shah, Minister of Home Affairs and Minister of Co-operation of India. The ceremony was conducted in Taj Lands End, Mumbai in the presence of dignitaries from the government, ICSI and various other corporate representatives on 18th December 2021, Saturday. Minda Corporation Limited is committed to work towards integrated and inclusive growth of people and the planet.

CSR Times Award- 2021



Awards and Accolades

- ACI Awards 2021 **Winner** for components shop floor management of the year
- Minda Corporation Limited **ranked 4th** among top 10 by “FinMedium”
- MCL CIO & CISO receives **prestigious recognition** from the industry bodies
- Minda Stoneridge Instruments Limited wins **GOLD AWARD** in Energy Conservation 2021 organized by QCFI
- Security Systems Division of MCL Pantnagar wins **1st prize** in BAL BAVA KAIZEN COMPETITION 2021-22
- Security Systems Division of MCL Pune wins **GOLD AWARD** at Energy Conservation Competition 2021 organized by QCFI



MCL-SSD Pantnagar Won **1st Runner-up** Award in 2nd BAL-BAVA Kaizen Competition Pantnagar Cluster FY-21~22.

The award was presented by Mr. Anil Mohgaonkar (Plant Head Bajaj Auto Pantnagar) to Mr. L M Joshi (Plant Head) & Team MCL-Pantnagar

Total **18 Nos. team** from BAVA Participated in this competition. The theme of the Kaizen was (Vehicle Turnaround Time Reduction)



MCL – KAKKALUR team won the **Platinum award (1st Place)** in AOTS DOSOKAI 6th Quality Improvement Team Second Online Competition 2021 which was held on 18th ~ 20th Aug'21

A total of **32 presentations** were made from **22 different** companies wherein Rane group, Royal Enfield, Lucas TVS etc. had participated.



Leadership Award Recognition at the 129th HR Intellect Conference organized by CE Worldwide & SPOCS Global.

Spark Minda Group bagged three awards in **two** categories –

- Yuvraj Thorat, MVASt, Pune and Ravindra Jagdale, SSD, Pune won under Human Resource Management & Industrial Relations
- Rasika Bhate, MCL SMIT, Pune won under Talent Acquisition & Talent Development



Business Excellence awards at CII, National level

Winners of 9th CII NATIONAL POKA YOKE Competition 2021

- DCD-Pune Team represented by Pravin Patil won in Platinum category
- SMED Bawal Team represented by Madan Rana and MVASt Team represented by Yogesh Ch. won in Silver category

Winners of Customer Excellence using Six Sigma & Lean and Poka Yoke 2021

- Sunil Tomar of SSD Noida was announced as the **WINNER**



Team "Lakshya" from Security System Division (SSD-Pune) of BV-1 has created History by winning the **1st ever International Award** of Par Excellence (Highest in the category of Awards) for the Spark Minda Group during their participation as Quality Circle Team at International Convention "ICQCC" held in Hyderabad dated 25th Dec'21 hosted by QCFI where more than 900 team has participated from across the world (629

teams from India and rest from other parts of globe).

Representor & Facilitator Mr. Murari Krishna from Business Excellence department and his team members Ms. Dimple Rai , Mr. Prashant Bhamre, Ms. Vaishnavi Davkhare & Mr. Prakash Ghatole who have worked hard to make this possible.



MCL- WHD- Kakkalur plant Has participated In 14th CII Kaizen (category Quality) competition Won **Silver Award**.



MCL- Pillipakkam Plant won the **Gold Award** (Second Prize) on Supplier Samrat Quality Competition conducted by Ashok Leyland on 21st Nov 2021



Die casting Bhamboli PUNE won the **INTERNATIONAL CONVENTION ON QUALITY CIRCLE COMPETITION** held in Hyderabad in Nov 2021 by Virtual mode. (We have participated virtually in this event for Cost optimizations.)

We at Die casting unit – Spark Minda awarded with the **PAR EXCELLENCE AWARD** which is the Highest in all the Category of Awards.



MIL IT team has received the prestigious ACMA India Atmanirbhar Excellence Award in the #digitization category. This feat comes with our procedures, policies for boosting #cybersecurity initiatives, automated #HRMS, Component #Traceability, #Automation in various Manufacturing processes through #IoT and #OT engineering support.



SPARK Minda Annual group Quality circle & Kaizen Competition

MCL-PILLAIPAKKAM team won the Diamond award (1st price) in Kaizen level competition from Mr. Ashim Vohra GCOO – Minda group,. – (Event at Greater Noida). Event Date : 10.03.22

Totally 15 Spark Minda group company participated in the Spark Minda level QCC & Kaizen competition.



Mr. Ajay Choudhary (CFO MIL) received one more awards – enclosed is the certificate –

It's from CFO Collective India, A forum of CFOs in India. Every year they give this award to top 100 CFOs who have demonstrated exemplary performance. This award recognizes the leadership ability and business acumen of CFOs.

Disrupting the Existing Ecosystem

We are committed to serve our customers diligently through disruption of conventional markets by introducing innovative products and solutions.



Technology Adoption

Being a leading automotive components manufacturing company, staying ahead with new-age technology is important to our long-term growth & profitability. We are future-ready and have well positioned ourselves to address the technological shift arising due to regulations, macro trends and customer aspirations. Being the system provider for our customers, we are investing consistently in emerging technologies such as light-weighting, electronics and EV products, emission controls etc.

Our Intelligent Transport System (ITS) enhances safety by integrating multiple component solutions in it. The ITS can connect up to 12 different products and is also modular in nature. We also successfully launched the keyless system last year, which consists of electronics steering column lock, Key FOB, ECU, seat actuator opening mechanism and glove box actuator opening mechanism.

1,077 Mn

Capex on the acquisition of the latest technology

55+



Patents

Enhancing the Core

Safety Security System



We are the only Indian company with the capability to develop mechatronics and electronics needed for smart keys. We have filed 55+ patents in smart keys. We are the preferred supplier for quality and reliability. We are gaining market share with 100% RFQ win in India for smart keys.

Wiring Harness Division



We are working on backward integration by setting up state-of-the-art tool room facilities in the components division. The inhouse team continued to develop connectors thereby reducing the dependence on external suppliers. The company also began with the production of Low Voltage WH for EV commercial vehicles.

Die casting Division



We are emerging as a preferred cost-effective global partner for turbocharger parts. Our expertise in all four casting technologies (HC, HPDC, GDC & LPDC) has led to producing high quality die castings for various applications. We are the only company having a complete in-house process to supply upper bracket and handle holder parts.

Instrument Cluster



With the acquisition of Minda Stoneridge, we have complete access to ever expanding market. This also provides us with the flexibility to enter into collaboration with other players for advanced technology in future.



Supply Chain

The supply chain is a critical aspect of our operational success. We constantly try to optimise our supply chain through efficient raw material sourcing and prudent inventory management. We also strive to maintain a healthy relationship with our value chain partners.



Manufacturing Excellence

We continuously strive to improve our existing manufacturing processes to improve the quality of our products and make them economically competitive. We analyse and identify the strengths and limitations of our manufacturing processes and explore potential improvements in them. We design a new production system for a product, which includes the entire factory plan. With the help of Life Cycle Assessment (LCA) and industry 4.0 projects, we ensure maximum production efficiency and optimum resource utilisation.



Customer Engagement

Through constant interaction with our customers, we have acquired a strong understanding of the consumer pulse. We continually develop new connections to improve consumer interaction.



Creating superior value

With the help of our state-of-the-art manufacturing facilities and skilled workforce, we provide enhanced value to our customers. We integrate the latest technology to cater for their evolving needs.



Innovating Consistently to Upgrade Our Core Capability

We focus on research and technical partnership to gain technological capability to stay ahead of our competitors. We leverage our R&D capability and relationship to drive growth in our business.



Innovation and Technology

R&D Capability

We have built a state-of-the-art in-house R&D facility for advanced solutions. The Spark Minda Technical Centre (SMIT) is the Company's Advanced Engineering Centre for Electronics and Mechatronics. SMIT's objective is to grow into a full-fledged advanced technology provider that helps existing players to develop futuristic automotive sub-system technologies.

RS. 362 million

R&D Expenditure

450

Engineers

Technology Licensing

We license technology from global suppliers to keep us future ready. We build technology tie-ups with strong regulatory support and see it as a potential way forward for local suppliers. This helps us enhance the value we provide to our customers.

4

Technology Tie-ups

Joint Ventures with Global Players

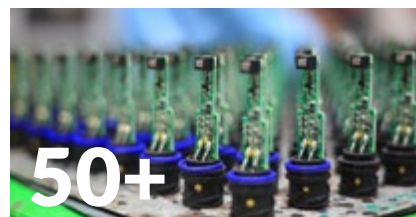
We have been gaining access to the existing technology by entering into joint ventures with global suppliers. This helps in commercialising in the shortest time with the potential to further develop joint IPR ownership in the future

3

Joint Ventures

New Products and Designs

Our Spark Minda Technical Centre (SMIT) in Pune is well equipped with embedded software, an EMI/EMC lab, an anechoic chamber and other modern tools to foster the development of new products. We have a dedicated team of engineers working in respective department of expertise to provide breakthrough products.



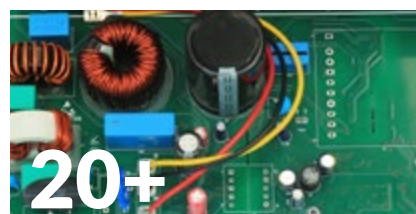
50+

Wiring Harness and E&E Architecture



100+

Digital Clusters



20+

Power Electronics



50+

Vehicle Access Solutions

Our team is constantly working to recognize the customer needs and design products which provide with superior value. We are leveraging our engineering capabilities to address the future trends in electronics hardware, embedded software, mechatronics engineering, testing, HIL, SIL, EMI/EMC and CAE.

Why R&D

Motorcycle fatalities have doubled in the United States since 1975, with distracted drivers estimated to have caused over 400,000 collisions-related injuries in 2018 in the U.S. alone. 2-wheeler riders are classified as vulnerable road users as per UNECE WP.29, to which India is a signatory. According to the data from MORTH, there were about 163 million 2-wheeler sales in India over the last decade. There were approx. 1.5 million fatalities of which 37% (~0.55M) fatalities were accounted for by 2-wheeler riders.

Advanced Driver Assistance Systems (ADAS) has features such as driver monitoring systems, automatic emergency braking, pedestrian detection, around view etc that help drivers with safety-critical functionality to reduce car accidents, save lives and make driving more comfortable and stress free.

We at Spark Minda, have developed India's first Intelligence Rider Assistance System (iRAS), in partnership with Ride Vision, specifically developed to cater to Indian driving dynamics. iRAS uses two HD camera, one at the rear and the other at the front, to give 360-degree sight to the rider. The system operates in a wide range of environments giving the rider unparalleled vision in some of the most treacherous conditions. iRAS is specifically developed for 2-wheeler rider safety keeping in mind the challenges of a rider.

Leading the Way with Passion

We believe, disruption, innovation and market leadership are all about understanding future trends, building capabilities to address consumer aspirations and creating value with a zeal that outshines competition and shapes a legacy.

Green Mobility

The Faster Adoption and Manufacturing of Electric and Hybrid Vehicles in India (FAME), launched under the National Electric Mobility Mission Plan (NEMMP), is leading the Electric Vehicle (EV) transition. The driving force behind India's electric vehicle transition is the commitment towards a net-zero emissions economy by 2070. The automotive sector is moving towards making the vehicles smarter and more intelligent, facilitating safe, efficient and comfortable driving by embedding IoT technologies into automotive systems to create new applications and solutions.

Advanced Wi-Fi capabilities, engine performance metrics and climate control systems are just scratching the surface of what IoT solutions can offer vehicles, with countless applications to come as technology advances. Telematics features in IoT-based cars have been enabled by in-car Wi-Fi capabilities driven by 4G LTE connections.

AI is being effectively implemented in the automotive value chain, including manufacturing, design, supply chain, production, post-production, driver assistance and driver risk assessment systems.

We ventured into electronification with our two-fold strategy. The first is to disrupt the market with advanced solutions such as switching from key to keyless locking, LDW to HDW in wiring harness, and analogue to connected or TFT in instrument clusters. Second, we have mapped different requirements for the EV segment with the support of our R&D facility at Spark Minda Technical Centre to increase our product offerings.



Government Initiatives

The automotive PLI scheme has been allocated one of the largest outlays (₹ 25,938 crore) for the next five years. The scheme aims to make the industry future-ready by incentivising advanced technology components, along with electric and hydrogen fuel cell vehicles. The PLI scheme, together with the FAME II scheme, will be an enabler for large investments in technology and capacity.

Spark Minda application for PLI has been approved under Component Champion Incentive Scheme.

Sustainability

Critical to the Indian economy's netzero ambition, Bharat Stage norms based on European regulations formed by the government to regulate the amount of air pollutants emitted from vehicles. Following a rapid rise in air pollution that's choking cities and driving green activism, there has been pressure on the government to improve the air quality. These standards are also laid down to regulate the quantity of air pollutants from internal combustion engine and spark-ignition engine equipment, including motor vehicles.

Sustainability consciousness in businesses is a trend which is emerging all over the world which is a sign of thriving organisation. We, at Minda Corporation, have built a new ESG framework to assist us in adapting to such developments and putting our pledges into action. Our sustainable operations primarily focuses on materials management, energy management, emissions reduction, water and effluents management and waste management.

Millennials

The intention to buy automobiles is on the rise, despite the popularity of ride hailing apps and climate change concerns. The millennials are expected to create a significant market share growth opportunity in the coming years for hybrids or all-electric vehicles (EV). The aspirational population is shifting to EVs because of the affordable prices of these vehicles. Also, the increase in global warming and climatic conditions and hike in petrol prices are restraining them to buy fuel driven vehicles.

To cater the changing preference of new consumer demography, we are equipped to provide end-to-end solutions. Most of our products are EV agnostic and serve a wide array of EV customers.

Semiconductor Challenge

The semiconductor issue is a big concern for the industry right now. However, the shortage is expected to last till the end of H1 FY23. The unconditional and non-negotiable increase in price is resulting in increased lead time ranging from 26 weeks to 52 weeks.

The requirement in our case comes mostly from EME divisions for ITS and SSD divisions for smart keys. Clusters, which we create in our joint venture with Stoneridge, have a high demand for semiconductors. For all of the Group's requirements, we formed a steering committee that is monitoring the situation and taking appropriate actions.



Crafting a Robust ESG Roadmap

As an organisation, we see the emergence of sustainability as an opportunity and have created an ESG strategy to be executed with diligence. We have identified the material topics and grouped them into the pillars of ESG focus areas. Our corporate strategy also has five pillars upholding Ethical Business, Sustainable Operations, Responsible Value Chain, Care for People, and Inclusive Growth.

The Company has a diversified product portfolio that encompasses Mechatronics, Information and Connected Systems, Interior Plastic and electronics for auto OEMs. These products cater to passenger vehicles, commercial vehicles, motorcycles and scooters, off-road vehicle and Tier 1 manufacturers in India with a presence in Indonesia, Vietnam, Uzbekistan and Japan. The Company has a diversified customer base, including Indian and global original equipment manufacturers and Tier-1 customers.

For assimilating best-in-class technologies, the Company has set up a dedicated R&D facility and collaborations with the pioneers of the automobile industry. This has provided it with cutting-edge expertise in product design and technology to conform to stringent international quality standards. The Group companies are accredited with QS 9000, ISO-14001, and TS Certification.

Responsible Communication Collaborations and Partnership



Ethical Business

We are constantly working on complying with the regulatory requirement as it is critical to our Company's brand and ethos. We strive to enhance economic performance to create long-term value for our stakeholders. We are building trust in our stakeholders by integrating ethics into our day-to-day operations by adhering to the company's code of conduct and avoiding corruption at all levels.

09
Complaints filed

₹ 1,919 million
Economic value retained

00
Complaints pending

₹ 29,759 million
Revenue generated

Sustainable Operations

We try to minimise environmental impact through our operations. We have incorporated material management, energy management, emission reduction, water management and waste management into our operations.

196,678 GJ

Energy Consumed



8098 GJ

Energy Conserved

23,559 GJ

Renewable Energy Consumed

156,867 m³

Water Recycled



Caring For Our People

As an employee-centric organisation, we provide a diverse and inclusive environment, which aids their personal and professional growth. In addition, we strive to protect employee health and create a safe workplace. We provide training and learning opportunities to our employees to upgrade their skills. As a responsible organisation, we are committed to adhering, protecting and safeguarding human rights.

2,755

Employees

35+

Number of courses offered

Responsible Value Chain

We strive to incorporate sustainability in every aspect of our value chain. We are incorporating innovative products and lifecycle management and implementing local sourcing to reduce our carbon footprint.

Working for Societal Needs

As a Company, we always strive to give back to society through our CSR initiatives. The CSR programmes for the entire Spark Minda group are executed through Spark Minda Foundation (SMF).

SMF's primary goal is to work for community development by focusing on education, livelihood promotion, women empowerment, healthcare facilitation, upliftment of people with disabilities, and environmental sustainability.

₹ 38.62 million

CSR Expenditure

Inclusive Growth

Through our CSR initiatives, we are working to reduce inequalities by building an environment of synergy, cooperation and collaboration across stakeholders.

12,985

Individual lives impacted

11,136

Families Supported during COVID

2,097

Trees Planted

16

Health Check-up Camps Organised

Education and Livelihood Promotion

Aakarshan Skill Development Programme

This is a flagship programme of our Company since 2013 that supports the Government of India's 'Skill India Mission' objectives. We aim to provide quality education and skill to underprivileged children and youth with a special focus on the women's community in rural India. We continued the program in the fiscal year, despite the pandemic, in online mode. We provided online e-Certified courses and continued imparting knowledge and skills in the

community. This meant that we weren't by geographical location and hence were provided with an opportunity to reach people across nation.

Locations: Seven Aakarshan Skill Development centres in the states of Uttar Pradesh, Maharashtra, Tamil Nadu, Uttarakhand and Haryana.

Courses offered: Tailoring, Spoken English, Digital Literacy, Beauty Culture & Wellness training.

1,966

Beneficiaries



HP WoW

This is a collaborative effort between HP, Moga Devi Minda Charitable Trust and Bharat Scouts and Guides. This program is aimed at ensuring digital literacy for the rural community.

Locations: Hasanpur, Haryana

Courses offered: Digital Literacy

122

Learners

46

Female Learners

Dual System of Training programme

The programme is a result of our tie-up with the Directorate of Training and Technical Education, Govt. of NCT of Delhi. This initiative aims to build a connect between ITI and the industry. It gives the ITI students exposure to the practical applicability of their learnings. Apart from these learnings, the programme also benefits the learners with additional training on personality development through a soft skill module by Wadhvani Foundation.

Course offered: A 2-year industry-tailored course including theoretical understanding of trade press, tool jigs and fixtures and 9-months hands-on learning in the Group's factories.

16

Beneficiaries

Business Integrated Prison Programme

This is a one-of-a-kind initiative which provides employment accessibility to inmates in prisons in India. The programme aims to create a crimeless society by empowering inmates with skills and earning capabilities. Introduced in 2014, this programme launched manufacturing automotive components in a few prisons. It started with setting up a manufacturing facility in Tihar jail in Delhi. Since then, the programme has expanded to encompass a few prisons in Maharashtra.

Locations: Delhi (Tihar) and Maharashtra (Yerwada, Nagpur and Aurangabad).

100

Inmates



Working for Societal Needs

Empowerment of Persons with Disability

Saksham

The programme is designed to help Persons with Disability (PwDs) in their mobility, skilling and employability. During the year, we organised a celebration on Disability Day to appreciate the PwD employees and to increase their engagement. Apart from helping PwDs with job opportunities, the programme aims to be a one-stop facility for the PwDs to enable them to avail benefits of free of cost assistive aids and Unique Disability ID registration (UDID).

5000+

Beneficiaries



Healthcare, Community Infrastructure and Environment

Shakti

This programme aims to help rural women to improve their health status through their menstrual hygiene, family planning, reproductive health, nutrition and maternal and child health. The programme helps raise awareness about safe management practices and reinforces the importance of hygiene and health, especially for them and their future generations.

Since 2014, more than 3,000 women and adolescent girls have been trained on the subjects of the biological aspect of menstruation and taboos associated with it, the importance of hygiene family planning, various methods of contraceptives, healthy timing and spacing etc.

Location: Bagla, Haryana.

Shakti in Prisons

During FY21, in collaboration with India Vision Foundation and Pathfinder International, the Shakti programme was introduced in the prisons of Haryana. The programme was aimed to introduce female inmates to menstrual hygiene management practices. As part of the first phase, the programme installed sanitary napkin vending machines and incinerators across 13 prisons in Haryana which will be followed by awareness and training

sessions. The final leg of the project would be focused on making the entire process sustainable by manufacturing sanitary napkins in the prison itself.

Location: Haryana (Jhajjar, Rohtak, Karnal and Faridabad)

700

Beneficiaries



Eye Healthcare

Our study indicates that most rural populations do not treat their vision problems. This programme endeavours to provide affordable access to eye healthcare for the rural community.

Location: *Uttarakhand and Haryana.*

5,249

Beneficiaries



COVID-19

The Company took initiatives to support and mitigate the problems faced by people during the COVID-19 pandemic. The Company reached out to people facing hunger and starvation in the absence of daily wages and loss of livelihoods through collaborative efforts.

Confederation of Indian Industry (CII)

The Company collaborated with CII and the District Administration and reached out to NGOs supporting PWD shelter homes. We helped provide raw food items under the COVID-19 Relief and Rehabilitation.

Location: *New Delhi*

11,136

Families



Distribution of Essentials

The Company distributed around 19,200 cooked food packets to the underserved community in the Khed block, Pune. Medical accessories and other utilities like bench, partition, medicine tables and footrest were provided in collaboration with Bajaj Auto Vendor Association to Jawahar Lal Nehru District Hospital in Rudrapur. Testing Kits, Personal Protective Equipment and sanitisers were arranged for the medical professionals and the community. We also distributed ration and medical kits for around 300 people in the villages of Jammu.

Location: *Maharashtra (Pune), Uttarakhand (Rudrapur), Jammu (including Mahore, Gool and Bagga)*

70

People



The surge in COVID-19 cases in India has happened quite suddenly and has taken a lot of people by surprise. With such a sharp rise in new cases of COVID-19, the states of Maharashtra, Karnataka, Tamil Nadu, Delhi, Haryana and Uttar Pradesh have been touted to be high-risk states that are already experiencing the effects of the Second Wave. Like the 1918-20 Spanish flu, the second all-India surge of the Covid-19 pandemic has been more devastating than the first. It has also appeared to be different from last year's surge in several ways, increasing worries and anxiety. At its core, this pandemic is primarily a medical challenge being fought by heroic doctors and nurses in ICUs with ventilators and masks. The BBC and other global news agencies have telecast these scenes from both hospitals and crematoriums, sending alarm bells ringing across the globe. Even as this sordid spectacle is unfolding, healthcare workers have been working as hard as they can despite the shortages.

The Spark Minda Foundation, working along with its team, volunteers, and well-wishers has come forward to aid the Government's disaster relief work across India.



Working for Societal Needs

Ration Distribution Drives

During the Second Wave of Covid-19, it was difficult for people to scout for food, especially for the vulnerable section of the society. People were unable to acquire food because of the lockdown and were helpless. The CSR of Spark Minda carried out ration distribution drive at Uttarakhand and Maharashtra. These drives helped vulnerable people to have access to food without being exposed to the infection.

Ration Distribution Drive, Haridwar

Due to the lockdown, people situated in the interior region of Haridwar were facing difficulty in collecting food. MCL Haridwar, decide to collaborated with the government in the food distribution drive. 25 food packets were provided by the company to help out the people in the community



Ration Distribution to leprosy affected, Pantnagar

Targeting to leprosy affected people this Drive was organized by SMF and MCL Pantnagar. Daily ration was distributed to 45 people who were affected with leprosy and were unable to scout for food due to the lockdown. The ration kit included wheat flour, rice, pulses, spices and oil that can last for 2 months.



Ration Distribution to PwDs employees, Maharashtra

Ration kits were distributed to PwDs who were told to stay back due to Covid-19 at MSIL and WHD. A total of 29 PwDs were identified and ration kit worth ₹ 1,000/- were provided to them.



Covid-19 Care Center, Gurugram

Spark Minda Foundation extended its financial support to CII - YBLF (ACMA) in building Covid-19 Care center at Gurugram. This facility provides premium care and medical facilities to Covid-19 patients.



Awareness drive PRADHAN MANTRI JEEVAN JYOTI YOJANA (PMJJY) SCHEME

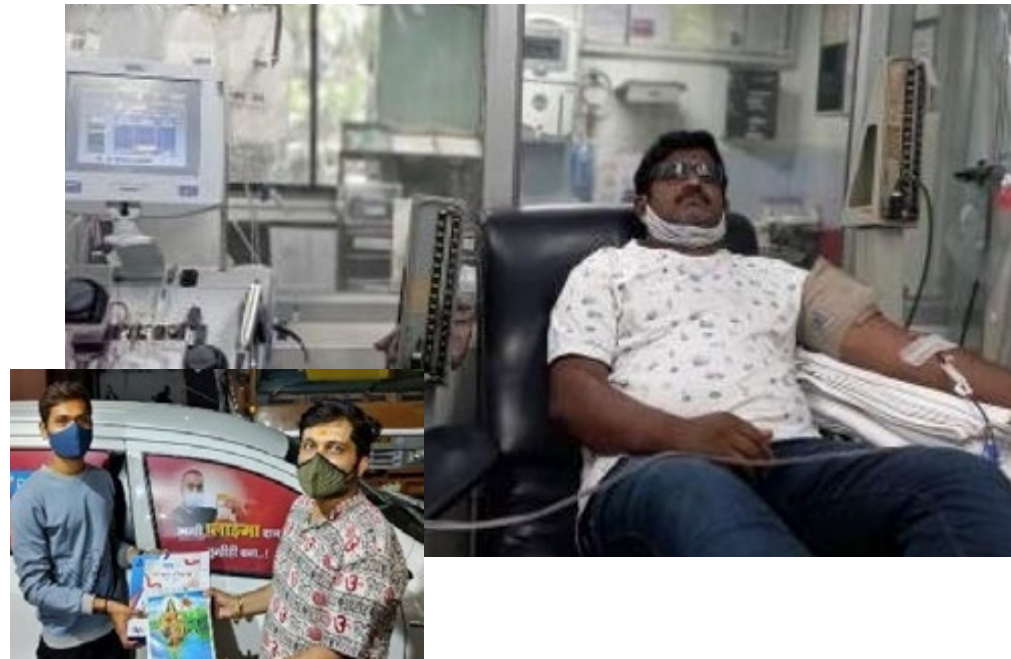
It is a government backed Life Insurance Scheme which was proposed in the budget (FY-2015) by Aru Jaitley (Finance Minister) and launched by Narendra Modi (Prime Minister) in February 2015. SMF team raised awareness among the community stakeholders regarding claims from the PMJJY scheme. The team connected to various Asha Workers, Social Workers, friends and family to find out approx. no. of deceased people. Team guided the families with active policies to take suggestions from the nearest banker in the community or directly get to the bank for final confirmation and also carry along the death certificate of the deceased (original & photocopy) and Aadhar card of the self for availing the claim form.



Plasma Donation Drive, Pune

During the second wave of Covid-19, Initially Convalescent plasma therapy was provided to Covid-19 patients for treatment. To meet the increasing demand Spark Minda Foundation organized a Plasma donation drive at Khed in collaboration with a local group known as "Plasma Warriors". This helped in identification of potential plasma donors and escalated plasma availability for Covid-19 patients. The drive which started mid-April has 280+ Plasma Donors and 500+ beneficiaries.

The Drive is now put on hold as the Convalescent plasma therapy is dropped from clinical management guidelines for COVID-19 patients



Arogya Health kit Distribution, Tamil Nadu

To suppress the rising Covid-19 Cases in Tamil Nadu, there was a need to reduce Covid-19 cases by boosting immunity and providing hygienic facilities to people at their doorsteps. To facilitate this need Spark Minda Foundation prepared Covid - 19 relief kit that was supplied to the villages of Vengadu, Malaipattu, Maaganiyam, Karunakaracheri, Irumbedu, Mudukulathur, Kulathur, Navallur, Vellarai, H pet, and Putlur. The kits included 5 Mask, Sanitizer 100ml, Soap, Kabasura Kudineer (khada). Renowned community members,

stakeholders, MCL and MSIL employees and various volunteers participated during the health kit distribution. Total 5136 families benefited from this drive.



Working for Societal Needs

Vaccination Drive

The second wave of COVID-19 has gripped the country and we all need to come together in order to put the pandemic behind us. The best contribution we can all make together in these trying times is to get everyone vaccinated as soon as possible. In order to support the country, fight the pandemic, Spark Minda Group has launched COVID-19 vaccination drive for the employees.

The CSR is also coordination with the local government to catalyze the vaccination drive for the community.

Vaccination for employees and community, Tamil Nadu

Spark Minda initiated its first vaccination drive at MCL and MSIL Chennai. The Vaccination drive which was in collaboration with the health department is a stepping stone for upcoming vaccination drives. Adhering to government guidelines the drive took place at 2 different locations - Vengadu and Pillaipakkam. One at Vengadu village where 716 people got vaccinated and the other camp was set up at MCL Pillaipakkam that offered vaccination to 1136 employees.



Vaccination for PwDs, Uttarakhand

Spark Minda Foundation collaborated with social welfare department of Uttarakhand to priority vaccination of Persons with disability which are highly dependent on others for the smooth functioning of their daily life. The drive was conducted at different blocks of Udham Singh Nagar consisting of Sitarganj, Kahtima, Rudrapur and Kashipur. The CSR team assisted with mobilization of PwDs, transport and logistics for the medical team along with food and refreshments for the entire drive. A total of 1150 people are covered under this drive



Vaccination for PwDs, Maharashtra

Spark Minda Foundation collaborated with Pimpri Chinchawad Municipal Corporation to initiate Vaccination drive exclusively for PwD's. With the vaccination and medical support provided by PCMC, the camp was set up in Ankushrao Landge Natyagruh , Bhosari ,Pune. With the support of SMF team and the Spark Minda Company for mobilization, transportation, 850 people were vaccinated through this drive.



Medi Kit Distribution

India reached the peak of the Omicron-driven third wave on January 21 when it recorded 3.47 lakh new cases. Taking precautions was vital for surviving this wave. In light of the urgency of the situation, Spark Minda foundation started a campaign to distribute Medikits which included N95 masks and Sanitizers. At the PAN India Project offices, these kits were distributed to former Aakarshan students. Also in Uttarakhand, these kits were distributed to the PwDs of Rudrapur, Kahipur, Gadarpur, and Khatima blocks. These kits helped to spread awareness and enhance community connections. 6100 Kits are distributed Pan India Level.



Corporate Information

BOARD OF DIRECTORS

ASHOK MINDA
Chairman & Group CEO

ASHOK KUMAR JHA
Independent Director

AVINASH P. GANDHI
Independent Director

AAKASH MINDA
Executive Director

PRATIMA RAM
Independent Director

RAVI SUD
Nominee Director

N. K. MODI
Executive Director

RAKESH CHOPRA
Independent Director

GROUP CHIEF FINANCIAL OFFICER

Vinod Raheja

COMPANY SECRETARY & COMPLIANCE OFFICER

Pardeep Mann

STATUTORY AUDITOR

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Chartered Accountants
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IGI Airport Hospitality District, Aerocity
New Delhi - 110 037

SECRETARIAL AUDITOR

Ranjeet Pandey & Associates,
Company Secretaries
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New Delhi-110024, India

COST AUDITOR

Chandra Wadhwa & Co.,
Cost Accountants
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Bharat Ram Road, Daryaganj,
New Delhi-110002, India

INTERNAL AUDITORS

T.R. Chadha & Co.
Chartered Accountants

AHPN & Associates
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

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Delhi-110052

CORPORATE IDENTIFICATION NUMBER (CIN)

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Management Discussion and Analysis



Economy Review

Global Economy

2021 has been another difficult year owing to the continuing and pervasive impact of COVID-19, especially with the advent of new variants causing increased uncertainties. The year was also marked by supply side disruptions and the onset of a super cycle of commodity price increases. With the geopolitical tensions in February 2022 oil and other commodity prices have surged significantly, thereby worsening the already high inflation dynamics across the globe. The escalation in the geo-political tension has also led to increased financial volatility.

Central banks proposed an array of measures to ensure credit was available to businesses and individuals. Moreover, large-scale vaccination drives around the world, coupled with accommodative policy measures, boosted economic recovery.

Outlook

Despite the impact of the pandemic, the unprecedented collective policy efforts by governments and central banks, paired with the resilience and innovations of private enterprises, have helped minimize lasting economic and physical damage across the world. While the direction of crisis between European countries remains uncertain, its impact on the global economy will remain.

Emerging markets and developing economies are bearing the brunt of global spillovers, despite being bystanders. Capital outflows and sizeable currency depreciations have tightened external funding costs, pushed up debt levels and put their hesitant and incomplete recoveries in danger. In the near term, many governments will need to cushion the blow of higher energy prices, diversify energy sources and increase efficiency wherever possible. Full economic revival seems to be further away, but when businesses and governments work in tandem, across borders and disciplines, we will be able to weather this storm and come out stronger and more resilient by the end of it. Recent International Monetary Fund (IMF) report projects global growth at 3.6% in 2022 and 2023, 0.2% lower than then January 2022 forecast. Indian economy is witnessing exciting times.

As per IMF latest projections, India would be the fastest growing major economy globally in FY23 and FY24.

Global Growth Forecast (%)	Actual	Projections	
	2021	2022	2023
World Output	6.1	3.6	3.6
Advanced Economies	5.2	3.3	2.4
United States	5.7	3.7	2.3
Eurozone	5.3	2.8	2.3
Japan	1.6	2.4	2.3
United Kingdom	7.4	3.7	1.2
Other Advanced Economies	5.0	3.1	3.0
Emerging Market and Developing Economies	6.8	3.8	4.4
China	8.1	4.4	5.1
India	9.0	8.2	6.9

Source: International Monetary Fund (IMF)

Indian Economy

India's economic growth bounced back after the COVID induced shock in 2020 and stood at 9% in 2021, the highest among large economies, reflecting a strong recovery led by favourable monetary and fiscal policy, mass vaccinations and significant progress on structural reforms. The strong recovery is commendable considering the fact that first the Delta-driven and then the Omicron-induced waves of the pandemic unsettled the recovery in domestic economic activity. The third wave turned out to be shorter-lived and less debilitating in terms of impact on economic activity than the first two waves due to the efficacy of the nationwide vaccination drive and learning and adaptation from the previous waves. The year witnessed strong growth momentum in exports and improvement in credit uptake driven by agricultural and industrial sectors. In spite of formidable headwinds, India's merchandise exports touched a record of US\$ 421.9 billion during 2021-22, with a volume expansion of 16.6% over pre-pandemic level. The Reserve Bank of India (RBI) continued to provide adequate monetary support by keeping policy rates unchanged and by keeping liquidity at a large surplus in FY2022. According to the provisional estimates released by the National Statistical Office (NSO) on May 31, 2022, India's real gross domestic product (GDP) growth in 2021-22 was 8.7% which is 1.5% above the pre-pandemic level (2019-20). A rapid roll-out of the vaccination drive across its massive population and very supportive fiscal and monetary policy conditions, have supported this economic growth recovery. Government's capex push and strengthening bank credit are expected to support the investment activity. However, economic recovery is facing headwinds from global spill overs in the form of geopolitical tensions, elevated commodity prices, continued supply bottlenecks and tightening global financial conditions. The recovery has been uneven with

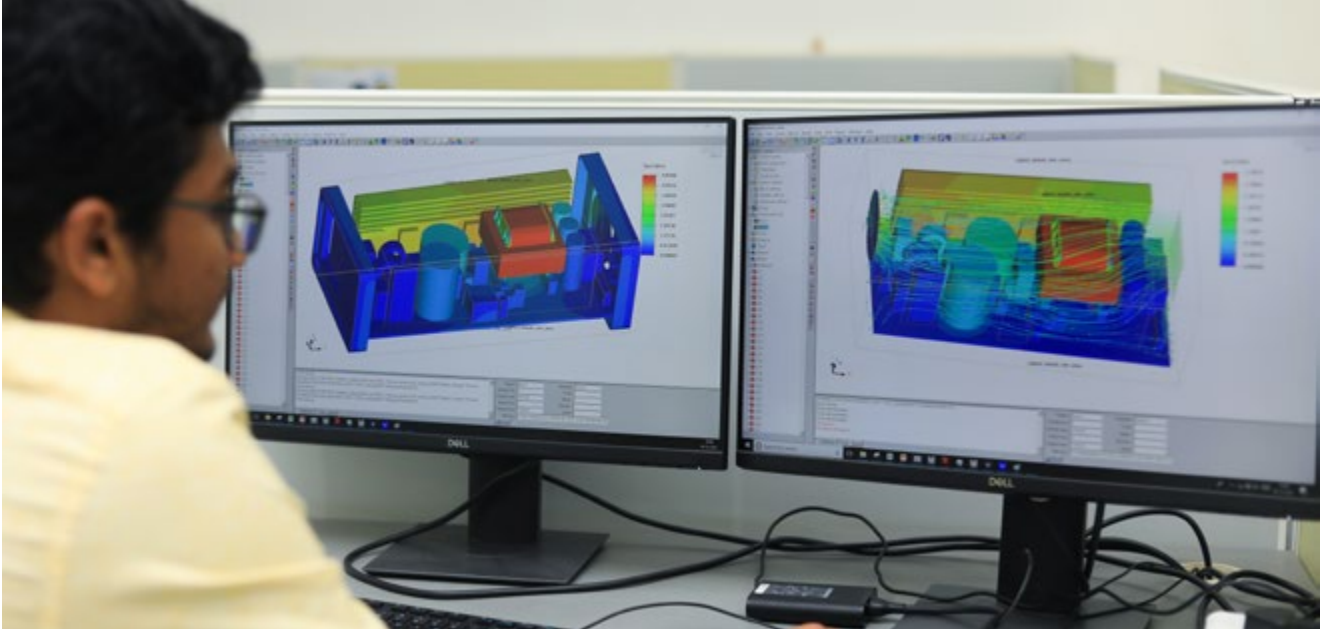
the informal sector still reeling under pressure, with a large extent of the labour migration that ensued the early phases of the pandemic yet to reverse fully.

Recent Government measures on controlling inflationary pressure

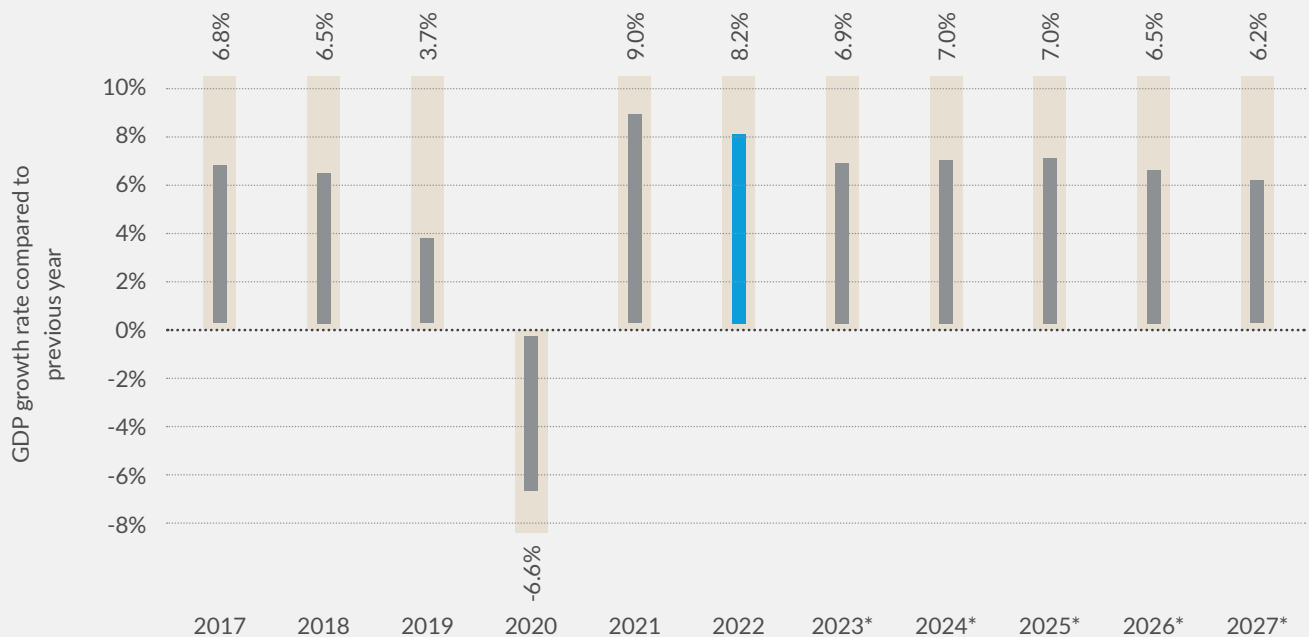
Tense geopolitical situation and the consequent elevated commodity and global food prices are imparting considerable uncertainty to domestic inflation outlook and hence RBI in June 2022 has revised inflation projection upwards by 100 bps to 6.7% in FY23 from 5.7% estimated earlier in April 2022. Recent fiscal measures like ban on domestic wheat exports, reduction in excise duty on petrol and diesel and lifting ban on edible oil by global suppliers will help in offsetting some inflationary risk. To control the surge in inflation which are beyond the comfort zone of RBI, the stance of RBI is now focused on withdrawal of accommodative policy. In line with the shift in priority to control inflation over growth RBI has increased the policy rates.

Outlook

The recovery in domestic economic activity is gathering strength and rural consumption should benefit from the likely normal south-west monsoon and the expected improvement in agricultural prospects. A rebound in contact-intensive services like hospitality, aviation and wellness is likely to bolster urban consumption, going forward. Investment activity is expected to be supported by improving capacity utilisation, the government's capex push, and strengthening bank credit. Growth of merchandise and services exports is set to sustain the recent buoyancy. Spill overs from prolonged geopolitical tensions, elevated commodity prices, continued supply bottlenecks and tightening global financial conditions nevertheless weigh on the outlook.



India Real GDP growth rate



Source : IMF
Notes : * Estimate

Industry Overview

The Indian automotive industry is one of the key drivers of economic growth in India and contributes ~7.1% of the GDP. Due to its deep integration with other industrial sectors, it is a major driver of exports and employment.

Since the liberalisation of the automotive industry in 1991, which allowed 100 percent FDI through the automatic route, the industry has made quite some strides. The manufacture of transport equipment accounts for 10-12% of the gross value

added (GVA) within India's manufacturing sector. Any decline in that area significantly hurts India's economic outcomes. Since the automotive sector provides 37 million direct and indirect jobs while stimulating job creation in other industries.

In the FY22, the industry produced around 24 million vehicles, including passenger vehicles, commercial vehicles, three-wheelers, two-wheelers, and quadricycles.

Revival in economic activities helped in slight demand pick up for commercial vehicle and passenger vehicle segment, whereas



the two-wheeler segment continues to post below-par numbers. Although, the industry as a whole continued to face challenges of semi-conductor shortages and global geopolitical tension.

The pandemic-induced challenges seem to be in the rear-view mirror for this sector. The industry is also benefiting from new tailwinds, such as global supply-chain rebalancing, government incentives to increase exports, and technology disruptions that create white spaces. These developments will help create opportunities at all levels of the automotive value chain.

The Conference of the Parties 26 (COP26) was a significant summit held in 2021 in UK which stressed on the urgency to adapt to newer energy sources. India has shown its commitment toward this initiative by strengthening its fleet of electric vehicles (EVs). According to Vahan 4 statistics, the country's number of EVs stands at ~11 lakhs as of 25th March 2022, while the Bureau of Energy Efficiency (BEE) reports 1,742 active public charging stations (PCS) as of March 2022. Further, according to the Automotive Mission Plan 2026, the projected size of the Indian Automotive industry in FY26 is estimated to be in the range of ~Rs.16 - Rs.19 lakh crore. Although the automotive industry and the auto component industry have been recovering from a difficult challenge but with the help of the Government and innovation this sector will soon reclaim its past glory.

Company Overview

Minda Corporation is a leading automotive component manufacturing company in India with significant international presence. Incorporated in 1985, it is the flagship company of Spark Minda, which was part of the erstwhile Minda Group. The Company has diversified product portfolio that encompasses Mechatronics, Information and Connected System, Plastics & Interiors, Aftermarket and Electronics Manufacturing Excellence.

With a strength of over 16,000 people, the ~\$470 million group caters to India's major passenger vehicles, commercial vehicles, motorcycles and scooters, off-road vehicles, with offices in Indonesia, Vietnam, Uzbekistan and Japan. In India, the Company serves the aftermarket industry with a robust dealer distribution network of around 450 dealers.

As an organization, Minda Corporation is one of the most diverse organizations with a varied product portfolio, and a strong sense of serving different verticals of the auto industry. During the year, the Group significantly outpaced the industry growth by growing at 26% YoY on the back of our various strategic initiatives, strong and diversified portfolio offering, continuous focus on investment in R&D to be ahead of the market competition and create strong launch pipeline to drive future growth.

Financial Performance

The year tested our agility and perseverance on all parameters and in spite of all the challenges, the company delivered strong performance with revenue of INR 29,759 million registering a growth of 26% from FY 2021 with an EBITDA margin of 9.9% up by ~70 bps and PAT margin of 5.4% up by ~130 bps from FY 2021. It is immensely satisfying specially at a time when industry volumes merely grew by 1.2%.

Mechatronics and Aftermarket division grew by ~24% mainly on account of strong fundamentals, increase in share of business and resilient aftermarket sales. The EBITDA margin for the division stood at 12.3% up by ~50 bps supported by strengthened operational efficiencies and recovery of indexed raw material and commodity prices.

Information and connected systems division registered growth of ~15% due to increase in share of business and uptick in commercial vehicles market growth. The EBITDA margin for the division stood at 5.9% up by ~30 bps due to tight control on fixed cost, improvement in labour productivity, neutralized lag between commodity index prices and favourable product mix.

India continues to be the dominant market accounting for 84% revenue followed by Europe and US with around 10% with South East Asia contributing the remaining 6%. Further 2W and 3W accounts for the largest pie of the business with 47% revenue. The share of revenue from CV and PV business has increased to 23% and 14% respectively. Aftermarket accounts for ~15% of total revenue.

Operational Highlights

Mechatronics

Electronic and Mechanical Security Systems (ignition switch cum steering locks, smart key systems, mechatronics handles and immobilizers system); Die Casting Components (aluminium high pressure die casting and compressor housing); and starter motors and alternators are part of the several product lines the Mechatronics business offers. With the rapid increase of electronic items in vehicles, the business is continuing with its focus to develop products that offer enhanced safety and convenience, offering technologically advanced products with healthy contribution.

During the year, 8 new patent applications were filled under the division. The division has won major accolades in big forums like ACMA, CII, QCFI to name a few. In the fiscal, new project management tool ZOHO was launched with successful implementation on more than 10 projects.

Product portfolio	Key divisions/ companies	Key customers	No. of plants	Plant locations
Ignition Switch cum Steering Locks, Smart Key Systems, Mechatronics Handles and Immobilizers System; Die Casting Components; Starter Motors and Alternators	Safety and Security Divisions	Bajaj Auto, Ashok Leyland, TVS, Yamaha, Honda Motors & Scooters, Suzuki Motors, Hero MotoCorp, Triumph	4	Pune, Noida, Pantnagar, Aurangabad
	Die-Casting Divisions	Bajaj Auto, Borgwarner, Endurance, Garrett Motion, Keihin India	3	Pune, Greater Noida
	Starter Motors and Alternative Designs	Escorts, Magnetron, ITL, 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

Divisions

Safety and Security Division

The company is a leading supplier with ~40% market share of Electronic, Mechanical & Connected Vehicle access control system for 2 wheelers (Gasoline & EV) and major presence in Off-road vehicles. The company manufactures locksets with various different key applications viz. conventional keys, 2 track keys, 4 track keys and snake biting keys etc.

Minda Corporation Limited-Safety and Security Division has numerous patents filed under its belt to provide the industry latest technology with breakthrough innovations. The company is the sole supplier in India to have its own patented Magnetic Shutters for 2-wheeler application. The company's major focus is to provide a cost-effective solution with the highest quality level for current as well as future technology.

During the year under review, the company expanded its safety and security business in the CV market and also increased its share of business in the OEM market. Given the electric vehicle momentum gaining traction, the company added OLA electric as a prominent customer giving significant boost to company's ambitions of being a prominent supplier in the EV space.

The company's commitment to achieve zero defects across the product's lifecycle is driving it to continuously invest in in-house design and development capability for Electronic and Mechanical

Security Systems, with an emphasis on product innovation, reliability and first-time right approach.

Strong patent portfolio - The Company has filed more than 120 patents in this division on the back of its relentless focus on Intellectual Property Rights (IPR) creation.

World class in-house R&D facility - Spark Minda Technical Centre (SMIT), Pune's is a state-of-the-art in-house R&D centre which continues to pay off handsomely in terms of expanding the IPR portfolio and improving the product range.

Proximity to Customers - The facilities are strategically positioned near customer sites, giving us an inherent competitive advantage by saving time and money on transportation.

Die-Casting division

The die casting division contributes significantly in the Mechatronics business. All die casting facilities including LPDC, GDC, HPDC - Aluminium and Zinc are housed under one roof in the die-casting division. The division is growing in both domestic and overseas market owing to the complete integration of in-house processes and state-of-the-art testing facilities that offer it an edge of cost competitive manufacturing.

The product range includes:

- 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

Besides the domestic market, the company continued achieving good traction from the export market. The business has a promising future with sales from PV and exports accounting for about half of its revenues. As a result of the strong performance witnessed in the export market, the company will keep placing a significant emphasis on exports to generate new steams of revenues and increase its profitability while also ramping up its current manufacturing capacity.

Over the long-term horizon the division is aiming to diversify its offering into Electric Vehicle Space as well. Given the thorough expertise and knowhow of the various businesses it has, diversifying will be a strategic move and will enhance its competencies. The division also assists OEMs and Tier 1 suppliers in complying with regulatory changes in the areas of fuel injection, brakes, and emissions. To improve its competitiveness, the division is gradually integrating automation, optimising machining and other costs.

The Die Casting Division Gr Noida & Pune were awarded with Platinum awards in the CII National Kaizen Competition which stands testimony to the division's strength.

Starter Motors and Alternators

The Starter motors and Alternators division manufactures and sells starter motors and alternators. It is a leading manufacturer of GRS Starter Motors and Alternators with technology from Magneton, Czech Republic. Being a pioneer in India to introduce

Starter Motors with Offset Gear Reduction Technology, the company has a technical edge over conventional starter motors like more power in compact size, high efficiency and reliability and less current drainage from battery. It caters to a range of sectors including tractors, agriculture machinery, stationary engine and construction equipment in India and Europe. 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.

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.

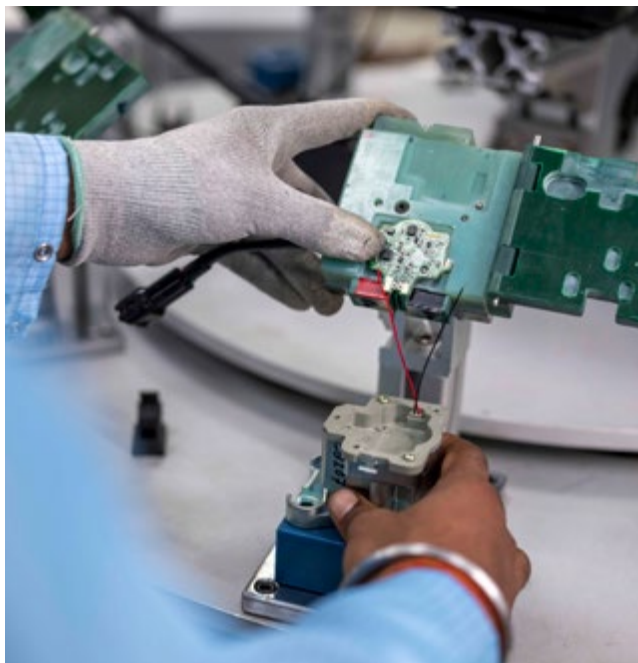
MINDA VAST Access System Ltd.

With its headquarters in Pune, MINDA VAST Access System Limited is a 50:50 joint venture between VAST, USA and Minda Corporation Limited. 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. It is an alliance of three organizations and related operating entities led by a single management team to effectively serve global customers. Its in-house technology for product testing and validation strengthens the company's basic technical competencies.

The Company has ensured to stay current and bring innovative products at the service of its customers. The 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 are some of the technological solutions the Company has come up with.



The company has validated its operational and technological competencies by receiving 7 awards in FY 2022 – 2 Platinum, 1 Gold, 4 Silver relating to productivity and quality. The company has also undergone significant improvement in New projects launches with 7 Blue projects during the year under review.



In line with its strategies of new product development and penetration to new customers - both in the domestic and global markets, the company is looking forward to expand its offering in the vehicle access markets focussing on customer comfort, convenience and connectivity.

ASEAN business

The company conducts its ASEAN operations through the Greenfield Manufacturing facilities of its locally incorporated subsidiaries, PT Minda Automotive (Indonesia) and Minda Vietnam Automotive Co. Ltd. This enables the company to be in line with its philosophy of being 'near to the customer' and 'supplying the best quality products'. With these plants the company supplies to OEMs across distant geographies in Brazil and Columbia besides OEMs in nearby countries such as Indonesia, Malaysia, Vietnam, Singapore, Philippines, China, Japan, etc.

The company supplies a diverse range of products to its customers including Ignition switch (with or without Magnet Shutter), Fuel Tank Cap, Side Cover Lock, Seat Latch / Locks etc. It continues to be a one-stop shop in ASEAN for Locks, Wiring Harness, Speedometers, Electric Vehicles, and other group items. The Company maintained its strategy of investing in automation and tools to assure early vendor involvement, build new channels for raw material procurement, and generate the best products for the business in the fiscal.

Information and Connected System

This business vertical includes products like instrument clusters (speedometers); wiring harness, junction box; sensors such as positional, temperature, speed and exhaust gas temperature (EGT) etc. With its high-quality product offering, the company caters to the largest of Indian and global OEMs.

Product portfolio	Key divisions/ companies	Key customers	No. of plants	Plant locations
Instrument Clusters; Wiring Harness, Junction Box and Sensors	Wiring harness divisions	TVS, Ashok Leyland, Bajaj Auto, Honda Motors & Scooters, Hero Moto Corp, Piaggio	8	Pune, Greater Noida, Pillaiyakkam, Kakkalur, Murbad, Pithampur, Haridwar, Mysore
	Component divisions	In-House Divisions, JV Companies	1	Greater Noida
	Minda Instruments Limited	M&M, Bajaj Auto, Ashok Leyland, Honda Motors & Scooters	2	Pune, Chennai
	Furukawa Minda Electric Private Limited	Maruti Suzuki, Renault-Nissan, Honda Cars	1	Bawal

Divisions

Wiring Harness Division

The Company has constantly worked to enhance the wiring harness design through frugal engineering, lower import content, and increase labour productivity to provide a world-class,

reliable product at competitive cost. During the year, the inhouse team continued to develop connectors thereby reducing the dependence on external suppliers thereby improving margins. During the year, the company started with the production of the EV WH for 2W OEMs like Revolt. The company also began with the production of Low Voltage WH for EV commercial vehicles.



Going forward, the Company is looking to develop design and manufacturing capabilities in EV High Voltage Wiring Harness space.

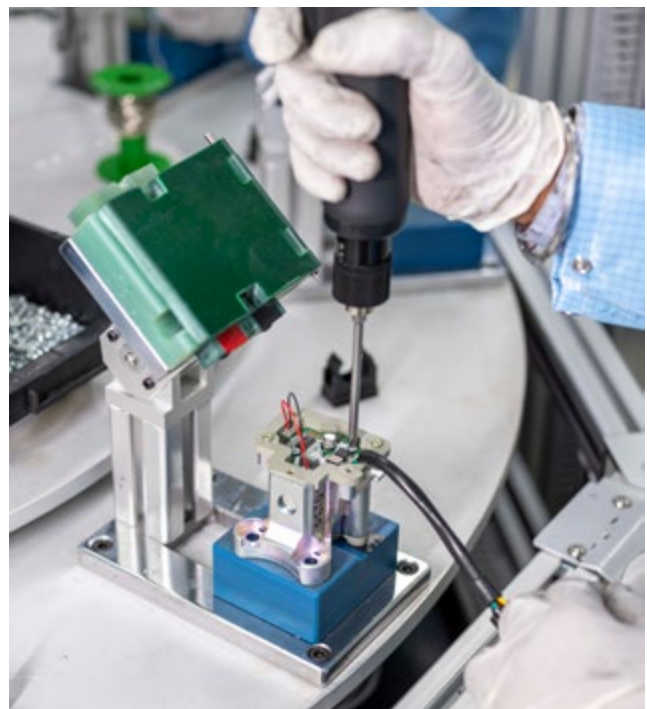
Minda Instruments Limited

Minda Instruments Limited formerly known as Minda Stoneridge (MSIL) was a 51:49 joint venture between Minda Corporation Limited and Stoneridge Inc, USA, a leading manufacturer of electronic instruments and automotive sensors. In the fiscal year, the entire stake in MSIL was acquired by MCL and the company is now a wholly owned subsidiary of MCL. The strategic move is in line with the company's vision to grow in advanced technological products i.e. Sensors & Clusters. The company will receive various benefits through this including the flexibility to enter into partnerships/collaboration with other players for advanced technology in clusters and Sensors and a better utilisation of funds and overall ROCE accretive to company. Besides, it will also give 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 one more customer UltraViolette in EV space. 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.

Furukawa Minda

Furukawa Minda is a joint venture between Japan's Furukawa Group and Minda Corporation, with a 75:25 split. The Company

is responsible for developing and producing the entire range of Wiring Harness and components related to wiring harness such as relay box, junction box and steering roll connectors used for the airbag systems for Japanese 4W customers. Besides, the Wiring Harness, it is also a pioneer in Steering Roll Connectors (SRC) technology in India. With the improvement in demand and tightening of regulations, the Company is optimistic about its future growth potential.



Interior Plastic division

The Interior Plastic 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. During the year under review, the company introduced a zero-defect drive mission for customer satisfaction. The company also added futuristic air - vent designs in M&M platforms 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	Interiors & Plastics	Mahindra & Mahindra, Maruti Suzuki, Cummins	2	Greater Noida, Gujarat

Aftermarket

The Company markets all products manufactured by the Group Companies and certain outsourced products in the aftermarket segment. The Company has continued to invest in strengthening its brand profile in the segment along with a strong focus on developing its dealer network with great success.

During the year under review, channel financing was introduced through ICICI Bank which will help the company improve its working capital requirements. To enter the E-retail distribution market, the company also partnered with companies like Amazon, Biodome and Mogilix which will help it be accessible to even larger number of customers. The company is also enhancing the capacity of its warehouses to cut down its fulfilment time and increase customer satisfaction. The company is also attempting to integrate Business Intelligence (BI) tools in order to obtain data at the city level which will help it propel this division higher.

Moving ahead, the company's focus is to grow Aftermarket at a CAGR of 20% within the next 3-5 years. To achieve this goal, the company aims to add more products in its current portfolio and also make significant inroads in the export market.



Electronic Manufacturing Excellence

The Electronic Manufacturing Excellence vertical consists of products related to electric vehicles, connected systems, Antenna and Surface Mounting Technology i.e. PCBA etc. It will also encompass all new products developed by the company, as well as joint ventures, technical licencing, and agreements with high electronic content.

Product portfolio	Key divisions/ companies	Key customers	No. of plants	Plant locations
DC-DC Converter, Battery Charger, Motor Controller, Intelligent Transport System, Telematics, Connected Clusters, MFECU, VCU etc.	Electric Vehicle & Connected Systems	Ashok Leyland, Ampere, Polarity, Etergo, Ola Electric, Bajaj Chetak, TVS iCube	2	Bangalore, Pune
Rod Antenna, Micro Pole Antenna, Shark Fin Antenna, LF Antenna etc.	Minda INFAC Private Limited	Maruti Suzuki, Hyundai, Kia	1	Pune

Electric Vehicle & Connected Systems

The division was earlier a part of the Information and Connected vertical, however it has been made a part of the Electronic Manufacturing Excellence vertical due to the commonalities of both businesses. The division helps deliver inter-disciplinary products in the connected mobility and IoT space.

It is the Company's in-house R&D centre SMIT, together with the acquisition of a start-up in 2018, EI-Lab, that has enabled it to develop the latest devices and solutions, bringing state-of-the-art technologies to the automotive linked mobility management devices and solutions domain. During the year under review, the company acquired 26 percent equity stake in charging solutions startup EVQPOINT Solutions. This deal will see Spark Minda Group, become EVQPOINT's exclusive technology and manufacturing partner for battery chargers and EV supply equipment. The company has developed some pioneering EV products like DC-DC Converters & Battery Chargers and also working on various new EV products like PMS and motor controllers. The company also entered into TLA with Israel based company Ride Vision for two-wheeler ADAS

This will enable the company to capitalise on the shift towards electric mobility and strengthen its position as a one-stop shop for comprehensive charging solutions for EVs.

Minda INFAC Private Limited

The company entered into Joint Venture Agreement with INFAC Elecs co. Ltd., Republic of Korea for manufacturing of Antenna for automotive vehicles in June 2021. The capabilities of business includes design, develop, manufacture, install, assemble, produce, conceptualize, test service, distribute, market, promote, offer and sell either by wholesale or retail. The various advanced Antennas



includes Micro Pole Antenna, GPS Antenna, Combi Shark Fin Antenna, Glass Antenna, Switch Assembly and LF Antenna. The partnership aims to capitalize on the opportunities for growth in automotive safety, connected & autonomous technologies. Connectivity-based safety features such as remote keyless entry, V2V & V2X communication will spur demand for devices like antennas products and solutions and will provide the benefits of combined intelligence and shared knowledge along with a rewarding experience from diverse markets. The joint venture will manufacture the antennas locally from the newly set up state-of-the-art manufacturing unit in Pune.

Opportunities

The automobile industry has established itself as an evergreen industry as it continues to show its presence and its significant contribution towards the growth of the country's GDP. Here are a few opportunities in focus:

- The increasing number of electric vehicles on the road as of March 2022 is an indicator of the changing customer perception and will encourage OEMs and OEM partners to invest significantly. Moreover, India could be a leader in shared mobility by 2030, providing increased opportunities for electric and autonomous vehicles.
- More than 95% of our revenues come from products that are ICE to EV change agnostic, which gives significant headroom for quickly scaling up in EV segment. In line, we are engaged with various customers to keep our business strategies aligned with their future plans and be proactively prepared to deal with a dynamically poised industry.
- Rising middle class income and a huge youth population will result in strong demand which is also reflected by the total production numbers of PV, three-wheelers, two-wheelers and quadricycles.
- Automobile accessories industry is subject to many changes through the years and significant research can boost the organisation to develop and introduce one-of-its kind products in the market which could significantly benefit the company.
- The automobile sector received cumulative equity FDI inflow of about US\$ 30.78 billion between April 2000 and September 2021. The Government of India expects automobile sector to attract US\$ 8-10 billion in local and foreign investments by 2023.
- As per IBEF report the Indian Auto component exports are expected to grow at 23.9% annually to reach \$80bn by 2026, thereby creating an immense opportunity for production in India.

Challenges

- While conversion to Electric vehicles will prove to be a good move for the planet, in the long run, many organizations might not transition efficiently, which may further result in a delay in the production. Moreover, customer anxiety over limitation of drive range of EVs and myths related to safety poses additional challenges in faster scaling of EV vehicles.
- Car connection also introduces several hazards, for which standards and norms are still being developed in India and worldwide. Vehicle connectivity presents additional difficulties in data security, privacy concerns, and cyber threats.
- Increase in borrowing cost and Inflation in prices has led to the increase in the cost of production of vehicles which may further increase the cost of vehicles, result in demand slow down and erosion in margins.
- Continuing shortages in the semiconductor is a cause for concern for the entire industry. The unexpected and highly fluctuating prices and NCNR Orders on Supplies may pose some difficulties in the near future.

Human capital

During the year under review, while the pandemic posed several challenges, the company ensured to keep the safety and the wellbeing of its employees as its topmost priorities. Even in the work-from-home scenario, the company took appropriate measures by making human resource management more technology driven to seamlessly carry out virtual working experience. The Company has total 15626 employees as on March 31, 2022.

The company continued with its focus on an efficiently recruiting employees with the right talent and groom them to build a strong leadership pipeline. The diversity and inclusiveness in the workforce remained a strong fundamental to the company, in line with it the company continued to bring in more women employees at senior roles.



The Company has well-thought-out and employee-friendly HR policies which it has led to a positive working relationship with its employees. In recent years, it has not had any major work stoppages or cessations owing to labour disputes.

The Company continues to lay great emphasis on Safety and Security. To ensure adherence to safety protocols, the company follows stringent procedures to safeguard and protect its workforce. The company also keeps prescribing policies and procedures while imparting training to its workforce. It has a system in place that promotes a positive work environment free of all forms of harassment.

Risk management

The Company's sound risk management strategy attempts to detect various risks continually, and the Risk Committee devises risk mitigation strategies. The Company has recognised the following hazards, and a proposed mitigation approach is presented below:

● Risk of COVID-19 pandemic

The economic consequences of the epidemic are taking a toll on both demand and supply. While the lockdown and slow unlocking will limit disposable incomes, it has impacted the supplier. The whole automobile supply chain is affected, from suppliers to manufacturers through distributors. Furthermore, preserving social distance while increasing productivity and guaranteeing worker safety is challenging.

Mitigation: Following local and national government rules, the Company has established measures for its plant/office and employees. It has formed a top-level group to oversee systems and processes for monitoring the situation and preventing COVID-19 from spreading. Furthermore, the Company's decision to vaccinate all of its permanent and temporary personnel is being implemented.

● Geo-Political Risks

In the ASEAN union, the Company has a manufacturing presence while maintaining a business presence throughout Europe. Any unexpected turbulence and volatility in these economies might harm business and profitability. Any new legislation or standard affecting the vehicle sector, climate change regulations, political or trade disruptions are examples of such uncertainty.

Mitigation: The Company regularly monitors developments in these regions and assesses their potential impact. It also continues to strengthen its relationship with customers by including them early in product development.

● Risk of losing the opportunity to alternate mobility solutions

With the rise of electric cars as customers' preferred mode of transportation, the automotive sector is undergoing significant transformations, with new development areas

in high-tech and electronic products and services. Similarly, auto-ancillary enterprises must engage in research and development to produce goods for the burgeoning growth area or risk becoming obsolete.

Mitigation: The Company invests in high-tech R&D through its dedicated R&D centre to support its electric car components and telematics innovation. It also continued to produce high technology items and was equipped with electronic elements to render its heritage product outdated.

● Risk due to Technology Innovation

The Company manufactures a range of vehicle components that require ongoing technical updates to meet industry requirements.

Mitigation: The Company has made significant investments in research and development and has formed collaborative partnerships with prominent global automobile firms. It is modernising its legacy products (Safety and Security goods) and assisting in developing non-legacy products using SMIT and access to the newest technology (products required for connectivity and electrification).

● Competition Risks

To fulfil the impending regulatory requirements, global auto component firms with huge budgets are establishing operations in India.

Mitigation: The Company mitigates this risk by making considerable expenditures on new technologies, research and development, joint ventures, and technology licencing. The company is also trying to localise the components required for various products through frugal engineering, ensuring that OEM solutions fulfil high quality and cost-effectiveness requirements. The company has a healthy balance sheet, and the focus is still on providing that the Capex requirements are covered through operational cash flow, with appropriate free cash flow generated.

● Foreign Exchange Risks

Due to export and import activities, the Company works in many nations and is subject to currency fluctuations. Exchange rates are likely to influence the pricing and profitability of the items.

Mitigation: The Company strives to establish a back-to-back agreement with clients for currency fluctuations. Wherever necessary, it monitors currency risk and, where possible, takes suitable positions in forwarding contracts and currency hedging to minimise risk in countries where it can do so, according to its Risk Management policy.

● The risk associated with raw material and supply

The Company buys raw materials that are subject to price volatility. Raw material cost increases and decreases have a direct influence on profitability.

Mitigation: The Company has back-to-back agreements with most of its customers for fluctuations in commodity prices, and it is expanding this kind of arrangement. Furthermore, the Company keeps track of raw material price fluctuations and maintains an inventory throughout the operational cycle to prevent acquiring them at high costs.

● Human Resource Risks

Attrition of crucial people and leadership team members could impact business operations and growth.

Mitigation: With the support of its HR Team, the Company manages this risk (HR). To keep the staff engaged and in good spirits, HR provides attractive salaries, great learning and development opportunities, optimal work-life balance through numerous festive events, and frequent management communications through town halls and newsletters.

● Electronic Component Shortage Risk

The demand for electronic components is escalating in every sphere of human activity. Even in the vehicle segment, the breadth of electronics is expanding. Specific raw materials such as semiconductors are highly concentrated and can be influenced by various circumstances such as poor weather conditions, exceptional demand, and restricted foundry space.

Mitigation: if the Company is confronted with such an issue, it will attempt to enhance the use of alternate and cross components. Furthermore, online electronic component markets may be beneficial in assisting OEMs in locating acceptable part replacements. Long-term orders have also been placed with the vendors. However, the Company recognises that these mitigating efforts may not be enough if the shortfall is severe and demand outpaces supply for more extended periods.

Business Outlook

Globally, the automobile industry is experiencing progressive changes that will combine into a major transformation, resulting in high technological investments and higher consumer costs. Additionally, these adjustments have reached a point of inflexion. As a result, the industry would be disrupted, providing India's automotive component sector with a chance to innovate and produce high-quality goods at low rates, paving the path for the country to dominate in such an unpredictable scenario.

However, due to geopolitical concerns, supply-side restrictions caused by semiconductor shortage, rising inflation, and central bank monetary policy tightening, the domestic and global economic outlook will remain unclear in FY23. The Indian government is concentrating on growing the economy through various indigenous projects that will help India become AtmaNirbhar. Furthermore, these initiatives will assist the economy in overcoming and capitalising on the opportunities presented by any uncertainty.

In FY23 the company will continue its focus on better operational efficiencies and value-based pricing, driven by innovative technology goods and software services, resulting in wealth creation for all stakeholders.

Internal Control

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. Given the changing needs, the Company has deepened the focus on the function and enhanced the scope of the internal audit department and included areas establishing corporate governance policy, internal control framework, conducting internal audits, management audits, IT audits, drafting and implementing policies and procedures, complying with environmental laws, reviewing and reporting of statutory compliances. Accordingly, the function has been named Corporate Audit & Governance (CAG).

The Company follows a robust system of internal controls to ensure that all assets are safeguarded and protected against loss from any unauthorized use or disposition and that the transactions are authorized, recorded and reported quickly. It reviews the adequacy of internal control systems from time to time. The internal controls are designed to maintain the transparency and adequacy of the financial and other records, reliable resources for preparing financial reports and other data.

The Company's Audit Committee reviews the adequacy and effectiveness of its internal control environment and monitors the implementation of audit recommendations, including those related to strengthening the Company's risk management policies and systems.

Disclaimer

Certain statements in the MDA section concerning future prospects may be forward-looking statements which involve a number of underlying identified / non identified risks and uncertainties that could cause actual results to differ materially. In addition to the foregoing changes in the macro-environment, a global pandemic like COVID-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Board's Report

To
The Members,

Your Directors have pleasure in presenting the 37th (Thirty seventh) Annual Report on the business and operations of the Company together with the audited financial statements for the financial year ended March 31, 2022.

FINANCIAL SUMMARY

Particulars	Standalone		Consolidated	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	(Amount ₹ in Million)			
1 Income				
(a) Revenue from operations	27,348	22,888	29,759	23,679
(b) Other income	463	303	242	332
Total income	27,811	23,191	30,001	24,011
2 Profit from operation before Interest, Depreciation, Other Expenses, taxes and share of profit/ (loss) of joint ventures/associate	6,201	5,056	6500	5,259
3 Finance costs	305	358	309	358
4 Depreciation and amortization expense	1,028	897	1,120	936
5 Other expenses	3088	2,666	3313	2,757
6 Exceptional Income	-	-	327	-
7 Profit from continuing operations before share of profit of joint ventures/ associate and taxes	1,780	1,135	2,085	1,208
8 Share of profits of joint ventures/associate (net of taxes)	-	-	74	39
9 Profit from continuing operations before income tax	1,780	1,135	2,159	1,247
10 Tax expense				
(a) Current tax	463	322	547	327
(b) Deferred tax	(66)	(17)	(90)	(15)
(c) Tax adjustments related to earlier years	(219)	(7)	(217)	0
Total tax expense	178	298	240	312
11 Profit from continuing operations	1,602	837	1,919	935
12 Loss from discontinued operations before exceptional item and income tax	-	-	-	9
13 Exceptional item	-	-	-	(416)
14 Loss from discontinued operations (before tax)	-	-	-	(407)
15 Tax expense related to discontinued operations	-	-	-	-
16 Loss from discontinued operations (after tax)	-	-	-	(407)
17 Profit/(loss) for the year	1,602	837	1,919	528
18 Other comprehensive income				
(a) Items that will not be reclassified subsequently to profit or loss				
-Remeasurement of defined benefit liabilities	(8)	-	(4)	3
-Income tax relating to items that will not be reclassified subsequently to profit or loss	2	-	1	(1)
Share of remeasurement of defined benefit liabilities (net of tax) of an associate and joint ventures	-	-	1	3
-Net other comprehensive income not to be reclassified subsequently to profit or loss	(6)	-	(2)	5
(b) Items that will be reclassified subsequently to profit or loss				
-Exchange Difference in translating financial statement of continuing foreign operations	-	-	31	39
-Exchange Difference in translating financial statement of discontinued foreign Operations	-	-	-	368
-Net other comprehensive income to be reclassified subsequently to profit or loss	-	-	-	407
19 Other comprehensive income for the year (net of tax)	(6)	-	29	412
20 Total comprehensive income for the year	1,596	837	1,948	940

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 a turnover of ₹ 27,348 Million against ₹ 22,888 Million during previous year registering a growth of 19.5%.

The Company has reported a Profit of ₹ 1,602 Million as against Profit of ₹ 837 Million during previous year with an increase of 91.4% over the previous year. FY 22 standalone profit includes exceptional income of ₹ 219 Million on account of reversal of tax provision in respect of certain expenses of discontinued business in earlier years considered as disallowed while recognizing tax expenses in the books of accounts in earlier years on a conservative basis and dividend income of ₹ 198 Million.

Consolidated Financials: During the year under review, your Company has achieved a consolidated turnover of ₹ 29,759 Million against ₹ 23,679 Million during previous year registering a growth of 25.7%.

The Company reported a Profit of ₹ 1,919 Million from continuing operations as against Profit of ₹ 935 Million earned during previous year with an increase of 105.2% over the previous year. FY 22 consolidated profit includes an exceptional income of ₹ 327 Million on account of fair valuation of Minda Instruments Limited (Formerly known as Minda Stoneridge Instruments Limited) and an exceptional income of ₹ 217 Million on account of reversal of tax provision in respect of certain expenses of discontinued business in earlier years considered as disallowed while recognizing tax expenses in the books of accounts in earlier years on a conservative basis.

DIVIDEND

The Board of Directors of your Company has recommended a final dividend of ₹ 0.70 per share (i.e. @ 35%) on 239,079,428 Equity Shares of ₹ 2/- each fully paid up for the year ended March 31, 2022. The dividend proposal is subject to the approval of members at the ensuing Annual General Meeting scheduled to be held on July 28, 2022. This is in addition to the interim dividend of ₹ 0.30/- (i.e. @ 15%) per equity share declared by the Board in its meeting held on February 04, 2022. The total dividend for FY 22 aggregates to ₹ 1/- (i.e. @ 50%) per equity share as against ₹ 0.65 per share (i.e. @ 32.5%) 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>

JOINT VENTURE(S) AND COLLABORATION(S)

Acquisition of entire stake in Minda Instruments Limited (Formerly known as Minda Stoneridge Instruments Limited) to strengthen core business and expand technical collaboration with Stoneridge Inc, USA

During the year under review your Company has acquired balance equity stake of 49% in Minda Instruments Limited ("MIL") (Formerly known as Minda Stoneridge Instruments Limited). Therefore, MIL has become wholly owned subsidiary of the Company w.e.f. December 31, 2021. Your company has signed Termination Agreement, Share Purchase Agreement and Technical Assistance and License Agreement with Stoneridge Inc. U.S.A. Minda Corporation has increased stake in Minda Stoneridge to strengthen its core business. The acquisition will be value accretive for shareholders as financial performance of group will strengthen. Your Company will continue to have perpetual license of all existing technology licenses granted by Stoneridge Inc and continue Technical Collaboration with Stoneridge Inc for future products. This initiative has been taken in line with our vision to grow in advanced technological products i.e. Sensors & Clusters.

Acquisition of equity from Stoneridge Inc. in MIL will provide the following benefits to your Company: -

- Flexibility to enter into partnerships/collaboration with other players for advanced technology in clusters and Sensors.
- Enable Company to do line by line consolidation of financials of Target Company.
- Better utilization of funds/cash and overall ROCE accretive to Company
- Free access to highly growing global market of clusters and sensors.
- Continuation of Technical relationship with Stoneridge Inc., USA

Joint ventures with Infac Elecs co. Ltd, Republic of Korea

During the year under review, your Company has entered into and signed a Joint Venture Agreement with Infac Elecs co. Ltd, Republic of Korea on June 08, 2021 for manufacturing of Antenna for automotive vehicles. This JV is now operational through incorporation of a new joint venture entity i.e. Minda Infac Private Limited (JV Company) whose main object is to design, develop, manufacture, install, assemble, produce, conceptualize, test, service, distribute, market, promote, offer and sell (either by wholesale or retail) the Shark Fin Antenna -Micro Pole Antenna, LF Antenna & Switch Assembly, GPS Antenna, Advance Antenna (Products) in India. Presently JV has exclusive rights for Indian Territory. JV company was incorporated on 10th day of August, 2021. The ratio of shareholding in the said JV Company is 51:49 held by Minda Corporation Limited and Infac Elecs Co Ltd, Republic of Korea respectively. The paid-up share capital of Minda Infac Private Limited is INR 5,00,00,000 (Rupees Five Crores Only) as on March 31, 2022. The said JV company is being managed jointly by both the parties through the Board of directors consisting of (2) two directors nominated by each party. The rational and the expected benefits from this joint venture are as under:

- Benefits of combined intelligence
- Expertise of Shared Knowledge
- Rewarding experience from diverse markets.
- The partnership aims to capitalize on the opportunities for growth in automotive safety, connected & autonomous technologies. Connectivity-based safety features such as remote keyless entry, V2V & V2X communication will spur demand for devices like antennas products and solutions. The joint venture will offer multiple Antenna products like Rod Antenna, Micro Pole Antenna, Shark Fin Antenna, LF Antenna, etc.
- The joint venture will manufacture the antennas locally from the newly set up state-of-the-art manufacturing unit in Pune.

Acquisition of equity stake in EVQPoint Solutions Private Limited

During the year under review, Minda Corporation Limited through its wholly owned subsidiary Spark Minda Green Mobility Systems Private Limited, has entered into definitive agreements with EVQPoint Solutions Private Limited (EVQPOINT) for acquiring equity stake in charging solutions startup EVQPOINT.

EVQPOINT is an Indian Start-Up founded in 2019. EVQPOINT provides smart electric vehicle charging products and solutions indigenously designed and developed, to meet the growing needs of eMobility market in India and worldwide. EVQPOINT is a one-stop solution for electric vehicle portable chargers, DC fast chargers, and smart charging stations integrated with charge management system, mobile app, and interoperable tools. EVQPOINT caters to needs of Electric Vehicle-OEMs, Battery-OEMs and establishment of vehicle charging networks for fleets, workplaces, homes, commercial complexes, and any urban infrastructure such as educational institutions, hospitals, and public parking lots.

The investment will see Spark Minda Group, become EVQPOINT’s exclusive technology and manufacturing partner for battery chargers and EV supply equipment. This strategic partnership will position Spark Minda to capitalize on the accelerating shift to electric mobility and further bolster its position as a one stop shop for comprehensive charging solutions for EVs including fast charging feature. As on March 31, 2022 Spark Minda Green Mobility Solutions holds 29.55% Equity Stake as on March 31, 2022. Mr. Aakash Minda has been appointed as non-executive director on the Board of EVQPOINT.

INDUSTRY UPDATE.

The auto component industry remains cautiously optimistic for the growth of the industry in the last fiscal year despite concerns of another wave of the pandemic. Despite resurgence of demand for vehicles, supply-side issues of availability of semiconductors, increasing input costs, rising logistics costs and availability of containers, among others, continue to hamper recovery in the automotive sector. The auto component industry, against this backdrop, displayed remarkable resilience. Increased value-addition to meet regulatory compliance, fast recovery in

external markets and traction in the domestic aftermarket have contributed to the growth of the sector.

Industry and the government walk as partners in the story of development. Upholding this very sentiment, the government presented a story of growth in its Union Budget for FY23, with a slew of measures and plans to push industrial growth in India, giving it the edge to walk tall among global economies. The year 2022 stands at the precipice of change for the entire automotive industry across the globe, with disruption visible across quarters. The India picture in this is one of technological and infrastructure growth.

As the industry looks to move beyond the impact of COVID-19, some concerns remain over subsequent mutations of the virus, along with the ongoing shortage of semiconductors, and fluctuating input costs. The positives, however, outweigh the negatives as we look at the year with cautious optimism.

The shift in demand away from diesel and petrol to electric vehicles is clear. To mitigate air pollution and climate change, several countries in Europe have banned the sale of new diesel vehicles and implemented generous tax incentives for the use of electric vehicles.

IMPACT OF COVID-19

The COVID-19 epidemic has pushed the global economy and humanity into a disaster. In the attempt to control this pandemic, the governments of various countries have imposed a nationwide lockdown. Although the lockdown may have assisted in limiting the spread of the disease, it has brutally affected the country, unsettling complete value-chains of most important industries. The epidemic is having a foremost impact on all features of industries which includes the automobile sector, with key manufactures either completely close following the orders passed by local governments or running an organization with least staff at manufacture units to remain their personnel secure. Over the last 2 years, the automobile field had already undergone significant delay due to structural modification openings with the goods and services tax, axle-load reforms, shift to shared mobility, liquidity crunch, and so on industries had faced major effect. Extended truncation of customer demand due to the lockdown is observed drastically distressing auto manufacturers. The majority of the companies are starving the support of R&D (Research and development) to maintain core functions and potentially getting back the growth made on mobility technologies as well as alternate fuels. The factors such as household income, travel vulnerabilities and epidemic severity in local regions have influenced the purchase decision making process of individuals.

Post Lockdown, as the number of COVID-19 cases were reduced and launching of Corona Virus vaccine, your Company ramped up the operations with strict adherence to safety protocols.

The Company has issued safety guidelines for its employees and workers.

- All safety protocol related to COVID-19 as advised by the government are already implemented and being followed.
- Detailed shop-floor precautions & safety systems have been implemented with appropriate training to staff and workmen.

- Regular Fumigation of offices and shop floors is being carried out.
- Social distancing norms being strictly followed at factories and offices.
- Sanitization and thermal screening of employees, truck drivers, other entrants and sanitization of loading vehicles at the entry gate of factories.
- Bus Transports were being used with 50% capacity to ensure distance among passengers in its Offices.
- All working area is hygienic. Sanitizer & soaps in sufficient quantity at all common points.
- No Physical Meeting - Use VC, Teams for meeting
- Roaster and Work from home depending on severity of cases in the cities where we operate

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
	(Fund-based and Non-fund-based) Working Capital Limits	IND AA-/Stable
CRISIL	Long-term Rating	CRISIL A+/positive
	Short-term Rating	CRISIL A1+

India Ratings & Research (Ind-Ra) have re-affirmed the credit rating during the year under review whereas CRISIL has changed the outlook to Positive from Stable while maintaining the Long-Term Rating to A+. Crisil has upgraded the Rating of Short Term from CRISIL A1 to CRISIL A1+.

SHARE CAPITAL

The paid-up Equity Share Capital as on 31st March, 2022 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/- (Rupees 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 to an aggregate amount of (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 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 of

₹ 22, 442 (Twenty-Two Thousand Four Hundred and Forty-Two Rupees Only) along with 11,221 (Eleven Thousand Two Hundred and Twenty-One) equity shares for the year 2013-14 and the unclaimed dividend (interim) of ₹ 35,826.80 (Rupees Thirty-Five Thousand Eight Hundred Twenty-Six Rupees and Eighty Paise Only) along with 20 (Twenty) equity shares for the year 2014-15 to IEPF Authority. 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. www.sparkminda.com.

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 5,341,840 stock options to the eligible employees of the Company. Nomination and Remuneration Committee of the Company has granted total 4,040,000 stock options to the eligible employees of Minda Corporation Limited and its subsidiaries. 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. www.sparkminda.com.

FIXED 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) Rule 2014 during the year. There is no unclaimed or unpaid deposit lying with the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's 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 REPORT

As stipulated under Regulation 34 of SEBI (Listing obligations and disclosure requirements) Regulations, 2015, the Business Responsibility Report describing the initiatives taken by the Company from environmental, social and governance perspective forms 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

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Aakash Minda (DIN: 06870774), and Mr. Naresh Kumar Modi (DIN 00089536) Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

Mr. Ashok Minda (DIN: 00054727) has been 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 subject to the approval by shareholders of the Company.

The approval of shareholders is being obtained for his re-appointment at the forthcoming Annual General Meeting of the Company by way of Special Resolution.

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>

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations to the effect that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Independent Directors fulfil the conditions specified in the Act, Rules made there under and Listing Regulations.

BOARD EVALUATION

A formal evaluation of the performance of the Board, its Committees, the Chairman and the individual Directors was carried out for FY 2021-22 pursuant to the corporate governance requirements as prescribed in the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 Led by the Nomination & Remuneration Committee. The evaluation was carried out using individual questionnaires covering, amongst others, composition of Board, conduct as per company values & beliefs, contribution towards development of the strategy & business plan, risk management, receipt of regular inputs and information, codes & policies for strengthening governance, functioning, performance & structure of Board Committees, skill set, knowledge & expertise of Directors, preparation & contribution at Board meetings, leadership etc.

Further, the Committees were evaluated in terms of receipt of appropriate material for agenda topics in advance with right information and insights to enable them to perform their duties effectively, updating to the Board on key developments, major recommendations & action plans, stakeholder engagement, devoting sufficient time & attention on its key focus areas with open, impartial & meaningful participation and adequate deliberations before approving important transactions & decisions. The performance evaluation of the respective Committees and that of Independent and Non-Independent Directors was done by the Board excluding the Director being evaluated. 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 16, 2022 considering the views of other directors.

BOARD AND COMMITTEE MEETINGS

During the year under review, 8 (eight) Board Meetings, 6 (six) 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, 2022, 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 Securities Issue 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, 2022, 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, 2022;
- 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, 2022 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. 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 2.39 A for contingent liability, 2.4 and 2.5 to the Standalone Financial Statements & 2.37 for contingent liability, 2.4 to 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 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: 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. A robust system of reporting and monitoring has been put in place to ensure effective implementation of planned CSR initiatives. During the year, the Company has spent ₹ 38.62 Million on CSR activities through its implementing agency as per annexed herewith at Annexure-I to 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.

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 adverse 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 2021-22 as required under Section 204 of the Companies Act, 2013 and Rules made there under. The Secretarial Audit Report for financial year 2021-22 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: -

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 employees has sold 6,000 (Six Thousand) equity shares of the Company at the aggregate value of Rs. 8,26,843 (Rupees Eight Lakh Twenty-Six Thousand Eight Hundred Forty-Three) 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 employee of the Company;

2. *One of the relative of Designated Employee sold 500 equity shares of the Company 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), Board of directors of the Company was appraised and due penalties were imposed on the relative of designated employee.*

Your directors are of the opinion that the aforesaid observations are self-explanatory and do not call for further explanation. An awareness campaign had been launched across all Designated Persons to avoid such violation in future.

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 2022-23 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 2022-23 is required to be ratified by the members; the Board recommends the same for approval by members at the ensuing AGM.

LISTING

Equity Shares of your Company are presently listed at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Annual Listing fees for financial year 2022-23 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/>

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATES

Pursuant to Section 129 of the Companies Act, 2013 a statement in the prescribed Form-AOC-1, relating to subsidiaries and Joint Ventures for the year ended on March 31, 2022 has been attached

with the Consolidated Financial Statements of the Company for the financial year ended March 31, 2022.

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>

INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures 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 disclosures.

RISK MANAGEMENT

The Company has a Risk Management Committee pursuant to the provisions of SEBI (Listing obligations and Disclosures Requirements), Regulations 2015 to assess risk and to make mitigation procedures. 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 2021-22 was a year of reinventing HR and solidifying its new role, 2022-23 is going to be all about pushing the boundaries of how HR can add value. The year 2022 had been topsy turvy one. HR was at the forefront of initiatives to respond to a wide range of internal and external transformative trends, from employee well-being to new workforce models and social justice.

Spark Minda has always focused on improving employee

wellbeing while they adapt to the new normal in 2021-2022. Staying connected with employees, leadership connects and employee motivation are the key focus areas. As a team, HR has insight and influence to all the different things that impact how an employee feels when they come to work, throughout their time at an organization

The HR initiatives continue to focus on hiring the talent with the right attitude, develop and groom them and build the leadership pipeline. We have digitalised our learning initiatives and launched "SPARK MINDA GURUKUL" (LMS) in HRIS. We are also striving to bring in more women employees at senior roles. We have worked towards becoming a performance-driven organization. We have also digitalised our Recruitment process to ease the functioning of hiring in the process.

Whether it is through driving better collaboration in the new era of work, facilitating better career experience, creating internal marketplaces to ease the pressure caused by talent shortages, owning business transformation, or delivering inclusive and purpose-driven organizations to provide equitable benefits, we are part of the solution.

The company has well-crafted and employee-friendly HR policies, and hence it enjoys a cordial relationship with its employees. We have not experienced any major work stoppages due to labour disputes or cessation of work in the last many years.

It continues to emphasize and focus on safety and security at the workplace by prescribing policies and procedures, creating awareness and imparting pieces of training to the workforce. It also has an established mechanism that fosters a positive work environment that is free from harassment of any nature. Prevention of sexual harassment initiative framework is in place to address the complaints of harassment at the workplace.

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 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. Also, safeguard the Spark Minda Group (SMG) against such practice which may lead to any adverse or negative impact on the group. 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 and no personnel has been denied access to the

audit committee during the year under review.

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.

Some of the examples of the issues are listed below which may form part of Concern/ Disclosure:

- Any unlawful act, whether criminal (e.g. theft) or a breach of the civil law (e.g. insult or defamation)
- Breach of any policy or manual or code of conduct with an intent to gain personal advantage or causing loss to the company
- Health and safety risks, including risks to the public as well as other employees (e.g. faulty electrical equipment)
- Fraud and corruption (e.g. to solicit or receive any gift/ reward as a bribe)
- Gross wastage or misappropriation/ unofficial usage of company funds/assets
- Manipulation of Company data/records, questionable accounting/ financial reporting fraud
- Leaking confidential or proprietary information
- Any instance of failure to comply with legal or statutory obligation either for and on behalf of the Spark Minda Group or in any personal capacity in the course of discharging duties
- Abuse of power (e.g. sullyng/ harassment/ Threat)
- Any other activity which is prohibited in company premises
- Any undue favour or restrain based on caste, religion and gender

Note: The above list is illustrative and should not be considered as exhaustive

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 not received any complaint of sexual harassment.

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 except Ms. Pratima Ram, who receives sitting fees from Minda Instruments Limited (Formerly known as Minda Stoneridge Instruments Limited).
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

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, 2022.

APPRECIATIONS AND ACKNOWLEDGMENTS

The Directors thank the Company's employees, customers, vendors and investors for their continuous support. Our consistent growth was made possible by their hard work, solidarity, cooperation and support. The Directors are deeply grateful and have immense respect for every person who risked their lives and safety to fight the COVID-19 pandemic. The Directors appreciate and value the contribution made by every member of the Spark Minda family.

For and on behalf of the Board of
Minda Corporation Limited

Sd/-
Ashok Minda

Chairman & Group CEO
DIN: 00054727

Place: Gurugram
Date: May 17, 2022

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 ₹)	Amount required to be set- off for the financial year, if any (In ₹)
1.	2021-22	Nil	Nil

6. Average net profit of the Company as per section 135(5) ₹ 1,391.90 Million

7. (a) Two percent of average net profit of the company as per section 135(5) ₹ 27.84 Million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years ₹ 1.51 Million

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

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

Total Amount Spent for the Financial Year. (₹ In Million)	Amount Unspent (₹ 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
38.62	14.97	30-04-2021	NIL	NIL	NIL

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

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the Project.		(6) Project duration.	(7) Amount allocated for the project (₹ in millions)	(8) Amount spent in the current financial Year (₹ in millions)	(9) Amount transferred to Unspent CSR Account for the project as per Section 35(6) (₹ in millions).	(10) Mode of Implementation - Direct (YES/NO).	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Aakarshan-Skilling & Education Livelihood	Education	Yes	Tamil Nadu Uttar Pradesh Haryana Uttarakhand Maharashtra	Chennai Greater Noida Gurgaon Pantnagar Pune	Ongoing	15.54	20.15	Nil	NO	Spark Minda Foundation	U85100DL2014NPL273844
2	Saksham-Empowering of People with disability	Empowerment of Disable person	Yes	Maharashtra & Uttar Pradesh	Pune & Noida	Ongoing	12.55	16.66	Nil	NO	Spark Minda Foundation	U85100DL2014NPL273844
3	Admin Exp	Education/ Empowerment	Yes	Haryana	Gurgaon	Ongoing	1.37	1.81	Nil	NO	Spark Minda Foundation	U85100DL2014NPL273844
TOTAL							29.46	38.62	Nil			

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

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the Project.		(6) Amount spent for the project (₹ in millions)	(7) Mode of Implementation - Direct (Yes/No).	(8) 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: 38.62 Million (Spent through implementing agency)

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

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

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 ₹)	Date of transfer	
1	2020-21	14.97	9.16	Nil	Nil	Nil	5.81

(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	31.02	20.15	31.24	Ongoing
2	2	Saksham-Empowering of People with disability	2020-21	4 years	26.90	16.66	19.66	Ongoing
3	3	Donation Paid	2020-21	NA	0.30	Nil	0.30	One Time
TOTAL					58.22	36.81	51.20	

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: Gurugram

Date: May 17, 2022

For **CSR Committee of Minda Corporation Limited**

Sd/-

Pratima Ram

Chairperson of CSR Committee

DIN: 03518633

Place: Bengaluru

Date: May 17, 2022

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

Security System Division/Die Casting Division/Starter Motor & Alternator Division

1	Use of LED lights.
2	Use of Motion Sensors to switching lights OFF in absence of any body.
3	Modification of electric circuit to auto off machines to stop the machine in idle condition.
4	Installation of VFD operated air compressors.
5	Use of Energy efficient air guns.
6	Use of RO reject water in washrooms to reduce the usage of fresh water & to reduce the working of water pump.
7	Addition accumulators in power pack to stop the hyd. pump
8	Installation of servo motor & servo pump.
9	Installation of catalytic convertor in PNG line to ensure proper burning of gas.
10	Use of sequential timers to alternate switching of AC where multiple AC works
11	Power savings through open access (installed 2MW project)
12	Reduce Air consumption through reduced air pressure as per requirement of fixtures
13	Control of cooling tower fan with temperature requirement
14	Implementation of IE3 motors
15	Maintaining power factor unity
16	Installation of thyristor in holding furnace panels for efficient use of electricity.
17	Solar synchronise with DG to reduce running.
18	Installation of solar pump

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

Security System Division/Die Casting Division/Starter Motor & Alternator Division

1	Installation of roof top solar system (6325 KWp) from last 4 years and New installation of 200 KWp on EME rooftop in progress.
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/Starter Motor & Alternator Division

Plant	Capital Investment	Sub total	Amount (in Lacs)
MCL-DCDGN	Installation of VFD operated air compressor	15.00	140.00
MCL-DCDGN	Installation of VRV type air conditioner for Keihin Shop	15.00	
MCL-DCDGN	Equity infusion in Solar power plant	85.00	
MCL-DCDGN	Installation of IOT -Industry 4.0	25.00	
MCL-PN	Infra development for energy saving projects	10.00	24.00
MCL-PN	Infra development cost for energy saving	12.00	
MCL-PN	DG running syn. with solar when grid supply not available	02.00	
MCL-SSD-N	DG running syn. with solar when grid supply not available	02.00	02.00
MCL-DCD-PU-1	Energy efficient compressor installation	15.00	120.00
MCL-DCD-PU-1	Equity infusion in Solar power plant	105.00	
MCL-DCD-PU-2	Equity infusion in Solar power plant	112.00	112.00
MVAST	Use of VFD in AHU	01.00	01.00
	Grand Total		399.00

B. TECHNOLOGY ABSORPTION:

i) **Research & Development (R&D) - FORM 'B'**

1. **Specific R&D areas in which R&D carried out by the Company**

Spark Minda Technical Centre (SMIT):

There is a focus on passenger safety and experience in recent times, and in this regard a number of regulations are being adopted and implemented

1. IS 16833 automotive tracking device specification, which also included the in vehicle video surveillance system
2. IS 16490 passenger information systems
3. Telematics
4. Driver information display

The company has been working on creating indigenous technology for multi-camera video recording, meeting these specifications.

Telematics related products

- A 4G LTE enabled vehicle tracking system has been developed Driver information display
- A 7" TFT screen capable of being used as a reverse parking assistance system as well as equipment monitoring and configuration system for a tractor has been developed Intellectual Property Rights
- Two design patents have been filed for Internet sharing in ITS controller and a battery less delay circuit for use in Telematics devices

Interior Plastics Division (IPD):

Interior Plastics Division has established its product segment in Passenger Interior domain meeting the

Comfort/Safety/Functional specification of Interior Products.

1. Interior Products like Floor Console meeting the product styling appearance and functional utility storage systems.
2. Kinematic air vents for the Cockpit meeting the requirement of air cooling and Mechanical movements
3. Light weight products developed meeting the requirements of Weight reduction and functional performance of leakage and product specification.

The company has been working on creating indigenous technology meeting these specifications.

Wiring Harness Division (WH Division):

(i) Owing to proliferation of Electrification of Vehicles in India, MCL WH Division's key focus area has been on the EV related product and capability development. MCL's effort is on creating the know-how, design best practices, product specification and product portfolio to align with the EV requirements. Pertaining to same MCL is working on:

- a. WH for EV 2W:
 - i. MCL is working closely with OEM's to develop solutions for each unique requirement of individual OEM's
 - ii. With the effort, MCL has successfully designed, developed and launched EV WH for 2 OEMs.
 - iii. MCL is actively engaged with many other OEMs for EV W/H projects which are at different stage of development as of today

- b. HV PDU for EV:
- i. HV PDU which stands for High Voltage Power Distribution Unit. This product is used for safely and efficiently distributing HV Power to different systems installed in the vehicle requiring HV power
 - ii. MCL is working with different OEM's across different segments like:
 1. Commercial Vehicle
 2. 2Wheeler
 3. 3-Wheeler
 - iii. MCL has got their designed approved by one of the OEMs and the product is under proto phase right now. Similarly, in advance stages of design for another commercial vehicle OEM.

- c. IC-CPD:
- i. In Cable-Control and Protection Device is a cord with electronics installed which enables regulated power to the charging system
 - ii. This product is essential for all EV vehicles
 - iii. The project is at initiation stage and while MCL is developing the solution in-house, is also in process of identifying partner for such product.

(ii) MCL WH Division's most important and integral component are the connections systems. Due to stringent emission requirements for ICE power vehicles, statutory regulations and electronification of not only the passenger cars but also other segments like 2W, 3W and CV, there is increase in no. of circuits in Wiring Harness in constrained packaging space within in the vehicle. 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. Hence, WH Division is creating the resources in house to develop such connector to address the challenges mentioned above. MCL is working on the following miniature series of connector which are under different stage of design and development:

- i. 040 Series
- ii. 025 Series
- iii. OBD Connector

2. Benefits derived as a result of above R&D

Spark Minda Technical Centre (SMIT):

- Seeing MCL's competencies, Mahindra & Mahindra has provided an early engagement project to adopt driver information display in a tractor platform
- Olectra is evaluating adopting Spark Minda ITS in its electric buses
- RFQs from Honda, Sun Mobility and TVS are being pursued in telematics areas

Interior Plastics Division (IPD):

- Seeing MCL's competencies, Major OEMs like Maruti Suzuki Limited, Mahindra and Mahindra have provided upcoming projects and are engaged in New Product development for Upcoming model years.
- RFQs from similar OEMs are in process for integrating of similar Light weight and functional parts.

Wiring Harness Division (WH Division):

- i) Electric Vehicle EDS products like High Voltage Wiring Harness and High Voltage Power Distribution Unit (PDU) will become integral to Electric Vehicles which are fast catching up in India due to Governments incentive program. Having this product-line and capability will help in staying aligned with the future needs of the market
- ii) Miniature connectors (after introduction of BS-VI norms) are also need for present and future requirements to stay in the competition

3. Future Plan of Action

Spark Minda Technical Centre (SMIT):

- To prepare a complete certified ITS product line as per IS16490 and IS 16833 new amendments
- Create a scalable telematics platform including a web platform for data capture and rendering
- Develop a connected driver information display that will integrate multiple features in one screen

Interior Plastics Division (IPD):

- To develop expertise and engage in the Interior domain meeting the specification and requirements of Automotive Interior space.

Wiring Harness Division (WH Division):

- i. PCB JB
- ii. SMART PCB JB
- iii. MODULAR FUSE / RELAY BOX
- iv. BATTERY DISCONNECT UNIT

4. Expenditure on Research and Development

Particulars	₹ in Million	
	2021-22	2020-21
a. Capital Expenditure	13	28
b. Recurring Expenditure	349	287
c. Total	362	315
d. Total R & D expenditure as a percentage of total turnover	1.32 %	1.37 %

ii) Technology absorption, adaptation and innovation

1. Efforts, in the brief, made towards technology absorption, adaptation and innovation: -

Spark Minda Technical Centre (SMIT):

- a) Technology mapping being done by benchmarking with competitor products, engineers' participation to various technical conferences & exhibitions. Patent landscaping being done on regular basis to see the technology trends.
- b) Structured Reward & Recognition policies have been implemented to create culture of innovation.
- c) State of art electronic competency centre (SMIT) put up at Pune for next generation electronic & mechatronic products. The centre is focused on developing advance engg solutions in hardware, software and does reliability testing of electronic products.
- d) Technical consultants (Subject matter experts) hired to guide engineers on various technical areas like materials, processes, mechanisms & Patents.
- e) Technical Tie-ups with premier institute in India for project-based solution like IIT Delhi, IIT Chennai & CECRI Karaikudi.
- f) Technical standards, manuals & check sheets being made/updated on regular basis to build strong knowledge base of product & process technology.
- g) Engineers being regularly trained on high end design software, structural simulation software & process simulation software, new technologies in tool & die making, rapid prototyping techniques. Built rapid prototyping facility in-house through installation of 3D printer.
- h) As part of group initiative, Project (Current business-technology and product gap) there is continuous mechanism for product benchmarking, prioritizing and development of the project which is reviewed at different levels.
- i) Engagement with overseas Design houses for joint development of technology product-line like PCB Junction Box.

j) Several projects running with SMIT for new product-line development: Fuse Blow Indicator, PCB Bases Junction Box, Wireless Modules, vehicle-Networking.

k) 24V Alternator with 55A output developed in 5" frame size.

l) 12V Alternator with 55A output developed in 4" frame size.

Interior Plastics Division (IPD):

- a) Technology mapping being done by benchmarking with competitor products, engineers' participation to various technical conferences & exhibitions.
- b) Inhouse Engineering centre at Pune for Design and Engineering of Plastic component meeting the performance and reliability requirements.
- d) Technical consultants (Subject matter experts) hired to guide engineers on various technical areas like materials, processes, mechanisms.
- e) Technical standards, manuals & check sheets being made/updated on regular basis to build strong knowledge base of product & process technology.
- g) Engineers being regularly trained on high end design software, structural simulation software & process simulation software, new technologies in tool & die making, rapid prototyping techniques. Built rapid prototyping facility in-house through installation of 3D printer.
- h) As part of group initiative, Project (Current business-technology and product gap) there is continuous mechanism for product benchmarking, prioritizing and development of the project which is reviewed at different levels.

Wiring Harness Division (WH Division):

As part of group initiative, Project-1 (Current business-technology and product gap) there is continuous mechanism for product benchmarking, prioritizing and development of the project which is reviewed at different levels.

Engagement with overseas Design houses for joint development of technology product-line like PCB Junction Box.

The engineering team has been strengthened in following areas:

- i) **Sustenance Engineering:** This is the team which works for delivering the projects. They are the main interface with the customers. The team has been restructured with greater focus mainly on resources and tools. They are now assisted by Advance Engineering team which is newly set up in SMIT Pune.
- ii) **Advanced Engineering team:** This is new team that will work on developing new technologies and know-how to keep up with OEM's need and global trends
- iii) **Component Design team:** This is also a new team specifically created to enhance MCL Component Division's design engineering strength for next generation connection system and associated products for Wiring Harness Division.
- iv) **Manufacturing Engineering team** also restructured and strengthened. A centralized Manufacturing Engineering Tech Centre is created for standardization / commonization of tools / methods and cost-effective automation projects to improve productivity and contribution.

2. Benefits derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution, etc.

Spark Minda Technical Centre (SMIT):

- a) Company has created a portfolio of ITS components with pre-dominantly indigenous content
- b) Research program is further on to substitute import content in NVR technology.
- c) Connected TFT screen-based products are being indigenously developed to substitute import content

Wiring Harness Division (WH Division):

There is increased amount of focus on patent and regular training on patents is being conducted to spread awareness for patent search and patent filing which enhances innovation culture in the organization.

The above initiative has brought focus on product benchmarking and global technology trend which helps in identifying the focus area for technology/product development.

Final specifications have been filed for all provisional patents.

Greater focus on new technology development and development plan in place.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished:

-
- a) **Technology imported -**
No Technology was imported during last 5 years. All the Technologies and Products were developed by the Company on its own.
 - b) **Year of Import -** Not applicable
 - c) **Has technology been fully absorbed? -** Not applicable
 - d) **If not fully absorbed areas where this has not taken place, reasons there for and future plans of action -** Not applicable.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

i) EXPORT ACTIVITIES

MCL exports sales grew by 35 % in FY 21-22 when compared to FY 20-21.

New Products business acquired for export markets in USA & Europe for products like DC-DC convertors, Plastic parts, Smart Key Solutions, Fully Digital Electronics Clusters integrated with Telematics and Mobile App along with Aluminum HPDC parts.

MCL appointed official for Europe office in FY 21-22 and will be placed in Europe by H1 FY22-23 to enhance customer connect and business growth.

EV business booked for AI Die Cast, Wire Harness, DC-DC convertors and many other group products 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 & Africa for developing business for Die Cast Parts, Wiring Harness, Smart Key Solutions, Sensors- Temp, Position & Speed, Digital Clusters, Telematics, Intelligent Transport Systems, Plastics, DC-DC Convertors, Battery Chargers, Connectors & Terminals, Customized Connectors.

ii) TOTAL FOREIGN EXCHANGE USED AND EARNED

Foreign Exchange Used:

Particulars	(₹ in Million)	
	2021-22	2020-21
a) Travelling & Conveyance	3	1
b) CIF value of import	535	1524
c) Legal & Professional	6	20
d) Repair & Maintenance (P&M)	2	-
e) Others	194	-

Foreign Exchange Earned: -

Particulars	(₹ in Million)	
	2021-22	2020-21
a) FOB value of Exports	2,128	525
b) Royalty	43	8
c) Financial Assistance Fee	-	-
d) Interest/Dividend income	-	-
e) Technical Know-how and Service Income	1	105

For and on behalf of the Board of
Minda Corporation Limited

Place: Gurugram
Date: May 17, 2022

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

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 2021-22 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, are as under:

Sl. No.	Names	Designation	% increase in Remuneration in the Financial Year 2021-22	Ratio of remuneration of each Director/ to median remuneration of employees for financial year 2021-22
1	Mr. Ashok Minda*	Chairman & Group CEO	15.83%	86
2	Mr. Aakash Minda	Executive Director	\$\$	45
3	Mr. N.K. Modi#	Executive Director	48.75%	84
4	Mr. Vinod Raheja\$	Group CFO	\$\$	\$\$
5	Mr. Ashim Vohra	COO	45.81%	49
6	Mr. Pardeep Mann	Company Secretary & Compliance Officer	7.21%	10
7	Mr. Avinash P Gandhi	Independent Director	37.61%	4.78
8	Mr. Rakesh Chopra	Independent Director	35.96%	4.60
9	Mr. Ashok Jha	Independent Director	37.61%	4.78
10	Mr. Pratima Ram	Independent Director	42.13%	3.37

Note:

- i) *Above remuneration of Mr. Ashok Minda is considered without Commission paid on Profit which is ₹ 4.89 Crore. Increase in above remuneration of Mr. Minda is due to reinstatement of full salary post COVID-19 effect.
- ii) # Mr. Naresh Kumar Modi, Executive Director & CFO has resigned from the post of CFO w.e.f February 04, 2022 due to Internal restructuring and Change in designation from the position of Executive Director & CFO to Executive Director of the Company w.e.f February 04, 2022.
- iii) \$ Further, Mr. Vinod Raheja has been appointed as Group CFO of the Company w.e.f. February 04, 2022.
- iv) \$\$ Since the remuneration is only for part of the year, the percentage increase in remuneration is not comparable and hence, not stated.
- v) The median remuneration of employees of the Company during the financial year was ₹ 3.37 Lacs (Previous year ₹ 2.94 Lacs).
- vi) In the financial year, there was an increase of 14.62% in the median remuneration of employees.
- vii) There were 2755 nos. of permanent employees on the role of Company as on March 31, 2022.
- viii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management.
- ix) The above remuneration of Independent Directors includes Commission on profit @ INR 6,00,000 per director and Sitting fee for attending Board/ Committee Meetings.

For and on behalf of the Board of
Minda Corporation Limited

Place: Gurugram
Date: May 17, 2022

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

ANNEXURE IV - TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

For the financial year ended on 31st March, 2022

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

To,
The Members,
Minda 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, to the extent possible due to lockdown announced by Government of India on account of COVID-19 pandemic, of **Minda Corporation Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and 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, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- 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 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 (Share Based Employee Benefits) Regulations, 2014;
- d) 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. As informed by the management, 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 employee has sold 6,000 (Six Thousand) equity shares of the Company at the aggregate value of Rs. 8,26,843 (Rupees Eight Lakh Twenty Six Thousand Eight Hundred Forty Three) 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 employee of the Company;

2. One of the relative of Designated Employee sold 500 equity shares of the Company 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), Board of directors of the Company was appraised and due penalties were imposed on the relative of designated employee.

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: F005922D000406333

Place: NEW DELHI

Date: 17.05.2022

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.
7. We have tried to verify the physical records, to the extent possible, for the period under review in order to verify the compliances, however, reliance was also placed on electronic records for verification due to lockdown announced by respective State Governments on account of COVID-19 pandemic.

**FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES**

**Place: NEW DELHI
Date: 17.05.2022**

Sd/-
CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN: F005922D000406333

SECRETARIAL AUDIT REPORT

MINDA INSTRUMENTS LIMITED (MATERIAL SUBSIDIARY OF MINDA CORPORATION LTD) FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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 - 110052 (hereinafter called the "Company") for the Financial Year ended on March 31, 2022 (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, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the "Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;

(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, 2011¹;
- (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, 2018²;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014³;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008⁴;
- (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 client⁵;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009⁶;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998⁷; and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015⁸.

(vi) 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) issued by 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.

¹Not applicable to the Company during the audit period

²Not applicable to the Company during the audit period

³Not applicable to the Company during the audit period

⁴Not applicable to the Company during the audit period

⁵Not applicable to the Company during the audit period

⁶Not applicable to the Company during the audit period

⁷Not applicable to the Company during the audit period

⁸Not applicable to the Company during the audit period

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 had entered into Share Purchase Agreement and Termination Agreement (hereinafter referred as "Agreements") dated November 2, 2021 with Minda Corporation Limited ("MCL"), Stoneridge INC. U.S.A. Pursuant to the said Agreements, Stoneridge INC. U.S.A. on December 31, 2021 transferred 58,31,000 Equity Shares to MCL.

Thus, consequent to the aforesaid transfer of shares, the Company became the Wholly Owned Subsidiary of MCL.

- (ii) the Company has obtained the approval of members under Section 4 and 13 of the Act by way of Special Resolution passed at the Extra-Ordinary General Meeting held on January 7, 2022 to alter the Memorandum and Articles of Association with respect to change in name of the Company from Minda Stoneridge Instruments Limited to Minda Instruments Limited.
- (iii) the Company has obtained the approval of members under Section 14 of the Act by way of Special Resolution passed at the Extra-Ordinary General Meeting held on January 7, 2022 to alter the Articles of Association (AoA) by replacing the existing set of AoA with removal of relevant clauses of Joint Venture Agreement and insertion of new clauses as per the applicable provisions of the Act.
- (iv) the Board of Directors of the Company in its Meeting held on March 24, 2022, has declared the Interim Dividend at 110% i.e. Rs. 11/- (Rupees Eleven Only) per share on 1,19,00,000 equity shares amounting to Rs. 13,09,00,000 (Rupees Thirteen Crore Nine Lakhs 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

Karan S. Sahani
Partner

M. No.: ACS 40638

C.P.No.: 17189

Place: Mumbai
Date: May 14, 2022

UDIN: A040638D000325516

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

Karan S. Sahani

Partner

M. No.: ACS 40638

C.P. No.: 17189

UDIN: A040638D000325516

Place: MUMBAI

Date: May 14, 2022

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

Minda Corporation Limited ("MCL") is fully committed to good Corporate Governance. Corporate Governance is the art of directing and controlling the organization by balancing the needs of the various stakeholders. This often involves resolving conflicts of interest between the various stakeholders and ensuring that the organization is managed well, meaning that the processes, procedures and policies are implemented according to the principles of transparency, independence and accountability. Governance practices may vary but the principles are generic and universal, viz. constant improvement and sustainable value creation for all stakeholders. It essentially involves balancing the interests of various stakeholders, such as shareholders, management, customers, suppliers, financiers, government and the community. For ensuring sound Corporate Governance practices, MCL has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. The relevance of corporate governance has increased several times since the concept was introduced. With the introduction of globalization and competition, managing shareholder expectations is no longer the mantra for success. Broadly speaking, corporate governance can be said to encompass the tenets of rights and equitable treatment of the shareholders and following ethical business behaviour along with practice of integrity.

For ensuring sound Corporate Governance practices, MCL has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc.

CORPORATE GOVERNANCE PHILOSOPHY

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 authorisations 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 authorised 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 endeavours 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 risk 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, 2022. The Board represents an optimal mix of professionalism, knowledge and experience. The profile of Directors can be found at our website at www.sparkminda.com

Classification of the Board during the year 2021-22

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	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-Independent-Director.pdf>

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, 2022 is as follows:

Name of the Director	Category	Number of Board Meetings attended during the FY 2022	Whether attended last AGM held on July 09, 2021	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)	8	Yes	-	2	-	-	-
Mr. Rakesh Chopra	Independent Non-Executive	8	Yes	-	1	1	2	1. Bharat Gears Limited (Non-Executive Independent Director)
Mr. Avinash Parkash Gandhi	Independent Non-Executive	8	Yes	1	8	3	6	1. Schaeffler India Limited (Non-Executive Independent Director) 2. Lumax Auto Technologies Ltd. (Non-Executive Independent Director) 3. Lumax Industries Ltd. (Non-Executive Independent Director) 4. Action Construction Equipment Limited (Non-Executive Independent Director)
Mr. Ashok Kumar Jha	Independent Non-Executive	8	Yes	-	2	-	1	1. XPRO India Ltd. (Non-Executive Independent Director) 2. Setco Automotive Ltd. (Non-Executive Independent Director)
Ms. Pratima Ram	Independent Non-Executive	8	Yes	-	3	-	4	-
Mr. Aakash Minda	Executive Director	8	Yes	-	3	-	-	-
Mr. N.K Modi	Executive Director	8	Yes	-	1	-	-	-
Mr. Ravi Sud	Non-Executive & Non Independent Director	8	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) 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, 2022 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, 2022, 8 (Eight) 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 2021-22 are as under:

Sl. No.	Date of Board meeting	Board Strength	No. of Directors Present
1	May 18, 2021	8	8
2	June 07, 2021	8	8
3	August 12, 2021	8	8
4	November 02, 2021	8	8
5	November 16, 2021	8	8
6	February 04, 2022	8	8
7	March 03, 2022	8	8
8	March 29, 2022	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 2021-22 the Independent Director met on March 16, 2022. 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 2021-22, information as mentioned in 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 Deputy 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 sub-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 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

During the year 2021-22, 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/2022/04/Familiarisation-Programme-for-Independent-Directors.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.

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 2021-22 was discussed by the Board at their meeting held in February 04, 2022. 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

All pecuniary relationships or transactions of the Non-Executive Directors with the Company except the payment of sitting fee, the Company does not have any pecuniary relationship with any of its Non-Executive Directors as well as 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 last Annual General Meeting. 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	268.90	19.44	489.67	NIL	778.01
Mr. Aakash Minda	140.57	10.17	NIL	NIL	150.74
Mr. Naresh Kumar Modi#	217.56	16.24	NIL	49.08	283.28

Mr. Naresh Kumar Modi was holding the position of Executive Director & CFO of the Company. However, he has resigned from the post of CFO and predesignated as Executive Director of the Company w.e.f February 04, 2022.

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:

(Amount in ₹)

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	4,40,000	5,70,000	600,000	16,10,000
Mr. Rakesh Chopra	4,40,000	5,10,000	600,000	15,50,000
Mr. Ashok Kumar Jha	4,40,000	5,70,000	600,000	16,10,000
Ms. Pratima Ram	4,40,000	2,25,000	600,000	12,65,000
Total	17,60,000	18,75,000	24,00,000	60,35,000

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 2021-22 and refer Directors Report for the year 2021-22.

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 6 (six) Committees:

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

1) AUDIT COMMITTEE

a) Composition, Meetings & Attendance of the Committee

The Board of Directors has re-constituted the Audit Committee on August 12, 2021 pursuant to Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the Audit Committee as on March 31, 2022 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

Ms. Pratima Ram has been appointed as Chairperson of the Audit Committee w.e.f August 12, 2021. Earlier Mr. Rakesh Chopra was the Chairman of Audit Committee.

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

During the year, the Committee Members met 6 (Six) times, i.e. on April 20, 2021; May 18, 2021; August 12, 2021; September 27, 2021; November 02, 2021 and February 04, 2022.

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	6	3	Independent Director
Mr. Rakesh Chopra Member	6	6	Independent Director
Mr. Avinash Parkash Gandhi Member	6	6	Independent Director
Mr. Ashok Kumar Jha Member	6	6	Independent Director

In addition to the Members of the Audit Committee, these meetings were also attended by the Executive Directors and CFO 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 09, 2021.

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

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

d) Role of the Audit Committee

- 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - 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;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- 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.

The Audit Committee shall mandatorily review the following information

- (1) Management discussion and analysis of financial condition and results of operations;
- (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) Internal audit reports relating to internal control weaknesses; and
- (5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) 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, 2022 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 Five (5) times i.e. May 17, 2021, October 08, 2021, November 29, 2021, January 14, 2022 and March 29, 2022.

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	5	5	Independent Director
Mr. Rakesh Chopra Member	5	5	Independent Director
Mr. Ashok Kumar Jha Member	5	5	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. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iii. Devising a policy on diversity of board of directors;
- iv. 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.
- v. 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.
- vi. 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.

During the year your Company re-constituted the composition of the Stakeholders Relationship Committee as on March 31, 2022:

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 September 28, 2021 and March 21, 2022. 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 09, 2021.

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, 2022. 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-satisfaction-form/>

d) Name and Designation of the Compliance Officer

Mr. Pardeep Mann, Company Secretary is the Compliance Officer in terms of Regulation 6 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

a) Composition, Meetings and attendance of the Committee

The composition of the Corporate Social Responsibility Committee as on March 31, 2022 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	Executive Director

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

During the year, the Committee met 2(Two) times i.e. on October 20, 2021 and March 23, 2022. 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	Executive Director

b) Role of Corporate Social Responsibility Committee

The role of the Corporate Social Responsibility 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 your Company re-constituted the composition of the Risk Management Committee. The composition as on March 31, 2022 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 2(Two) time i.e. on July 14, 2021 and December 17, 2021. 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	2	2	Non-Executive Non-Independent Director
Mr. Ashok Kumar Jha	2	2	Independent Director
Mr. Ashim Vohra#	2	2	COO
Mr. Aakash Minda#	0	0	Executive Director

During the year under review Mr. Aakash Minda is appointed as Member of the committee in place of Mr. Ashim Vohra w.e.f February 04, 2022.

b) Terms of Reference

- a) To review risk management plan(s) of the Company;
- b) To ensure effectiveness of risk management plan(s);
- c) To review the risk identified by business functions and address them with mitigating actions on continuous basis.
- d) To review the system of the Company to mitigate the cyber security risk.

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, 2022 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.

Meetings

During the year, the Committee met on November 15, 2021 and February 02, 2022. 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	2	2	Executive Director
Mr. Aakash Minda Member	2	2	Executive Director
Mr. Rakesh Chopra Member	2	2	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.

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

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 Uttrakhand
- 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/ NBFC's to operate the Bank accounts and also to change signatories to avail various credit facilities already approved by the Board.
- d) Name and Designation of the Compliance Officer**
- Mr. Pardeep Mann, Company Secretary is the Compliance Officer in terms of Regulation 6 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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
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.
34th	2018-19	"Lakshmiapat Singhania Auditorium", PHD House, PHD Chamber of Commerce & Industry, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110016	September 26, 2019	10:00 A.M.

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

Year	Subject Matter of Special Resolution	Date
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
2018-19	1. Re- appointment of Mr. Ashok Minda (DIN:00054727) as Chairman & Group CEO of the Company and fixation of remuneration 2. Appointment of Mr. Laxman Ramnarayan (DIN: 03033960) as Executive Director of the Company and approval of remuneration 3. Re-appointment of Mr. Ashok Kumar Jha (DIN:00170745) as an Independent Director of the Company for a period of five years 4. Approval for payment of Commission to Non-Executive Director(s) of the Company 5. Enhancement of Borrowing Limits of the Board of Directors of the Company under Section 180(1)(c) of the Companies Act, 2013 6. Authorization to the Board of Directors or a Committee thereof to Create Mortgage and/or Charge on all or any of the movable and/or Immovable Properties of the Company both Present and future	September 26, 2019

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, Business Standard and Jansatta 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 organises 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) 37th Annual General Meeting

Venue	Through Virtual Platform provided by NSDL
Time	10:30 a.m.
Day & Date	Thursday, July 28, 2022
For Financial Year	2021-22

b) Calendar of financial year ended March 31, 2022

The meetings of Board of Directors for approval of quarterly/half-yearly financial results during the financial year ended March 31, 2022 were held on the following dates:

First Quarter Results	- August 12, 2021
Second Quarter/	- November 02, 2021
Half yearly Results	
Third Quarter Results	- February 04, 2022
Fourth Quarter and Annual Results	- May 17, 2022

Tentative Calendar of Board meetings to approve quarterly financial results for the FY 2022-23 is given below:

First Quarter Results	-August 05, 2022
Second Quarter/ Half yearly Results	-November 04, 2022
Third Quarter Results	-February 03, 2023
Fourth Quarter and Annual Results	-May 19, 2023

c) Dividend

For the year 2021-22, directors have recommended final dividend of ₹ 0.70 per Equity share (i.e. 35%). The Company has already paid Interim dividend of ₹ 0.30 per share (i.e. 15%) per equity share (Face Value ₹ 2/- each) for 2021-22. 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, 2022. The Register of Members and Share Transfer books of the Company shall remain closed from Monday, 25th July 2022 to Thursday, 28th July 2022 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, 22nd July 2022.

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) 2012-13, 2013-14 & 2014-15 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 09, 2021 (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
2012-13	27,730	420
2013-14	22,442	11,221
2014-15 (Interim)	35,826	20

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 ₹) & %
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%)
2017-18	February 12, 2018	0.25 (12.50%)	May 28, 2018	0.35 (17.50%)	0.60 (30.00%)

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:

Particulars	₹ in Million	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Statutory audit	4	6
Tax audit	-	-
Limited reviews	4	5
Other Certificates	-	5
Reimbursement of expenses	-	1
	8	17

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

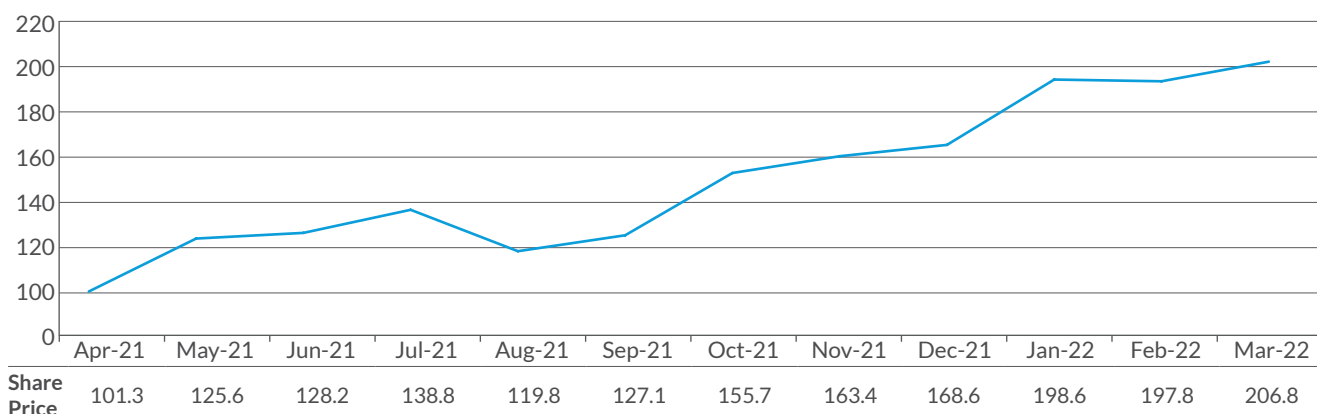
The Annual Listing Fees for the listed equity shares of the Company, pertaining to the year 2022-23 has been paid to the concerned Stock Exchanges on demand. The Company has also made the payment of the Annual Custodian Fees to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), for the financial year 2022-23, based on the folio/ISIN positions as on March 31, 2022.

f) Market Price Data

MCL's share price on NSE 2021-22

(Amount in ₹)

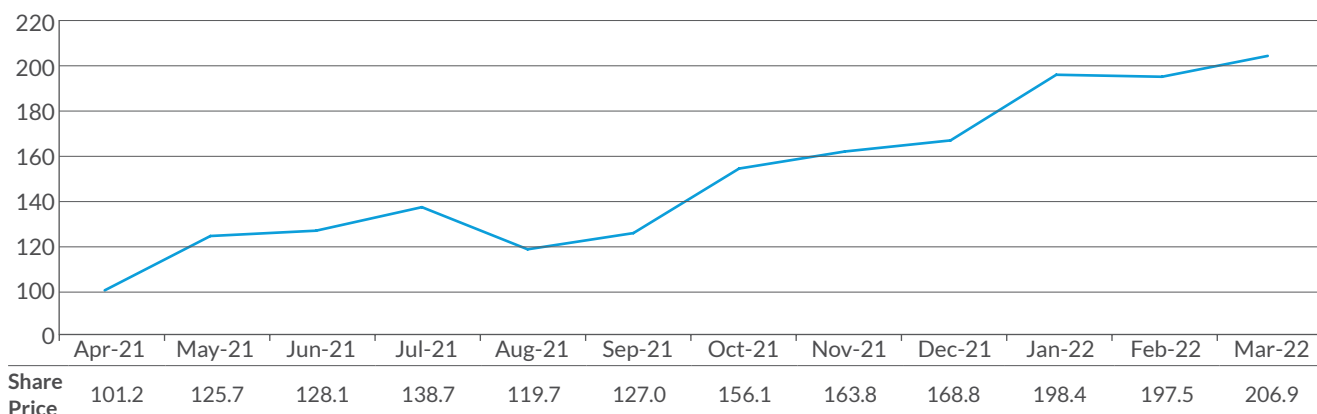
Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty
Apr-21	100.9	105.1	91.4	101.3	88,52,729	96,755	88,09,30,178	34,36,030	38.8%
May-21	100.9	129.6	99.2	125.6	2,72,76,812	2,28,708	3,13,68,12,345	86,01,439	31.5%
Jun-21	127.0	142.0	119.1	128.2	2,43,14,720	2,45,767	3,22,79,42,348	91,82,055	37.8%
Jul-21	128.0	148.1	125.1	138.8	2,01,00,628	2,33,554	2,77,28,83,253	59,32,681	29.5%
Aug-21	140.0	141.8	114.4	119.8	1,01,06,659	1,68,305	1,31,10,77,890	38,60,582	38.2%
Sep-21	121.9	138.0	118.7	127.1	1,64,33,514	2,22,930	2,12,15,54,872	65,54,200	39.9%
Oct-21	127.0	157.9	125.2	155.7	2,19,59,910	3,15,186	3,09,36,85,926	85,77,723	39.1%
Nov-21	160.0	179.9	154.2	163.4	2,98,76,879	4,69,553	5,10,86,17,243	1,02,32,940	34.3%
Dec-21	164.0	179.5	150.7	168.6	2,11,52,557	3,19,778	3,61,15,51,883	61,34,036	29.0%
Jan-22	172.0	214.0	170.6	198.6	5,81,65,297	7,19,829	11,57,66,02,528	1,22,74,222	21.1%
Feb-22	200.5	207.8	175.5	197.8	1,62,88,320	2,66,725	3,17,56,98,696	50,09,417	30.8%
Mar-22	195.0	216.7	173.5	206.8	2,61,31,063	3,94,715	5,25,99,31,931	71,38,074	27.3%



MCL's share price on BSE 2021-22

(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-21	101.0	105.6	91.4	101.2	7,54,532	13,632	7,45,06,279	4,11,370	54.5%
May-21	101.2	129.5	99.3	125.7	16,80,282	29,590	19,07,94,003	8,00,550	47.6%
Jun-21	126.2	142.1	119.1	128.1	19,59,087	38,536	25,80,21,038	8,20,838	41.9%
Jul-21	126.1	148.0	125.3	138.7	21,75,345	42,672	29,53,24,464	7,25,422	33.4%
Aug-21	140.1	141.7	114.8	119.7	7,06,799	19,906	9,16,98,932	3,23,737	45.8%
Sep-21	121.8	137.8	118.8	127.0	11,48,506	29,816	14,86,77,198	5,75,049	50.1%
Oct-21	128.0	157.5	125.1	156.1	18,57,710	41,411	26,10,90,945	9,60,329	51.7%
Nov-21	159.5	179.7	154.0	163.8	20,45,289	49,010	34,85,70,301	8,46,795	41.4%
Dec-21	161.0	179.5	150.7	168.8	15,73,235	38,309	26,64,02,637	4,96,881	31.6%
Jan-22	170.1	213.8	170.1	198.4	47,97,806	94,291	95,46,63,949	18,05,743	37.6%
Feb-22	200.6	207.8	176.9	197.5	13,90,370	28,741	27,05,19,925	4,36,026	31.4%
Mar-22	201.9	216.4	174.0	206.9	19,77,000	39,116	39,35,84,932	6,69,839	33.9%



g) **Market Price Data & Share price performance including Company's equity share price comparison with BSE Sensex and S&P CNX Nifty**

	BSE		NSE	
	MCL	Sensex	MCL	Nifty
2021-22	105.0%	17.07%	105.0%	17.4%
2020-21	76.8%	75.2%	77.2%	80.1%

h) **Registrar & Share Transfer Agent:**

M/s Skyline Financial Services Private Limited,
(CIN: U74899DL1995PTC071324)
Address: - D-153/A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi- 110 020, India.
Email: viren@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, 2022**

Category	No. of shares held	Shareholding (%)
Promoter & Promoters Group	154,748,678	64.73
Financial Institutions, Banks, Mutual Funds & Venture Capital, Insurance Companies	32,017,544	13.39
NRI, Foreign Nationals, OCBs, FPI and FIIs	11,745,798	4.91
Bodies Corporate	4,894,398	2.05
Public Trusts	86,750	0.03
MCL- ESOP Trust	4,203,640	1.76
Others - Indian Public	31,382,620	13.13
Total	239,079,428	100.00

DISTRIBUTION OF 239,079,428 EQUITY SHARE CAPITAL AS ON :31/03/2022

Nominal Value of Each Share: ₹ 2.00

Share or Debenture holding Nominal Value	Number of Shareholders	% to Total Numbers	Shareholding Amount	% to Total Amount
(1)	(2)	(3)	(4)	(5)
(₹)			(₹)	
Up To 5,000	82742	97.58	19763536.00	4.13
5001 To 10,000	445	1.22	9017372.00	1.89
10001 To 20,000	228	0.58	4195324.00	0.88
20001 To 30,000	71	0.20	2431156.00	0.51
30001 To 40,000	39	0.08	1520524.00	0.32
40001 To 50,000	22	0.08	1735100.00	0.36
50001 To 1,00,000	42	0.12	4058314.00	0.85
1,00,000 and Above	64	0.15	439946216.00	92.01
Total	83653	100.00	478158856.00	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, 2022 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	18,80,35,942	78.65
Held in dematerialized form in CDSL	5,10,12,145	21.34
Physical	31,341	0.01
Total	239,079,428	100.00

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	448.95	6010 MT	-	-	-	-	-
Zinc	129	5400 MT	-	-	-	-	-
Aluminium	125	10664 MT	-	-	-	-	-
Plastic RM	70	4260 MT	-	-	-	-	-
Steel & Stainless steel	26	2874 MT	-	-	-	-	-
Brass Coil	36	650 MT	-	-	-	-	-

n) Credit Ratings

The credit rating during the year under review has been changed. Both the rating agencies India Ratings and Research (Ind-Ra) and CRISIL have re-affirmed the credit rating of Minda Corporation Limited, which is as follows:

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

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 31.03.2022:-

Sr. No.	Type/ Date of issue	Amount Raised	Present Status of Utilization of funds			Unutilized Amount
			Issue Exp	Loan Re-payment	Acquisition of Minda Instruments Ltd*	
1	QIP (17-05-2018)	310.69	4.74	NIL	161.10	144.85
2	Preferential Issue (09-12-2020)	83.00	0.61	82.39	NIL	NIL

*Formerly Known as Minda Stoneridge Instruments Ltd

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:

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, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi- 110 020; Email- viren@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
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

Name of the Policy	Website link
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

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 behaviour, 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 behaviour, 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	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year
NIL	NIL	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 below:

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 organisation and effective functioning of the Board.

iii. Live Web casting

Company is providing 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 2021-22, 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 & disclosures.

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, 2022.

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.

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.

Place: Delhi
Date: May 17, 2022

Sd/-
Ashok Minda
Chairman & Group CEO
DIN No. 00054727

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, 2022 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.

Place: Delhi
Date: May 17, 2022

Sd/-
Ashok Minda
Chairman & Group CEO

Sd/-
Vinod Raheja
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, 2022, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). 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: F005922D000331577

Place: NEW DELHI

Date: 17.05.2022

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:

- 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;
- 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, 2022 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:

Sl. 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 Parkash Gandhi	00161107	28/01/2006
5	Mr. Ashok Kumar Jha	00170745	14/11/2014
6	Mr. Naresh Kumar Modi	00089536	11/12/2020
7	Ms. Pratima Ram	03518633	10/11/2016
8	Mr. Ravi Sud	00074720	25/03/2021

- 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.
- 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**

Place: NEW DELHI
Date: 17.05.2022

Sd/-
CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN: F005922D000331577

Business Responsibility Report 2021-22

Section-A

1	Corporate Identity Number (CIN) of the Company	L74899DL1985PLC020401
2	Name of the Company	Minda Corporation Limited
3	Registered address	A-15, Ashok Vihar, Phase-I, Delhi-110052
4	Website	www.sparkminda.com
5	E-mail id	investor@mindacorporation.com
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Automotive Parts and Components
	Product Description	NIC Code of the Product of the Services
	1. Lock Kits & Lock Sets for Automobiles	25934
	2. Wiring harness & components for Automobiles	27320
	3. Starter Motor & Alternator	2710 & 29304
	4. Aftermarket- Trading in Automotive Component	4530
	5. Casting of non-ferrous metals	24320
8	List three key products/services that the Company manufactures/ provides (as in balance sheet)	Wiring Harness, Lock Kits, & Lock Sets and Casting of non-ferrous metals
9	Total number of locations where business activity is undertaken by the Company	
	a) Number of International Locations	2 (Two) including subsidiaries
	b) Number of National Locations	21 (Twenty-One) including Group Corporate Office
10	Markets served by the Company – Local/State/National/International	Asia (including all over India), Europe, North America and South America

SECTION B

FINANCIAL DETAILS OF THE COMPANY

S. No	Financial Details of the Company	2021- 22 (₹ in Million)	2020-21 (₹ in Million)
1	Paid up Capital	478	478
2	Total Turnover	27,348	22,888
3	Total profit/(loss) after taxes	1,602	837
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Our total contribution in FY 2021-22 is ₹ 27.94 Million which is more than 2% of average net profits of the last three financial years. The Company has spent on CSR activities ₹ 27.94 Million through implementing agency i.e. Spark Minda Foundation during the year under review.	
5	List of activities in which expenditure in 4 above has been incurred in the FY 2021-22	<ul style="list-style-type: none"> - Skill & Education Livelihood - Empowerment of persons with disability 	

SECTION C

OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company/Companies participate in the (Business Responsibility) BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The subsidiary companies are not required to comply with the Business Responsibility in initiatives as per the laws applicable to them.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? Less than 30% 30%-60% More than 60%	The company actively engages with its suppliers through its BR initiatives. Currently percentage of suppliers covered under this initiative is less than 30%

SECTION D

BR INFORMATION

1 Details of Director/Directors responsible for BR:

(a) Details of the Director responsible for implementation of the BR policy/policies

DIN	00089536
Name	Mr. Naresh Kumar Modi
Designation	Executive Director

(b) Details of the BR Head

Particulars	Details
Name	Mr. Vikas Thapa
Designation	Group Chief Human Resources Officer
Telephone number	0124-4698400
E-mail id	vikas.thapa@mindacorporation.com

1 Principle

Business should conduct and govern themselves with Ethics, Transparency and Accountability

2 Principle

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

3 Principle

Business should promote the well-being of all employees

4 Principle

Businesses should respect the interest of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable & marginalised

5 Principle

Business should respect and promote human rights

6 Principle

Business should respect, protect and make efforts to restore the environment

7 Principle

Businesses when engaged in influencing public and regulatory policy should do so in a responsible manner

8 Principle

Business should support inclusive growth and equitable development

9 Principle

Business should have engaged with and provide value to their customers and consumers in a responsible manner.

2. Principle-wise Business Responsibility Policy/ Policies

S. No	Questions	Principle (Yes / No)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policy for					Yes				
2	Has the policy being formulated in consultation with the relevant stakeholders?					Yes				
3	Does the policy conform to any national / international standards? If yes, specify?					Yes				
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?					Yes				
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?					Yes				
6	Indicate the link for the policy to be viewed online?	https://sparkminda.com/wp-content/uploads/2020/04/Business-Responsibility-Policy.pdf								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?									
8	Does the company have in-house structure to implement the policy/ policies?					Yes				
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?					Yes				
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?					Yes				

*The whistle blower policy, code of conduct, Code of Conduct under Insider Trading, prevention of sexual harassment policy and Corporate Social Responsibility Policy are framed as per the requirements of the respective legislations of India.

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options):

- Not Applicable

3 Governance related to Business Responsibility

S. No	Particulars	
a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	Regular monitoring is being done of BR initiatives and complete assessment is done on need basis, from time to time. The Committee for Corporate Social Responsibility has been assigned the responsibility of monitoring the BR performance of the Company and the title of the Committee has been changed to CSR & Sustainability Committee.
b)	Does the Company publish a BR or a Sustainability Report? What is the hyper-link for viewing this report? How frequently it is published?	Your Company has published Business Responsibility Report annually as part of the annual report. The Company has also published ESG Report for the year 2020-21 which can be accessed at our website www.sparkminda.com at https://sparkminda.com/wp-content/uploads/2022/03/ESG-Report-2020-21_16-3-2022.pdf

SECTION-E

PRINCIPLE-WISE PERFORMANCE

Principle 1- Business should conduct and govern themselves with Ethics, Transparency and Accountability

1 Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No.	No.
Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others	Yes. Our policy under this principle include: (a) Code of Conduct (b) Whistle Blower Mechanism/Policy (c) Business Responsibility Policy (d) Code of Conduct under Insider Trading While the above-mentioned policies/codes are currently applicable to its subsidiaries but not applicable on joint-ventures/suppliers/contractors. It is available on the intranet and on the Company's webpage.
2 How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	Yes, the Company received Nine (9) complaints under Whistle Blower Mechanism from employees and suppliers which were resolved through detailed investigation. Some of the complaints were false and baseless. However, in some cases it was observed that the employees of the Company were involved in malpractices with the supplier/vendors. The said employees and vendors have been investigated and appropriate actions against them has been taken. There is no pending complaint as on March 31, 2022.

Principle 2- Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1 List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	The company is engaged in the manufacturing of: - Wiring Harnesses - Automotive Locks - Lock-Kits including spares - Die casted parts for Automotive & Non-Automotive products These products have insignificant social or environmental concern or risk.
2 For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):	The Company always take efforts for optimum utilization of natural resources like solar energy consumption, reduction in water consumption, hazardous waste reduction, A4 Paper consumption reduction. In plants located in West India and in North India our Company has signed PPA with solar power generators, we are recycling about 34% of the water consumed in our factories while working extensively to reduce our energy intensity by pursuing energy efficiency practices.
a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?	Not Applicable
b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Not Applicable
3 Does the company have procedures in place for sustainable sourcing (including transportation)?	Yes, the Company has a procurement policy in place for purchase of goods and raw materials. The Company has identified the regional vendors for different components/ materials based on QCDDS (Quality, Cost, Development, Deliver & Services) criteria. The Company currently is also updating the policy to incorporate agenda of sustainable sourcing by assessing the vendors on their environmental practices as well.
(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so	It is difficult to ascertain the percentage of inputs sourced from these suppliers accounting for total inputs due to different kind kinds of materials being used by the Company.

4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Yes, the Company's effort to procure the material from local sources to avoid lead time & transportation. Localization is paramount to sourcing strategy and the company is procuring goods and services from local suppliers (regional) which include large, mid-size and small-scale industries which meet our criteria of QCDDS. The SQA (Supplier Quality Assurance) works along with suppliers to improve the capability & quality.
5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.	Considering the nature of the business there are no significant emissions or process wastes. The company recycles materials wherever it is possible. The materials which cannot be reused is disposed of in a manner in compliance with the applicable statutory provisions.

Principle-3- Business should promote the well-being of all employees

1	Please indicate the Total number of employees	There were 15626 number of employees as on 31st March 2022 in the company.
2	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	There were 2258 numbers of employees hired on contractual /temporarily as on 31st March 2022 in the company.
3	Please indicate the Number of permanent women employees.	There were 5160 numbers of permanent female employees as on 31st March 2022.
4	Please indicate the Number of permanent employees with disabilities	There were 385 permanent employees with disabilities as on 31st March 2022.
5	Do you have an employee association that is recognized by management?	Yes, we have employee union in Murbad and Pithampur Plants
6	What percentage of your permanent employees is members of this recognized employee association?	175 number of employees in two Units. Less than 1 % of total number of employees.
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	Nil

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/Forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory Employment	NIL	NIL
4	What percentage of your under mentioned employees were given safety & skill up gradation training in the last year?		
a	Permanent Employees	98 %	
b	Permanent Women Employees	98 %	
c	Casual/Temporary/Contractual Employees	85 %	
d	Employees with Disabilities	100 %	

Principle 4 - Businesses should respect the interest of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable & marginalised

1	Has the company mapped its internal and external stakeholders? Yes/No	Yes
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders? Yes/No	Yes
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.	<p>Yes, the company has identified people with disabilities (PWDs), as one of the most systematically disadvantaged groups in society, with less job opportunities due to lack of inclusive practices, opportunities and agency. We understand that inclusivity is paramount to a responsible business and collective growth of disadvantaged sections of society. Taking this into account, we have taken initiatives in the field of skilling, healthcare, artificial limb fitment and facilitating employment for PWDs.</p> <p>Women and children are also our key stakeholders as they lack agency, opportunities and autonomy in everyday life. We run skill centres in five states of India to facilitate trainings in essential soft, behavioural and technical skills that help in the overall growth of individuals. Regular health camps, menstrual health and family planning awareness workshops are also organized within the communities to strengthen overall health, hygiene and wellbeing.</p>

Principle-5- Business should respect and promote human rights

1	Does the policy of the Company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?	The Company has adopted Code of conduct & ethics and whistle blower policy along with Business responsibility policies. These policies are applicable to the Directors and employees of the company, the underline principles are communicated to vendors, suppliers and distributors and other key business associates of the Company, which they are expected to adhere to while dealing with the company. For the foreign subsidiaries, the code and policy are applicable in line with the requirement of the respective countries of operations
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	During the past financial year, the company has not received any complaint except certain requests for providing copies of hard copies of annual reports, re-issuance of Demand draft of dividend, payment etc. which were provided to the satisfaction of the stakeholders.

Principle-6- Business should respect, protect and make efforts to restore the environment

1	Does the policy relate to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?	The Company continuously makes efforts to safeguard the environment. Steps are taken for optimal utilization of our resources in-lined with ISO-14001 standards requirement. The Company's environmental policy extend to its suppliers/ Group/Contractors and all other stakeholders and also communicated through Visual displays in company premises.
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2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyper-link for web-page etc.	Yes, we have taken various initiatives to address global environmental issues. The Company has started “Environment and Resource Protection” programme which includes the Solar Energy Generation, Plantation Drive, Water Conservation Drive and is being run both inside and outside the plant. The emissions or waste generated by the Company are within the permissible limits specified by the Central Pollution Control Board (CPCB) and State pollution control Board (SPCB). The Business responsibility policy of the company specifies its approach towards protection of environment; the policy is applicable for all employees of the company and its subsidiaries. Web Link- https://sparkminda.com/wp-content/uploads/2020/04/Business-Responsibility-Policy.pdf
3	Does the company identify and assess potential environmental risks? Y/N	Yes, environmental risk is covered in the company principles that are based on ISO 14001 standards.
4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	The Company continues to work towards development and implementation of climate change mitigation project mainly through energy saving projects across the company. However, we do not have any registration of CDM projects. All the Units of the Company have filed environmental compliance reports as per the requirement of applicable environmental laws. In addition to this the Company runs the various programmes for environment protection such as Rooftop Solar Energy Generation, Plantation Drive, Water Conservation Drive.
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyper-link for web page etc	Covered under Board report which forms part of the Annual Report.
6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	NIL

Principle-7 - Businesses when engaged in influencing public and regulatory policy should do so in a responsible manner

1	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	The company is member of: 1. Confederation of Indian Industries (CII) 2. The Society of Indian Automobile Manufacturers (SIAM)
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	No

Principle 8 - Business should support inclusive growth and equitable development

<p>1 Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.</p>	<p>Yes, the company has a Corporate Social Responsibility Policy which has derived its core values from Companies Act 2013. The company undertakes purposeful activities for the welfare of society, which includes the following:</p> <p>A. Education and Livelihood Promotion (For Minda Corporation Ltd.</p> <p>i) Dual System of Training Programme</p> <p>ii) Business Integrated Prison Programme</p> <p>iii) Aakarshan- Skill Development Programme</p> <p>The above programmes are undertaken in five states of India- Tamil Nadu, Maharashtra, Uttarakhand, Haryana and Uttar Pradesh.</p> <p>B. Empowerment of Persons with Disability (For Minda Corporation Ltd)</p> <p>The programme "Saksham" is conducted in Maharashtra, Uttar Pradesh and Jammu & Kashmir.</p> <p>C. Health & Well-being & safety Programme</p> <p>This programme includes Women Empowerment, Menstrual Hygiene, Eye Healthcare Program, Blood Donation Programme and is being run in Uttar Pradesh, Tamil Nadu, Uttarakhand, Haryana and Maharashtra.</p> <p>During Covid-19, sustenance and healthcare support provided to communities and health care workers in Delhi, J&K, Maharashtra and Uttarakhand.</p> <p>D. Community Infrastructure</p> <p>This Programme include Model School Development Program- digitization, sanitation, safe drinking water etc and the same is being run in Uttar Pradesh, Tamil Nadu, Uttarakhand, Haryana and Maharashtra.</p> <p>E. Environment and Resource Protection</p> <p>This programme includes the Solar Energy Generation, Plantation Drive, Water Conservation Drive and is being run both inside and outside the plant.</p>			
<p>2 Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?</p>	<p>The company has established its own foundation called "Spark Minda Foundation", which is a section 8 company and 100% subsidiary of Minda Corporation Limited. The foundation also engages likeminded technical agencies and NGO's to implement specialized projects.</p>			
<p>3 Have you done any impact assessment of your initiative?</p>	<p>Yes, we do structured assessment of our initiatives from external agencies.</p>			
<p>4 What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken</p>	<p>S No</p>	<p>Projects or Activities</p>	<p>Amount (₹ in Million)</p>	<p>Amount Spent: Direct or Through implementing agency i.e. Spark Minda Foundation (A wholly owned subsidiary of the Company registered under section 8 of the Companies Act, 2013)</p>
	<p>1</p>	<p>Promoting education (Project -Aakarshan)</p>	<p>20.15</p>	<p>Through Implementing Agency</p>
	<p>2</p>	<p>Empowerment of people with disability (Project -Saksham)</p>	<p>16.66</p>	<p>Through Implementing Agency</p>
	<p>3</p>	<p>Admin expenses</p>	<p>1.81</p>	<p>Through Implementing Agency</p>
		<p>Total</p>	<p>38.62</p>	
<p>5 Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.</p>	<p>Yes, the company regularly monitors the projects to ensures that they are adopted and continued within communities. For this purpose, our skilling centres are strategically located within close radius of communities of intervention, which enables sustained and regular interaction of the team with the local population. In addition, skill development, workshops on behavioural changes and sustained impact of projects ensures that the initiatives are successfully adapted by the community.</p>			

Principle-9- Business should have engaged with and provide value to their customers and consumers in a responsible manner.

1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	Less than 1% of total customer complaints pertaining to FY 2021-22 are pending as on end of the financial year ended on March 31, 2022.
2	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. /Remarks (additional information)	Yes, MRP label is displaying the price, part quantity, description and date of manufacture. (As per Legal Metrology Packaged Commodities Guideline)
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.	No
4	Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes – the last Customer Survey was conducted in Sep – Oct 2020. Further, we track internal complaints received on CRM portal. The Company is also planning to conduct a new survey during the year 2022-23.

Independent Auditor's Report

To the Members of Minda Corporation Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Minda Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS 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 Ind AS financial statements for the financial year ended 31 March 2022. These matters were addressed in the context of our audit of the standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Key audit matters

Revenue recognition for sale of goods (as described in Note 2.10 and 2.28 of the standalone Ind AS financial statements)

Revenue from sale of goods is recognized upon the transfer of control of the goods sold to the customer. The Company uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition.

Revenue is measured by the Company at the fair value of consideration received/ receivable from its customers and in determining the transaction price for the sale of products, the Company considers the effects of various factors such as volume-based discounts, price adjustments to be passed on to the customers based on various parameters like negotiations 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.

How our audit addressed the key audit matter

Our audit procedures included the following:

- We evaluated the Company's accounting policies pertaining to revenue recognition in terms of Ind AS 115 - Revenue from Contracts with Customers.
- We performed test of controls of management's process of recognizing the revenue from sales of goods with regard to the timing of the revenue recognition as per the sales terms with the customers and management's process and the assumptions used in calculation of price variations.
- We performed audit procedures on a representative sample of the sales transactions to test that the revenues and related trade receivables are recorded taking into consideration the terms and conditions of the sale orders, including the shipping terms. Also, tested, on sample basis, debit/ credit notes in respect of agreed price variations passed on to the customers.
- 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 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 Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Company's annual report but does not include the standalone Ind AS financial statements and the same is expected to be made available to us after the date of auditor's report.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS 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 Ind AS Financial Statements

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

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

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

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

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

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

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

or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended 31 March 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The financial statements of the Company for the year ended 31 March 2021, included in these standalone Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on 18 May 2021.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended 31 March 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 2.39(A) to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - iv. 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 2.17 to the standalone Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**

Partner

Membership Number:094421

UDIN: 22094421AJBYX1123

Place of Signature: New Delhi

Date: 17 May 2022

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

Re: Minda 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) 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(a) to the standalone Ind AS financial statements included in property, plant and equipment are held in the name of the Company} amounting to Rs. 23 millions 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	19 July 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	19 July 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	19 July 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	19 July 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	19 July 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 31 March 2022
- 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 2.55 to the standalone Ind AS financial statements, the Company has been sanctioned working capital limits in excess of Rs. 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 (Rs. in million)	Value per quarterly return/ statement (Rs. in million)	Discrepancy (Rs. in million)
Inventory			
Jun-30	3,908	4,124	(216)
Sep-30	3,753	3,996	(243)
Dec-31	3,981	4,156	(175)
Trade Payables			
Jun-30	4,031	2,714	1,317
Sep-30	4,405	2,964	1,441
Dec-31	4,047	2,768	1,279
Trade Receivables			
Jun-30	3,507	4,424	(917)
Sep-30	3,774	4,245	(471)
Dec-31	3,881	4,131	(250)

* 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.

- iii) a) During the year the Company has provided guarantee to one/ two of the Company and has not provided loans, advances in the nature of loans, to companies, firms, Limited Liability Partnerships, or any other parties. The Details of guarantee given is as follows.

Particulars	Rs. (in million)
Aggregate amount granted/ provided during the year	120
- Others (Loan to employees)	8
Balance outstanding as at balance sheet date in respect of above cases	
- Others (Loan to employees)	23
- Gurantees	Nil

- b) During the year the investments made, guarantees provided to one of the Company and the terms and conditions are not prejudicial to the Company's interest. The Company has not given any security, grant of loans and advances in the nature of loans and guarantees 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 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 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) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv) There are no loans, 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, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Total dispute amount (Rs. in million)	Amount paid under protest (Rs. in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	209	10	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
Maharashtra Value Added Tax - 2002	Value Added Tax	2.79	0.46	FY 2016-17	Deputy Commissioner of State Tax, Pune
Maharashtra Value Added Tax - 2002	Value Added Tax	1.21	0.29	FY 2017-18 (Apr to June)	Deputy Commissioner of State Tax, Pune
Central Sales Tax Act, 1959	Sales tax	18.24	0.08	FY 2017-18 (Apr to June)	Joint Commissioner of State Tax , Pune
Finance Act, 1994	Service tax	0.37	0.05	2015-16 to 2017-18 (upto June 2017)	Office of the Commissioner of GST, Hararyana
Tamil Nadu General Sales Tax Act, 1956	Value Added Tax	0.02	0.02	FY 2006-07	Appellate Deputy Commissioner, Kancheepuram
Central Excise Act, 1944	Excise duty	3.53	-	FY 2013-14 to FY 2017-18	Directorate General of Goods and Servies Tax Intelligence
UP VAT Act	Sales tax	0.33	0.18	FY 2014-15	Joint Commissioner, Sales tax, Noida
Central Sales Tax Act, 1959	Sales tax	1.05	0.79	FY 2017-18	Additional Commissioner Appeal
Hararyana VAT Act, 2003	Sales tax	14.12	-	FY 2017-18	Joint Excise & Taxation Commissioner(Appeals)
Hararyana VAT Act, 2003	Sales tax	0.27	-	FY 2017-18	Joint Excise & Taxation Commissioner(Appeals)
Maharashtra VAT Act	Sales tax	0.97	0.05	FY 2016-17	Joint Commissioner of State Tax , Pune
Central Sales Tax Act, 1959	Sales tax	0.57	-	FY 2016-17	Joint Commissioner of State Tax , Pune

Name of the Statute	Nature of the Dues	Total dispute amount (Rs. in million)	Amount paid under protest (Rs. in million)	Period to which the amount relates	Forum where dispute is pending
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

- viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix) a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. 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 wilful defaulter by any bank or financial institution or government or 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 basis have 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 any funds 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, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x) a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company. QIP). However, during the year ended 31 March 2019, the Company had raised money by way of Qualified Institutional Placement (QIP). The proceeds from QIP were Rs. 3,056.36 million. The proceeds of the issue (net of related expense of Rs. 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 proceeds of Rs. 1,445 million pending utilisation for the objects of QIP, have temporarily been invested in interest bearing liquid instrument.
- b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi) a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by 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 year while determining the nature, timing and extent of audit procedures.
- xii) a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

- xiv) a) The Company has an internal audit system commensurate with the size and nature of its business.
- b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi) a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a 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 of India. 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 clause 3(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 to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix) On the basis of the financial ratios disclosed in note 2.53 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial

statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx) a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 2.36 to the financial statements.
- b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 2.36 to the financial statements.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**

Partner

Membership Number:094421

UDIN: 22094421AJBYX1123

Place of Signature: New Delhi

Date: 17 May 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE IND AS 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 Ind AS financial statements of Minda Corporation Limited ("the Company") as of 31 March 2022, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

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

A company's internal financial control with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to these Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to these standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these standalone Ind AS financial statements and such internal financial controls with reference to these standalone Ind AS financial statements were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**

Partner

Membership Number:094421

UDIN: 22094421AJBYX1123

Place of Signature: New Delhi

Date: 17 May 2022

Standalone Balance Sheet

as at 31 March, 2022

(All amounts are in Rs. million unless otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	2.1 (a,b)	6,185	5,461
Capital work-in progress	2.1 (c)	181	175
Goodwill	2.2	204	204
Other intangible assets	2.3	76	82
Financial assets			
i. Investments	2.4	3,266	1,505
ii. Loans	2.5	102	102
iii. Other financial assets	2.6	186	208
Deferred tax assets (net)	2.19	14	-
Income-tax assets (net)	2.7	139	27
Other non-current assets	2.8	67	147
Total non-current assets		10,420	7,911
Current assets			
Inventories	2.9	3,927	3,751
Financial assets			
i. Trade receivables	2.10	4,506	4,275
ii. Cash and cash equivalents	2.11	243	174
iii. Other bank balances	2.12	1,921	4,447
iv. Loans	2.13	-	-
v. Other financial assets	2.14	634	693
Other current assets	2.15	739	757
Total current assets		11,970	14,097
Total assets		22,390	22,008
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.16	478	478
Other equity	2.17	11,250	9,789
Total equity		11,728	10,267
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	2.18	848	933
ii. Lease liabilities	2.43	796	298
Provisions	2.20	264	214
Deferred tax liabilities (net)	2.19	-	34
Other non-current liabilities	2.21	39	31
Total non-current liabilities		1,947	1,510
Current liabilities			
Financial Liabilities			
i. Borrowings	2.22	3,065	3,899
ii. Lease liabilities	2.43	163	147
iii. Trade payables	2.23		
- total outstanding dues of micro enterprises and small enterprises		453	634
- total outstanding dues of creditors other than micro enterprises and small enterprises		3,951	4,294
iv. Other financial liabilities	2.24	700	785
Other current liabilities	2.25	254	275
Provisions	2.26	80	64
Current tax liabilities (net)	2.27	49	133
Total current liabilities		8,715	10,231
Total liabilities		10,662	11,741
Total equity and liabilities		22,390	22,008
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
Firm registration number:
301003E/E300005

Vikas Mehra
Partner
Membership No.: 094421

Place: New Delhi
Date: 17 May 2022

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

Ashok Minda
Chairman & Group CEO
DIN 00054727

Place: Gurugram
Date: 17 May 2022

Aakash Minda
Executive Director
DIN 06870774

Vinod Raheja
Group CFO

Pradeep Mann
Company Secretary
Membership No.: A 13371

Standalone Statement of Profit and Loss

for the year ended 31 March, 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	2.28	27,348	22,888
Other income	2.29	463	303
Total income		27,811	23,191
Expenses			
Cost of materials consumed	2.30	15,813	13,807
Purchases of stock-in-trade		1,317	962
Changes in inventories of finished goods, stock-in-trade and work-in-progress	2.31	115	(258)
Employee benefits expense	2.32	4,365	3,624
Finance costs	2.33	305	358
Depreciation and amortisation expense	2.1(a), 2.1(b), 2.3	1,028	897
Other expenses	2.34	3,088	2,666
Total expenses		26,031	22,056
Profit before tax		1,780	1,135
Tax expense			
Current tax	2.19	463	322
Tax adjustments related to earlier years	2.19	(219)	(7)
Deferred tax	2.19	(66)	(17)
Total tax expense		178	298
Profit for the year		1,602	837
Other comprehensive income / (expense)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liabilities		(8)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss		2	-
Net other comprehensive income / (expense) not to be reclassified subsequently to profit or loss		(6)	-
Other comprehensive income / (expense) for the year (net of tax)		(6)	-
Total comprehensive income for the year		1,596	837
Earnings per share [Par value of Rs. 2 per equity share]			
Earnings per share (Rs.) (Basic)	2.37	6.70	3.62
Earnings per share (Rs.) (Diluted)	2.37	6.70	3.62
Significant accounting policies	2		

As per our report of even date attached

For **S R Batliboi & Co. LLP**
Chartered Accountants
Firm registration number:
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

Pradeep Mann
Company Secretary
Membership No.: A 13371

Place: New Delhi
Date: 17 May 2022

Place: Gurugram
Date: 17 May 2022

Standalone Cash Flow Statement

for the year ended 31 March, 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Profit before tax	1,780	1,135
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	1,028	897
Impairment allowances for trade receivable and other assets	32	26
Bad debts written off	15	-
Interest expense	305	327
Loss / (profit) on discard of property, plant and equipment (net)	10	-
Others	15	14
Unrealised foreign exchange loss / (profit) (including mark to market on derivative contracts)	(3)	(18)
Interest income	(183)	(254)
Dividend income	(248)	-
Liabilities / provision no longer required written back	-	(125)
Fair value of investment in preference shares	(1)	-
Gain on derecognition of ROU assets	(13)	-
Employees stock compensation expense	21	13
Operating profit before working capital changes	2,758	2,015
Working capital adjustments:		
(Increase)/ decrease in trade receivables	(274)	(901)
(Increase)/ decrease in inventories	(175)	(525)
Decrease/ (increase) in loans, other financial assets and other assets	38	(135)
Increase/ (decrease) in other financial liabilities and other liabilities	(47)	90
(Decrease)/ increase in provisions	42	(9)
(Decrease)/ increase in trade payables	(524)	511
Cash flow from operating activities post working capital changes	1,818	1,046
Income tax paid (net)	(419)	(194)
Net cash flows from operating activities (A)	1,399	852
B. Cash flows from investing activities		
Purchase of property, plant and equipment, intangible assets and capital work-in-progress	(976)	(1,279)
Proceeds from sale of property, plant and equipment	7	44
Dividend received	248	-
Investment in subsidiaries	(1,704)	(5)
Investment in joint venture and associates	(26)	-
Investment in others	(30)	-
Loan repaid of subsidiary company	-	(906)
Investment in fixed deposits (net)	2,527	(684)
Interest received	222	243
Net cash flows from / (used in) investing activities (B)	268	(2,587)

Standalone Cash Flow Statement

for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
C. Cash flows from financing activities		
Proceeds from issue of equity Shares (net of expenses)	-	824
Payment of interim dividend	(72)	(72)
Payment of final dividend pertaining to financial year 2020-2021	(84)	-
(Repayment of) / proceeds from short term borrowings (net)	(456)	1,405
Proceeds from long term borrowings (including current maturities)	-	1,025
Repayment of long term borrowings (including current maturities)	(468)	(938)
Interest paid	(253)	(282)
Repayment of principal portion of lease liabilities	(265)	(238)
Net cash (used in) / flows from financing activities (C)	(1,598)	1,724
Net increase / (decrease) in cash and cash equivalents (A + B + C)	69	(11)
Cash and cash equivalents at the beginning of the year	174	185
Cash and cash equivalents at the end of the year (refer note 2.11)	243	174
Significant accounting policies (refer note 2)		

Notes:

- 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".
- Refer note no. 2.18 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
Firm registration number:
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

Pradeep Mann
Company Secretary
Membership No.: A 13371

Place: New Delhi
Date: 17 May 2022

Place: Gurugram
Date: 17 May 2022

Standalone Statement of Changes in Equity

for the year ended 31 March, 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	Attributable to owners of the Company										Total
	Reserves and surplus					Equity component of compound financial instrument - 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				Remeasurement of defined benefit obligations		
Balance as at 1 April 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	
Remeasurement of defined benefit liability/(asset)	-	-	-	-	(6)	-	-	-	6	-	
Premium on issue of shares	-	-	-	-	-	-	-	-	-	-	
Issue of equity shares on exercise of share based awards during the year	-	-	-	18	-	-	(18)	-	-	-	
Amount utilised towards expenses for increase in share capital	-	-	-	-	-	-	-	-	-	-	
Interim dividend (refer footnote 2 below)	-	-	-	-	(72)	-	-	-	-	(72)	
Final dividend (refer footnote 1 below)	-	-	-	-	(84)	-	-	-	-	(84)	
Employee stock compensation expense	-	-	-	-	-	-	21	-	-	21	
Balance as at 31 March 2022	192	460	4,936	567	5,021	47	27	-	-	11,250	

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Standalone Statement of Changes in Equity for the year ended 31 March, 2022

(All amounts are in Rs. million, unless otherwise stated)

Footnotes:

- (1) The Company has paid final dividend for the year ended 31 March, 2021 of Rs. 0.35 (absolute amount) for every equity share of Rs. 2 (absolute amount) for the year after the approval of shareholders.
- (2) The Company has paid interim dividend of Rs. 0.30 (absolute amount) for every equity share of Rs. 2 (absolute amount) {31 March 2021 Rs. 0.30 (absolute amount)}.
- (3) The Board of Directors, in their meeting held on 17 May 2022, recommended a final dividend of Rs. 0.70 per equity share (35% (face value of Rs. 2 per share) aggregating to Rs. 167 million for the year ended 31 March 2022 subject to approval of shareholders in ensuing Annual General Meeting of the company. The total dividend declared for the financial year 2021-22 is Rs.1 per equity share (50%) (face value of Rs. 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

Firm registration number:

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

Pradeep Mann

Company Secretary

Membership No.: A 13371

Place: New Delhi

Date: 17 May 2022

Place: Gurugram

Date: 17 May 2022

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Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

1. Corporate Information

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 5th Floor, Plot no-404/405, Sector -20, Udyog Vihar, Phase-III, Gurugram, Haryana, 122016. 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.

Pursuant to the Scheme of Amalgamation ('Scheme') under the provisions of Section 230 to 232 of the Companies Act, 2013, for amalgamation of Minda SAI Limited, Minda Automotive Solutions Limited, Minda Management Services Limited, Minda Autoelektrik Limited and Minda Telematics and Electric Mobility Solutions Private Limited (formerly EI Labs India Private Limited) (together referred to as "transferor companies"), into Minda Corporation Limited ("Transferee Company") as approved by the Hon'ble National Company Law Tribunal vide its order dated 19 July 2019, all the assets, liabilities, reserves and surplus of the transferor companies have been transferred to and vested in the Company without any consideration.

The financial statements were authorized for issue by the Company's Board of Directors on 17 May 2022.

2. Significant Accounting Policies

A. Basis of preparation

(i) Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) as 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 Company operates i.e., functional currency, to be Indian Rupees (Rs.). 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 Rs. 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, judgements and estimation uncertainties

- Recognition and estimation of tax expense including deferred tax – Note 2.19
- Estimated impairment of financial and non-financial assets – Note 2B(viii) and Note 2.1
- Assessment of useful life of property, plant and equipment and intangible asset – Note 2B(iv) and Note 2B(v)
- Estimation of obligations relating to employee benefits: key actuarial assumptions – Note 2.20.2
- Valuation of Inventories – Note 2B(vii)
- 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, Note 2.20 and Note 2.28
- Fair value measurement – Note 2.49

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. 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 satisfies any of the following criteria:

- it is expected to be realised the assets, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it is expected to realise the asset within 12 months after the reporting period; or

- the asset is cash or cash equivalent unless the asset is 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 it satisfies any of the following criteria:

- it is expected to settle in its normal operating cycle;
- it holds primarily for the purpose of trading;
- the liability is due to be settled within 12 months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

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 standalone statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing cost are presented in the standalone statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the standalone 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 31 March 2022

(All amounts are in Rs. 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 standalone 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 standalone statement of profit or loss.

iii) 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, 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 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, 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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.

iv) 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) (iv) regarding significant accounting judgements, estimates and assumptions. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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.

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 property, plant and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the property, plant and equipment) is included in the Standalone Statement of Profit and Loss when the property, plant and equipment is derecognized.

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 derecognized from the Standalone 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 Standalone Statement of Profit and Loss.

Once classified as held-for-sale, property, plant and equipment are no longer depreciated.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the property, plant and equipment and are recognized in the Standalone Statement of Profit and Loss when the property, plant and equipment is derecognized.

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 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

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 standalone 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 property, plant and equipment is depreciated over the life of the principal property, plant and equipment. Leasehold improvements are depreciated over the shorter of the lease term and their useful lives. Freehold land is not depreciated

The Company has used the following rates to provide depreciation.

Property, plant and equipment category	Rates estimated by Company	As per Schedule II
Factory Buildings	30 years	30 Years
Plant and Machinery	5 – 15 years	15 years
Tools	5 years	15 years
Electrical Installations	10 years	10 years
Office Equipment	5 years	5 years
Furniture & Fixtures	10 years	10 years
Computer hardware	3 years	3 years
Vehicles	4 Years	8 Years

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 as given above best represent the period over which management expects to use these property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate the cost of the property, plant and equipment, net of their residual values, over the estimated useful lives.

Residual value considered as 5% for all the property, plant & equipment.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which property, plant and equipment is ready for use (disposed of).

v) 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

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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.

vi) 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

vii) Inventories

Inventories which includes raw materials, components, stores, work in progress, finished goods and spares

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

Raw materials, components and stores and spares and stock in trade	:	Cost is determined on 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.

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.

viii) 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.

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(All amounts are in Rs. million, unless otherwise stated)

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.

ix) Research and Development

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

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

x) Corporate Social Responsibility ("CSR") expenditure::

CSR expenditure incurred by the Company is charged to the Standalone Statement of the Profit and Loss.

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 distribution to equity holders

The Company recognizes a liability to make cash distributions to equity holders when the distribution

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(All amounts are in Rs. million, unless otherwise stated)

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 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.

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 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

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

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

Right of Use Asset

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the

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underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (p) Impairment of non-financial assets. Note 2B(viii) Impairment of non-financial assets

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases 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 Company 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.

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 and are valued at historical cost.

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

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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. 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 Company 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 where 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.

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 recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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. 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 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 Company recognises a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has

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(All amounts are in Rs. million, unless otherwise stated)

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.

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

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(All amounts are in Rs. million, unless otherwise stated)

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:

- 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 Standalone 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.

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

All equity investments in scope of Ind AS 109 are measured at fair value. 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 Standalone 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.

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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 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

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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.
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.

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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 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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

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 Standalone 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 Standalone 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

c New and amended standards

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

(i) Interest Rate Benchmark Reform - Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank

offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

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

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

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under

Ind AS, includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

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

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

(iii) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

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

(iv) Ind AS 41 Agriculture - Taxation in fair value measurements

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

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

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.1 (a) Property, plant and equipment

Particulars	Gross block			Accumulated depreciation			Net block
	Balance as at 1 April 2021 (a)	Additions (b)	Disposals (c)	Balance as at 1 April 2021 (e)	Depreciation for the year (f)	On disposals (g)	
Freehold land	49	-	-	-	-	-	49
Buildings	1,250	73	-	208	58	-	1,057
Leasehold improvements	140	8	-	50	12	-	86
Plant and equipment	5,266	806	98	1,856	630	95	3,583
Furniture and fixtures	151	8	1	68	20	1	71
Vehicles	168	37	48	108	22	36	63
Office equipment	148	13	6	88	15	5	57
Computer hardware	148	37	5	93	27	4	64
Total (a)	7,320	982	158	2,471	784	141	5,030
							3,114

Notes:

(i) Refer note 2.18 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. 1 April 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

Particulars	Gross block			Accumulated depreciation			Net block
	Balance as at 1 April 2021 (a)	Additions (b)	Disposals (c)	Balance as at 1 April 2021 (e)	Depreciation for the year (f)	On disposals (g)	
Leasehold land	285	-	-	22	6	-	257
Building *	664	788	85	317	208	54	896
Plant and equipment	6	-	-	4	-	-	2
Total (b)	955	788	85	343	214	54	1,155
Grand Total (a+b)	8,275	1,770	243	2,814	998	195	6,185
							3,617

** Includes Rs. 25 million whereby the management intends to vacate the one of its office space.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Title deeds of immovable property not held in the name of Company as at 31 March 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	19 July 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	19 July 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	19 July 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	19 July 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	19 July 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 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Property, plant and equipment as at 31 March 2021

Particulars	Gross block			Accumulated depreciation			Net block Balance as at 31 March 2021 (i) = (d-h)
	Balance as at 1 April 2020 (a)	Additions (b)	Disposals (c)	Balance as at 31 March 2021 (d) = (a+b-c)	Depreciation for the year (f)	On disposals (g)	
Freehold land	49	-	-	49	-	-	49
Buildings	1,017	233	-	1,250	52	-	1,042
Leasehold improvements	136	4	-	140	7	-	90
Plant and equipment	4,381	925	40	5,266	534	25	3,410
Furniture and fixtures	133	22	4	151	17	2	83
Vehicles	195	17	44	168	40	25	60
Office equipment	146	9	7	148	14	6	60
Computer hardware	116	39	7	148	19	6	55
Total (a)	6,173	1,249	102	7,320	683	64	2,471

Notes:

- Refer note 2.18 and 2.22 for information on property, plant and equipment pledged as security by the Company.
- For commitments with respect to property, plant and equipment, refer note 2.38.
- On transition to Ind AS (i.e. 1 April 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.

Right of use assets as at 31 March 2021

Particulars	Gross block			Accumulated depreciation			Net block Balance as at 31 March 2021 (i) = (d-h) Rs.
	Balance as at 1 April 2020 (a) Rs.	Additions (b) Rs.	Disposals (c) Rs.	Balance as at 31 March 2021 (d) = (a+b-c) Rs.	Depreciation (f) Rs.	On disposals (g) Rs.	
Leasehold land	292	-	7	285	7	1	22
Building	566	98	-	664	160	-	317
Plant and equipment	6	-	-	6	-	-	4
Total	864	98	7	955	167	1	343
Grand Total (a+b)	7,037	1,347	109	8,275	850	65	2,814

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Title deeds of Immovable property not held in the name of Company as at 31 March 2021

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	208	Minda SAI Limited	No	19 July 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	104	Minda Autoelektrik Limited	No	19 July 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	19 July 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	19 July 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	25	Minda SAI Limited	No	19 July 2019	These assets are vested in the name of the Company pursuant to respective scheme of arrangements/amalgamations approved by appropriate authority.

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Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in ₹ million, unless otherwise stated)

2.1 (c) Capital work in progress

Particulars	As at	As at
	31 March 2022	31 March 2021
Capital work in progress	181	175

As at 31 March 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	154	27	-	-	181
Projects temporarily suspended	-	-	-	-	-
Total	154	27	-	-	181

As at 31 March 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	165	6	-	4	175
Projects temporarily suspended	-	-	-	-	-
Total	165	6	-	4	175

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Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in ₹ million, unless otherwise stated)

2.2 Goodwill

Particulars	Gross block			Accumulated Impairment			Net block	
	Balance as at 1 April 2021	Additions	Disposals	Balance as at 1 April 2021	Impairment for the year	On disposals	Balance as at 31 March 2022	Balance as at 31 March 2022
	(a)	(b)	(c)	(e)	(f)	(g)	(d) = (a+b-c)	(i) = (d-h)
Goodwill	204	-	-	-	-	-	204	204
Total	204	-	-	-	-	-	204	204

Particulars	Gross block			Accumulated Impairment			Net block	
	Balance as at 1 April 2020	Additions	Disposals	Balance as at 1 April 2020	Impairment for the year	On disposals	Balance as at 31 March 2021	Balance as at 31 March 2021
	(a)	(b)	(c)	(e)	(f)	(g)	(d) = (a+b-c)	(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 31 March 2022 and 31 March 2021 was based on the following key assumptions:

- 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.
- The terminal growth rate ranges from 4% to 5% (Previous year: 4% to 5%) representing management view on the future long-term growth rate.
- Discount rate ranging from 11% to 18% (Previous year: 11% to 13%) 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 Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.4 Investments

Particulars	As at 31 March 2022		As at 31 March 2021	
Investment in equity instruments of subsidiaries at cost				
Unquoted equity instruments				
3,000 (31 March 2021: 3,000) equity shares of Euro 100 each fully paid up in Minda Europe B.V., Netherlands	17		17	
Less: Provision for impairment loss (refer note 2.48)	(17)	-	(17)	-
10,000 (31 March 2021: 10,000) equity shares of Rs.10 each fully paid up in Spark Minda Foundation *		-		-
2,834,938 (31 March 2021: 2,834,938) equity shares of USD 1 each fully paid up in Almighty International Pte Limited		560		560
9,800,000 (31 March 2021: 500,000) equity shares of Rs. 10 each fully paid up in Spark Minda Green Mobility Systems Private Limited **		98		5
1,19,00,000 (31 March 2021: 6,069,000) equity shares of Rs. 10 each fully paid up in Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)***		2,263		-
Investment in equity instruments of equity investee				
Interest in joint ventures, unquoted				
21,332,700 (31 March 2021: 21,332,700) equity shares of Rs. 10 each fully paid up in Minda Vast Access Systems Private Limited#		-		-
2,550,000 (31 March 2021: Nil) equity shares of Rs. 10 each fully paid up in Minda Infac Private Limited ##		26		-
Nil (31 March 2021: 6,069,000) equity shares of Rs. 10 each fully paid up in Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)***		-		652
Interest in associate, unquoted				
29,375,000 (31 March 2021: 29,375,000) equity shares of Rs. 10 each fully paid up in Furukawa Minda Electric Private Limited		273		273
Investment in others				
Investment in equity instruments at cost				
Unquoted equity instruments				
28,180,001 (31 March 2021: 28,180,001) investment in Minda KTSN Plastic Solutions GmbH & Co. KG, Germany	2,207		2,207	
Less: Provision for impairment loss (refer note 2.48)	(2,207)	-	(2,207)	-
Investment at amortised cost				
Unquoted preference shares				
520,000 (31 March 2021: 520,000) 0.001% Cumulative Redeemable preference shares of Rs.100 each in Minda Capital Private Limited ^		16		15
Investment at fair value through OCI				
Unquoted equity instruments				
1,121,667 (31 March 2021: Nil) equity shares of Rs. 10 each fully paid up in FP West Solar Private Limited		21		
84,000 (31 March 2021: 130) equity shares of Rs. 10 each fully paid up in AMP Solar Urja Private Limited		1		
Unquoted compulsorily convertible debentures				
7,560 (31 March 2021: Nil) CCDs of Rs. 1000 each fully paid up in AMP Solar Urja Private Limited ^^		8		
		3,266		1,505

* amount in absolute is Rs.100,000 (31 March 2021: Rs 100,000)

** During the year, the Company has further invested Rs. 93 million.

*** During the year, the Company has purchased 49% equity stake of Minda Instruments Limited (MIL) {Formerly known as Minda Stoneridge Instruments Limited (MSIL)} for a consideration of Rs. 1,611 million. Accordingly, MIL has become wholly owned subsidiary of the company w.e.f. 01 January 2022.

amount in absolute is Rs. 901 (31 March 2021: Rs. 901)

During the year, the Company has acquired 51% stake in Minda Infac Private Limited for a consideration of Rs. 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 Rs.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 Rs. 1000/- each. Each CCD is compulsorily convertible into 100 equity shares on the completion period ending 31 December 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 Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
Aggregate amount of unquoted investments (gross of impairment)	5,490	3,729
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of impairment in value of investments (refer note 2.48)	2,224	2,224

2.5 Loans

(unsecured and considered good, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
Non Current		
Loan to related party (refer note 2.40) *	102	102
	102	102

* Loan is repayable on demand however management doesn't expect to demand repayment in next one year.

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 31 March 2022 Rs.	As at 31 March 2021 Rs.
Minda Corporation limited - Employee stock option scheme trust	Nil	Unsecured	102	102

Particulars	As at 31 March 2022		As at 31 March 2021	
	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%	102	100%

2.6 Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Non Current		
Balances with banks		
- Deposits maturity after 12 months from the balance sheet date	2	1
Interest accrued on loan to related party (refer note 2.40)	57	79
Security deposits (at amortised cost)	101	87
Security deposits to related parties (at amortised cost, refer note 2.40)	26	41
	186	208

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.7 Income tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance income tax (net of provision)	139	27
	139	27

2.8 Other non-current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Capital advances	58	131
Prepaid expenses	2	2
Receivable from government authorities	7	14
	67	147

2.9 Inventories

(Valued at cost or net realisable value, whichever is lower)

Particulars	As at 31 March 2022		As at 31 March 2021	
Raw materials (including packing materials, tools and dies)	2,215		1,945	
Add: materials-in-transit	104	2,319	81	2,026
Work-in-progress		456		670
Finished goods	285		359	
Add: goods-in-transit/sales-in-transit	425	710	259	618
Stock in trade	367		363	
Add: goods-in-transit/sales-in-transit	27	394	24	387
Stores and spares		48		50
		3,927		3,751

Refer note 2.18 and 2.22 for information on inventories pledged as security by the Company.

The cost of inventories recognised as an expense includes Rs. 19 million (Previous year: Rs. 17 million) in respect of write-down of inventory to net realisable value (excluding provision for obsolete inventory).

2.10 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables		
Unsecured, considered good *	4,350	4,134
Trade Receivables - which have significant increase in credit risk	-	-
Trade receivable - credit impaired	76	44
Receivables from related parties (refer note 2.40)	156	141
Impairment Allowance (allowances for doubtful debts)	4,582	4,319
Unsecured, considered good	-	-
Trade Receivables - which have significant increase in credit risk	-	-
Trade receivable - credit impaired	(76)	(44)
	4,506	4,275

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Trade receivables Ageing Schedule

As at 31 March 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

As at 31 March 2021	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 *	3,302	786	185	-	2	-	4,275
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	23	21	44
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Total	3,302	786	185	-	25	21	4,319

* Net of accrual towards anticipated discount.

Refer note 2.18 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. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

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.

2.11 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Cash on hand	2	3
Balances with banks		
- On current accounts	241	171
	243	174

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.12 Other bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
Balance with bank		
- Deposits maturity for more than 3 months but less than 12 months **	1,921	4,447
	1,921	4,447

**Deposits include Rs. 301 million (31 March 2021: Rs. 146 million) being fixed deposits held as margin money or security against borrowings, guarantee.

2.13 Loans

(unsecured and considered good, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Security deposits	-	-
Loan to related party (refer note 2.40)	414	414
Less: Loss allowance for doubtful loan (refer note 2.48)	(414)	(414)
	-	-

Movement in expected credit loss on loans	As at 31 March 2022	As at 31 March 2021
Opening balance	414	414
Add : Created during the year	-	-
Less : Utilisation during the year	-	-
Closing balance	414	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	Rate of Interest	Nature of loan / advance	As at 31 March 2022	As at 31 March 2021
Minda KTSN Plastic Solution GMBH & Co.KG, Germany	12%	Unsecured short term loan	-*	-*

* Net of provision for loss allowance amounting to Rs. 414 million (31 March 2021 Rs. 414 million)

2.14 Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Interest accrued on fixed deposits	16	41
Unbilled revenue	48	144
Mark to market gain on forward cover	-	10
Loans to employees	23	21
Receivable pursuant to settlement agreement (refer note 2.39B and 2.40)	463	473
Receivable from related party (refer note 2.40)	80	-
Security Deposit	4	4
	634	693

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.15 Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with government authorities	241	234
Amount paid under protest (refer note 2.39A)	15	8
Prepaid expenses	45	58
Advances to suppliers	240	286
Export benefits/rebate claims/grants receivables	196	163
Others	2	8
	739	757

2.16 Equity Share capital

Particulars	As at 31 March 2022	As at 31 March 2021
2.16.1 Authorised		
692,500,000 (31 March 2021: 692,500,000) equity shares of Rs. 2 each.	1,385	1,385
240,000 (31 March 2021: 240,000) 0.001% cumulative redeemable preference shares of Rs. 800 each	192	192
	1,577	1,577
2.16.2 Issued, subscribed and fully paid- up shares		
Equity shares of Rs. 2 each (previous year Rs. 2 each)		
239,079,428 (31 March 2021: 239,079,428) equity shares of Rs. 2 each	478	478
	478	478

2.16.3 Reconciliation of share capital outstanding as at the beginning and at the end of the year

Equity shares of Rs. 2 each (31 March 2021: Rs. 2 each) fully paid up

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year (face value Rs. 2 per share)	239,079,428	478	227,222,285	454
Add: Issued during the year (face value Rs. 2 per share)	-	-	11,857,143	24
Balance as at the end of the year [face value of Rs. 2 each (31 March 2021: Rs. 2 each)]	239,079,428	478	239,079,428	478

Pursuant to the approval of the shareholders on 23 March 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 Rs. 10 (Rupees Ten) per share to Rs. 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 Rs. 10 each to 209,311,640 shares (including shares held by Minda Corporation limited - Employee Stock Option Scheme trust) of Rs. 2 each.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.16.4 Rights, preferences and restrictions attached to each class of shares

a) Equity shares of Rs. 2 each (31 March 2021: Rs. 2 each) fully paid up

The Company has one class of equity shares having a par value of Rs. 2 per share (31 March 2021 : Rs. 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 Rs. 800 each fully paid up

The Company had 240,000 cumulative redeemable preference shares of Rs. 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 31 March 2018.

2.16.5 Details of shareholders holding more than 5% shares as at year end

a) Equity shares of Rs. 2 each (31 March 2021: Rs. 2 each) fully paid up

Name of shareholders	As at 31 March 2022		As at 31 March 2021	
	% 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

b) Details of shares held by promoters

As at 31 March 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		

As at 31 March 2021

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		

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.16.6 Shares allotted as fully paid up by way of bonus issue (during five years immediately preceding 31 March 2022)

Particulars	Years (number and aggregate number of shares)					
	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
Fully paid up equity shares of Rs. 2 each	-	-	-	-	-	-
Cumulative number of shares of Rs. 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 29 September 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 Rs.0.1 million towards initial trust fund and later on advanced a sum of Rs.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 Rs. 10 each at the premium of Rs. 490 per equity share to the Minda Corporation limited - Employee stock option scheme trust, as approved in the Extra ordinary general meeting dated 24 October 2011. Further, the Company had issued bonus shares in proportion of one equity share for one share held on 29 March 2012, as decided in Extra ordinary general meeting held on 16 March 2012. During the financial year ended 31 March 2017, the members of the Company had approved 'Employee Stock Option Scheme, 2017' through Postal Ballot on 10 February 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.

2.16.8 Qualified Institutional Placement (QIP) of equity shares

During the year ended 31 March 2019, the Company has raised funds amounting to Rs. 3,056 million (net of expenses of Rs. 10 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 Rs. 173.47 per share whereby equity share capital has increased by Rs. 36 million and securities premium is increased by Rs. 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 31 March 2022	Unutilized amount as at 31 March 2022	Unutilized amount as at 31 March 2021
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	1,611	1,445	3,056

The unutilized amount of the issue as at 31 March 2022 has been temporarily deployed in bank accounts.

2.16.9 Preferential allotment of equity shares

During the previous year ended 31 March 2021, the Company has raised additional capital aggregating to Rs. 824 million (net of expenses of Rs. 6 million) by way of preferential allotment of equity shares. The Company has issued 11,857,143 shares at a price of Rs.70/- per share whereby equity share capital has increased by Rs. 24 million and securities premium account is increased by Rs. 800 million (net of expenses of Rs. 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 31 March 2022	Unutilized amount as at 31 March 2022	Unutilized amount as at 31 March 2021
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	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.17 Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021
2.17.1 Capital reserve on amalgamation		
Opening balance	460	460
Closing balance	460	460
2.17.2 Securities premium		
Opening balance	4,936	4,136
Add: Premium on issue of shares	-	806
Less: Amount utilised towards expenses for increase in share capital	-	(6)
Closing balance	4,936	4,936
2.17.3 Capital redemption reserve		
Opening balance	192	192
Closing balance	192	192
2.17.4 Equity component of compound financial instrument - Cumulative redeemable preference share		
Opening balance	47	47
Closing balance	47	47
2.17.5 Employee stock compensation option outstanding		
Opening balance	24	15
Less: Issue of equity shares on exercise of share based awards during the year	(18)	(6)
Add: Amount transferred to Employee stock compensation during the year	21	15
Closing balance	27	24
2.17.6 General reserve		
Opening balance	549	543
Add: Issue of equity shares on exercise of share based awards during the year	18	6
Closing balance	567	549
2.17.7 Remeasurement of defined benefit obligation, net		
Opening balance	-	-
(Less) / add : Remeasurement of define benefit obligation, net of tax	(6)	-
Transferred to retained earning	6	-
Closing balance	-	-
2.17.8 Retained earnings		
Opening balance	3,581	2,816
Add: Net profit for the year	1,602	837
	5,183	3,653
Less : Final dividend (refer details below)	(84)	-
Less : Interim dividend (refer details below)	(72)	(72)
Add : Remeasurement of define benefit obligation, net of tax	(6)	-
Closing balance	5,021	3,581
	11,250	9,789

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Distribution made and proposed

Particulars	As at 31 March 2022	As at 31 March 2021
Dividends on equity shares declared and paid:		
Final dividend for the year ended 31 March 2022 : Rs. Nil per share (31 March 2021 : Rs. 0.35 per share)	84	-
Interim dividend for the year ended 31 March 2022 : Rs. 0.30 per share (31 March 2021 : Rs. 0.30 per share)	72	72
	156	72
Proposed dividends on equity shares:*		
Proposed dividend for the year ended 31 March 2022 : Rs. 0.70 per share (31 March 2021 : Rs. 0.35 per share)	167	84
	167	84

*Proposed dividends on equity shares are subject to approval at annual general meeting and are not recognised as a liability as at 31 March 2022.

2.17.9 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.18 Non-current borrowings

Particulars	Footnote	Non-current		Current maturities	
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Secured					
Term loans					
from banks	[1]	848	922	451	399
from others	[2]	-	11	-	10
Unsecured					
(a) Term loans					
from banks	[3]	-	-	-	418
(b) Deferred sales tax liabilities					
State Industrial and Investment Corporation of Maharashtra Limited	[4]	-	-	-	2
		848	933	451	829
Less: Amount shown under Current borrowings (refer to note 2.22)		-	-	451	829
		848	933	-	-

Footnotes:

No.	Detail of Loan	As at 31 March 2022 *	As at 31 March 2021 *	Details of security / guarantee / other terms
1	Term loan from banks (denominated in Rs.)	1,188	1,112	31 March 2022: Entire term loan is secured by
	Term loan from banks- External Commercial Borrowings (In USD)	111	209	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
				31 March 2021: 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
				Other terms: Negative lien on immovable property situated at 9 A IIEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, 9 Pantnagar, IIEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, 9 Pantnagar IIEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, D-225/1,226 & 227 MIDC, Phase-III, Chakan Industrial Area, Chakan, Pune, Maharashtra, Gut No. 221, 222, 235, 249, 253, 254, 268, 269, 270, 271, 272, 278, 282 and 283, Dhanivalli Village, Taluka Murbad, District Thane (Mumbai), Shed No. DP No. G, 42, SIDCO Industrial Estate, Kakkulur and land and building, located at 355, Sector-3, Phase-2, IMT Bawal.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

No.	Detail of Loan	As at 31 March 2022 *	As at 31 March 2021 *	Details of security / guarantee / other terms
2	Vehicle Loan from Kotak Mahindra Prime Limited	-	21	31 March 2022: Nil 31 March 2021: Vehicle Loan is secured by way of hypothecation of respective vehicles in previous financial year.
3	Term loan from banks (denominated in Rs.)	-	418	31 March 2022: Nil 31 March 2021: Negative lien on immovable property situated at 9 A IIEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, 9 Pantnagar, IIEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, D-225/1, 226 & 227 MIDC, Phase-III, Chakan Industrial, Area, Chakan, Pune, Maharashtra, Gut No. 221, 222, 235, 249, 253, 254, 268, 269, 270, 271, 272, 278, 282 and 283, Dhanivalli Village, Taluka Murbad, District Thane (Mumbai), Shed No. DP No. G 42, SIDCO Industrial Estate, Kakkulur and land and building located at 355, Sector-3, Phase-2, IMT Bawal.
4	Deferred sales tax liabilities (SICOM) (denominated in Rs.)	-	2	31 March 2022: Nil 31 March 2021: Unsecured.
Total		1,299	1,762	

*Net of transaction cost

Repayment Terms

Loan Category	Frequency of principal repayments	Interest rates	As at 31 March 2022		As at 31 March 2021	
			No of installments	Amount	No of installments	Amount
Term loan from banks (denominated in Rs.)	Quarterly Payments	5.90% to 7.20% (PY 7.00% to 8.10%)	17	425	20	500
			14	306	16	350
			14	373	-	-
			16	11	28	18
			15	70	27	126
	Monthly Payments	7.05% to 7.60% (PY 7.15% to 8.55%)	1	3	13	39
			-	-	7	61
			-	-	6	10
			-	-	6	8
			-	-	10	418
ECB loans (denominated in USD)	Quarterly Payments	1.87% to 1.97% (PY 1.94% to 3.55%)	-	-	-	-
			-	-	-	-
			3	47	7	106
			6	64	10	103
Vehicle Loan (denominated in Rs.)	Quarterly Payments	(PY 8.00% to 9.50%)	-	-	9-22	21

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Maturity profile for year ended 31 March 2022:

Loan Category	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Term loan from banks (Rs. denominated)	-	92	269	827	-	1,188
ECB loans (USD denominated)	-	26	64	21	-	111
Deferred sales tax liabilities	-	-	-	-	-	-
Total	-	118	333	848	-	1,299
Vehicle Loan	-	-	-	-	-	-

Maturity profile for year ended 31 March 2021:

Loan Category	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Term loan from banks (Rs. denominated)	-	186	530	814	-	1,530
ECB loans (USD denominated)	-	25	77	107	-	209
Deferred sales tax liabilities	2	-	-	-	-	2
Total	2	211	607	921	-	1,741
Vehicle loans	-	3	7	11	-	21

Movement in current and non-current borrowings

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Borrowings at the beginning of the year	4,832	3,339
Proceeds / Receipts during the year	-	2,430
Repayment during the year	(924)	(938)
Movement due to non-cash transactions:		
- Foreign exchange movement	5	1
Borrowings at the end of the year	3,913	4,832

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Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.19 Income tax and Deferred Tax (net)

A. Amounts recognised in statement of profit and loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax		
Current tax	463	322
Adjustments in respect of current income tax of previous years*	(219)	(7)
	244	315
Deferred tax		
Origination and reversal of temporary differences	(66)	(17)
	(66)	(17)
Income tax expense reported in the statement of profit and loss	178	298

* It represents 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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
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 2.48)	2,225	2,225
Loss allowance on loans and receivable from related parties	571	571
Provision for Corporate Guarantee *	-	870
	2,796	3,666
Unrecognised tax effects		
The deductible temporary difference do not expire under current tax legislation	704	923

C. Amounts recognised in other comprehensive income/ (expense)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Remeasurement of post employment benefit obligation	2	-
Income tax recognised in other comprehensive income/(expense)	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 31 March 2022 and 31 March 2021:

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Rate	Amount	Rate	Amount
Profit/(loss) before income tax		1,780		1,135
Tax using the Company's domestic tax rate	25.17%	448	25.17%	286
Tax effect of:				
Non-deductible expenses		16		13
Non-taxable income		-		(4)
Tax-exempt income - Dividend income		(63)		-
Tax incentives - 80IC, 80IA and 80JJAA deduction		(3)		(2)
Tax adjustment for earlier years (refer above)		(219)		(6)
Others		(1)		11
Effective tax rate		178		298

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

E. Component of deferred tax asset (net)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred tax asset		
Accrued expense deductible on payment	34	22
Provision for gratuity and compensated absences	77	50
Loss allowance for trade receivables and advances	19	13
Impact of Ind AS 116	23	25
	154	110
Deferred tax liability		
Difference in book written down value and tax written down value of property, plant and equipment	139	144
	139	144
Deferred tax assets / (liability) (net)	14	(34)

F. Movement of temporary differences

Particulars	As at 1 April 2021	Recognised in statement of profit or loss during 2021-22	Recognised in OCI during 2021-22	As at 31 March 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) / asset (A-B)	(34)	66	2	14

Particulars	As at 1 April 2020	Recognised in profit or loss during 2020-21	Recognised in OCI during 2020-21	As at 31 March 2021
Deferred Tax Assets				
Accrued expense deductible on payment	19	3	-	22
Provision for gratuity and compensated absences	51	(1)	-	50
Loss allowance for trade receivables and advances	7	6	-	13
Impact of Ind AS 116	33	(8)	-	25
Others	-	3	-	-
A	110	3	-	110
Deferred Tax Liabilities				
Difference in book written down value and tax written down value of property, plant and equipment	158	(14)	-	144
B	158	(14)	-	144
Net deferred tax liability (A)-(B)	(48)	17	-	(34)

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.20 Non current provisions

Movement in expected credit loss on loans	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits (refer to note 2.20.2)		
- Gratuity	132	97
- Compensated absence	123	109
Other provisions		
- Provision for warranties (refer to note 2.20.1)	9	8
	264	214

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 31 March 2022	As at 31 March 2021
At the beginning of the year	38	29
Provided during the year	15	14
Utilised during the year	(17)	(5)
At the end of the year	36	38
Current portion	27	30
Non-current portion	9	8

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 31 March 2022	For the year ended 31 March 2021
Contribution towards		
- Provident fund	156	123
- Employee state insurance	8	8
	164	131

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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. 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.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Changes in the present value of the defined benefit obligation is as follows:		
Present value of defined benefit obligation at the beginning of the year	352	326
Interest cost	24	22
Acquisition Adjustment	3	1
Current service cost	51	45
Benefits paid	(42)	(42)
Actuarial loss / (gain) on obligation	8	-
Present value of defined benefit obligation at the end of the year	396	352
Changes in the present value of the plan asset is as follows:		
Fair value of plan asset at the beginning of the year	232	204
Return on plan asset	16	14
Contributions	-	20
Benefits paid	(7)	(6)
Premium	(3)	-
Fair value of plan asset at the end of the year	238	232
Net asset/(liability) recognised in standalone balance sheet		
Present value of defined benefit obligation at the end of the year	396	352
Fair value of plan asset at the end of the year	238	232
Net liability recognized in the standalone balance sheet as at the end of the year	(158)	(120)
Expenses recognised in the statement of profit and loss:		
Current service cost	51	45
Interest cost	24	22
Expected return on plan assets	(16)	(14)
Expenses recognised in the statement of profit and loss:	59	53
Remeasurements income recognised in other comprehensive income:		
Actuarial loss/(gain) loss on defined benefit obligation	8	-
Actuarial gain/(loss) on planned assets	-	-
Expenses recognised in other comprehensive income:	8	-

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Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	7.19%	6.80%
Expected salary increase rates	8.50%	5.5% to 10%
Mortality	100% of IALM 2012-14	100% of IALM 2012-14
Employee attrition rate		
- Up to 30 years of age	12%	3% to 30%
- From 31 years of age to 44 years of age	8%	2% to 20%
- Above 44 years of age	5%	1% to 10%

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 10.32 years (previous year: 10.33 years). The Company expects to make a contribution of **Rs.74 million** (previous year: Rs. 64 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 31 March 2022		For the year ended 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (- / + 1%)	(34)	38	(32)	34
Future salary growth (- / + 1%)	33	(31)	31	(29)

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 31 March 2022	As at 31 March 2021
1 year	26	25
2 to 5 years	100	87
More than 5 years	270	240

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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 31 March 2022 amounts to **Rs.150 million** (previous year Rs. 120 million) and the expense recognised in the statement of profit and loss during the year for the same amounts to **Rs. 63 million** (31 March 2021: Rs. 20 million) [Gross payment of **Rs. 34 million** (31 March 2021: Rs..22 million)].

2.21 Other non-current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposit	39	31
	39	31

2.22 Current borrowings

Movement in expected credit loss on loans	Footnote	As at 31 March 2022	As at 31 March 2021
Secured			
Cash credit and working capital demand loan			
from banks	[1]	2,456	1,466
Vendor financing facility (Letter of Credit)	[2]	-	568
Unsecured			
Cash credit and working capital demand loan			
from banks	[3]	-	350
Supplier payment service facility	[4]	-	322
Purchase order financing facility			
from others	[5]	38	250
from banks	[6]	120	114
Current maturities of (refer note 2.18)			
- Term loans		451	817
- Vehicle loan		-	10
- Deferred payment liability		-	2
		3,065	3,899

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Footnotes:

No.	Particulars*	As at 31 March 2022	As at 31 March 2021	Details of Security/ other terms
1	Cash Credit & working capital demand loan - from banks	2,155	1,320	<p>31 March 2022: Secured by first pari passu charge on present & future current assets of the company.</p> <p>31 March 2021: Secured by first pari passu charge on present & future current assets of the company.</p> <p>Other terms: Negative lien on immovable property situated at 9 A IEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, 9 Pantnagar IEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, D-225/1, 226 & 227 MIDC, Phase-III, Chakan Industrial Area, Chakan, Pune, Maharashtra, Gut No. 221, 222, 235, 249, 253, 254, 268, 269, 270, 271, 272, 278, 282 and 283, Dhanivalli Village, Taluka Murbad, District Thane (Mumbai), Shed No. DP No. G, 42, SIDCO Industrial Estate, Kakkulur and land and building, located at 355, Sector-3, Phase-2, IMT Bawal.</p>
	Overdraft facility-from banks	301	146	Secured by 100% margin on fixed deposits of the company.
2	Vendor financing facility (Letter of Credit)	-	558	<p>31 March 2022: Nil</p> <p>31 March 2021: Facility was given to vendors for bill discounting by way of Letter of Credit and the Letter of Credit facility is secured by first pari passu charge on present & future current assets of the Company. Other terms: Negative lien on immovable property situated at 9 A IEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, 9 Pantnagar, IEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, D-225/1, 226 & 227 MIDC, Phase-III, Chakan Industrial, Area, Chakan, Pune, Maharashtra, Gut No. 221, 222, 235, 249, 253, 254, 268, 269, 270, 271, 272, 278, 282 and 283, Dhanivalli Village, Taluka Murbad, District Thane (Mumbai), Shed No. DP No. G 42, SIDCO Industrial Estate, Kakkulur and land and building located at 355, Sector-3, Phase-2, IMT Bawal.</p>
		-	10	<p>31 March 2022: Nil</p> <p>31 March 2021: Facility is secured by letter of credit and Letter of Credit facility is Secured by 100% margin on fixed deposits of the Company</p>
3	Short Term Loan	-	350	Unsecured
4	Supplier payment service facility	-	322	Unsecured
5	Purchase order financing facility from others	38	250	Unsecured
6	Purchase order financing facility from banks	120	114	Unsecured
	Total	2,614	3,070	

*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 4.12% to 8.35%. (PY 4.30% to 8.35%)

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.23 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 2.23.1)	453	634
- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,951	4,294
	4,404	4,928

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables	4,335	4,861
Trade payables to related parties (refer to note 2.40)	69	67
	4,404	4,928

Trade payables Ageing Schedule

As at 31 March 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

As at 31 March 2021

Particulars	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	577	57	-	-	-	634
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,487	974	14	-	-	3,475
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Others *	819	-	-	-	-	819
Total	3,883	1,031	14	-	-	4,928

* 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 31 March 2022

(All amounts are in Rs. 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 31 March 2022	As at 31 March 2021
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
	- Principal amount	439	631
	- Interest thereon	14	3
		453	634
(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	3,257	3,631
	- Interest thereon	-	-
		3,257	3,631
(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	9	19
		9	19
(iv)	the amount of interest accrued and remaining unpaid	23	22
		23	22

2.24 Other current financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on borrowings	1	13
Mark to market loss on derivatives	1	-
Capital creditors	68	104
Unpaid dividend**	2	-
Payable pursuant to settlement agreement (refer note 2.39B)	463	472
Payable against MKTSN (refer note 2.48)	159	162
Other payables	6	34
	700	785

** 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 31 March 2022	As at 31 March 2021
Statutory dues payable	156	108
Advances from customers	96	165
Other current liability	2	2
	254	275

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.26 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Provision for employee benefits (refer note 2.20.2)		
- Gratuity	26	23
- Compensated absence	27	11
Others		
- Provision for warranty (refer note 2.20.1)	27	30
	80	64

2.27 Current tax liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for income tax (net of advance income tax)	49	133
	49	133

2.28 Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Revenue from contract with customers		
Sale of products		
-Manufactured goods	24,896	20,647
-Traded goods	1,913	1,533
Sale of products *	26,809	22,180
b) Other operating revenues		
-Royalty	43	30
-Technical know-how and service income	281	239
-Job work income	6	12
-Sale of scrap	122	111
- Exchange fluctuations (net)	5	-
-Duty draw back and other export benefits	76	61
-Government incentives	-	98
-Provisions/liabilities no longer required, written back	-	123
-Other operating income	6	34
Other operating revenues	539	708
Revenue from operations	27,348	22,888

* Disclosures relating to revenue from contract with customers.

2.28 (a) Timing of revenue recognition

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Goods transferred at a point in time	26,809	22,180
Total revenue from contract with customers	26,809	22,180

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.28 (b) Contract Balances

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Trade Receivables	4,506	4,275
Contract Assets (Unbilled revenue) (refer note 2.14)	48	144
Contract Liabilities (Advances from customers) (refer note 2.25)	96	165

Contract assets relates to revenue earned by the Company on account of rate difference agreed with the customer. Amount billed during the year Rs. 144 million (31 March 2021: Nil) 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 Rs. 165 million (31 March 2021: Rs. 99 million). Advance amount received during the year is Rs. 96 million (31 March 2021: 165 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 31 March 2022	For the year ended 31 March 2021
Revenue as per contracted price	27,014	22,509
Adjustments		
Sales return	(132)	(124)
Discount	(73)	(205)
Revenue from contract with customers	26,809	22,180

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 31 March 2022	For the year ended 31 March 2021
Interest income :		
-on fixed deposits	177	254
-on others	6	-
Rental income (refer note 2.43)	19	15
Provisions/liabilities no longer required, written back	-	2
Dividend income ^	248	-
Gain on derecognition of ROU assets (refer 2.1b)	13	-
Miscellaneous income	-	32
	463	303

^ The Company has received dividend amounting to Rs. 131 million from Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) and Rs.117 million from Almighty International PTE Ltd.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.30 Cost of materials consumed

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening stock	2,026	1,763
Add: Purchases during the year	16,106	14,070
	18,132	15,833
Less: Closing stock	2,319	2,026
	15,813	13,807

2.31 Changes in inventories of finished goods, stock in trade and work in progress

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Finished goods and stock in trade		
Opening stock	1,005	834
Less: Closing stock	1,104	1,005
	(99)	(171)
Work in progress		
Opening stock	670	583
Less: Closing stock	456	670
	214	(87)
Decrease / (Increase) in inventories	115	(258)

2.32 Employee benefits expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	3,956	3,296
Contribution to provident fund and other funds (refer note 2.20.2)	164	131
Gratuity (refer note 2.20.2)	59	53
Employees stock compensation expense (refer note 2.41)	21	15
Staff welfare	165	129
	4,365	3,624

2.33 Finance costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense :		
on borrowings from banks	200	260
on borrowings from others	13	20
on lease liabilities	65	47
Other borrowing costs	27	31
	305	358

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.34 Other Expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Job work charges	547	504
Consumption of stores and spare parts	244	201
Power and fuel	579	468
Rent (refer note 2.43)	21	21
Repairs - buildings	72	66
Repairs - plant and machinery	157	125
Repairs - others	110	85
Travelling and conveyance	254	217
Legal and professional	128	147
Communication expenses	36	37
Charity and donations	-	1
Auditor Remuneration (refer note 2.35)	8	17
Loss allowance for expected credit loss	32	23
Insurance expenses	41	39
Rates and taxes, excluding taxes on income	17	12
Exchange fluctuations (net)	-	1
Warranty expenses	15	14
Loss on sale/discard of property, plant and equipment	10	-
Advertisement and business promotion	62	50
Freight and forwarding expenses	524	428
Bank charges	9	28
Corporate social responsibility (refer note 2.36)	28	30
Bad debts/amounts written off	15	3
Miscellaneous expenses *	179	149
	3,088	2,666

* Includes Rs. 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 31 March 2022	For the year ended 31 March 2021
Statutory audit	4	6
Limited reviews includes consolidation	4	5
Others	-	5
Reimbursement of expenses	-	1
	8	17

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.36 During the current year, as required under section 135 of the Act, the Company has spent Rs. 37 million (31 March 2021 Rs.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 31 March 2022	For the year ended 31 March 2021
A. Gross amount required to be spent	28	30
B. Amount approved by the board to be spent during the year	28	30

C. Amount spent during the year ended 31 March 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, Rs. 9 million is spent by Spark Minda Foundation from previous year's unspent amount of Rs.15 million as this pertains to ongoing projects. Subsequent to the year end, the amount of Rs.6 million is unspent and same has been deposited by Spark Minda Foundation in separate bank account.

D. Amount spent during the year ended 31 March 2021

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	30	-	30
	Total	30	-	30

2.37 Earning per share

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net profit attributable to equity shareholders		
Profit after tax	1,602	837
Number of weighted average equity shares		
Basic	239,079,428	230,828,156
Diluted	239,079,428	230,828,156
Nominal value of equity share (Rs.)	2.00	2.00
Earnings per share (Rs.) (Basic)	6.70	3.62
Earnings per share (Rs.) (Diluted)	6.70	3.62

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): Rs.255 million (31 March 2021: Rs.589 million)

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.39 A. Contingent liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Claims against the Company not acknowledged as debts*		
a) Income-tax ^ { Amount paid under protest Rs. 10 million (previous year: Rs. Nil)}	244	16
b) Sales tax/ VAT {Amount paid under protest Rs. 3 million (previous year: Rs. 1 million)}	50	87
c) Excise duty / Service tax / Custom duty {Amount paid under protest Rs. 2 million (previous year: Rs. 7 million)}	6	11

*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 has 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 has been assessed without giving the credit of prepaid/ advance taxes paid by those merged entities and accordingly demand amounting to Rs. 381 million has been raised. In a similar manner for Assessment Year 2020-21 demand of Rs. 42 million has 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 Rs 479 million (31 March 2021: Rs Nil) 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 Rs 209 million (31 March 2021: Rs Nil) against which Company had deposit amounting to Rs 10 million (31 March 2021: Rs Nil). The Company has preferred an appeal with Commissioner of Income Tax (Appeals) and based on the discussion with the legal counsel is confident of favourable outcome.

In relation to Sales tax/ VAT /GST disclosed in (b) above, majorly includes

1. Matter pending with Deputy Commissioner of State Tax, Pune pertaining to financial year 2016-2017 for disallowance of input tax credit. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs 3 million (31 March 2021: Rs 9 million) against which Company had deposit amounting to Rs 1 million (31 March 2021: Rs 1 million).
2. Matter pending with Deputy Commissioner of State Tax, Pune 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 Rs 1 million (31 March 2021: Rs 6 million) against which Company had deposit amounting to Rs Nil (31 March 2021: Nil).
3. Matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2017-2018 demand raised for non-submission of Statutory Form C. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs 18 million (31 March 2021: Rs 31 million) against which Company had deposit amounting to Rs Nil (31 March 2021: Rs Nil).
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 Rs 14 million (31 March 2021: Rs 14 million)

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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 Rs 10 million (31 March 2021: Rs. 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, 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. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs 4 million (31 March 2021: Rs.4 million)

2.39 A (2)

Pursuant to judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages for the purpose of provident fund, to include special allowances which are common for all employees. However there is uncertainty with respect to the 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

2.39 B

During the year ended 31 March 2017, 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.

During the previous year, the Company and party have entered into settlement agreement, pursuant to which Company is required to pay Rs. 463 million {(31 March 2021 Rs. 473 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".

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Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.40 Related party disclosures as required under India Accounting Standard (Ind AS) – 24 “Related party disclosures”:

	Description of relationship	Name of the party
A) Related parties where control exists		
(i)	Subsidiary	Minda Europe B.V., Netherlands Minda KTSN Plastic Solution GMBH & Co.KG, Germany (up to 9 June 2020) 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 KTSN Plastic Solutions Mexico, S. de R.L. de C.V, Mexico (up to 9 June 2020) Minda KTSN Plastic Solutions S.R.O., Czech Republic (up to 9 June 2020) Minda KTSN Plastic and Tooling Solutions Sp. Z.o.o, Poland, (up to 9 June 2020) KTSN Kunststofftechnik Sachsen Beteiligung, Germany (up to 9 June 2020) Minda Corporation Limited - Employee Stock Option Scheme trust Spark Minda Green Mobility Systems Private Limited (w.e.f. 22 February 2021) Minda Instruments Limited, India (formerly known as Minda Stoneridge Instruments Limited, w.e.f. 01 January 2022)*
B) Related parties and nature of related party relationships with whom transactions have taken place during the year		
(i)	Jointly control entity / Associate	Minda Infac Private Limited (w.e.f. 10 August 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 31 December 2021)* EVQ Point Solutions Private Limited (w.e.f. 29 October 2021)
(ii)	Key Managerial Personnel	Mr. Ashok Minda - Chairman Mr. Aakash Minda - Executive Director and CEO (w.e.f 5 November 2020) Mr. Vinod Raheja - Group CFO (w.e.f 4 February 2022) Mr. R. Laxman - Executive Director and Group CFO (w.e.f. 26 September 2019, up to 31 December 2020) Mr. Naresh Kumar Modi - Executive Director & CFO (w.e.f 18 May 2021, up to 4 February 2022) Mr. Ashim Vohra - COO Mr. Ajay Sancheti - Company Secretary (up to 1 August 2020) Mr. Pardeep Mann - Company Secretary (w.e.f 1 August 2020)
(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
(v)	Others	Minda KTSN Plastic Solution GMBH & Co.KG, Germany (w.e.f. 10 June 2020) Minda KTSN Plastic Solutions Mexico, S. de R.L. de C.V, Mexico (w.e.f. 10 June 2020) Minda KTSN Plastic Solutions S.R.O., Czech Republic (w.e.f. 10 June 2020) Minda KTSN Plastic and Tooling Solutions Sp. Z.o.o, Poland, (w.e.f. 10 June 2020) KTSN Kunststofftechnik Sachsen Beteiligung, Germany (w.e.f. 10 June 2020)

*During the year, the 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 Company w.e.f. 1 January 2022.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Details of transactions and balances with related parties:

Party name	Period*	Sale of goods	Sale of Property plant & equipment	Job work/ Service income recovered during the year	Other incomes / expenses recovered during the year	Purchase of goods during the year	Management fees Income
Subsidiary Companies							
P T Minda Automotive, Indonesia	2021-22	194	-	-	-	2	39
	2020-21	102	-	1	-	-	32
P T Minda Automotive Trading, Indonesia	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Minda Vietnam Automotive Co. Ltd., Vietnam	2021-22	28	-	-	-	-	16
	2020-21	33	-	-	-	1	10
Almighty International Private Limited	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Spark Minda Foundation	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Spark Minda Green Mobility Systems Private Limited	2021-22	-	-	13	-	4	2
	2020-21	-	-	-	1	-	-
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2021-22	3	-	8	8	57	14
	2020-21	-	-	-	-	-	-
Joint Venture							
Minda VAST Access System Private Limited	2021-22	132	-	-	15	26	14
	2020-21	89	-	-	10	31	10
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2021-22	9	-	15	16	136	33
	2020-21	11	-	29	11	135	41
Minda Infac Private Limited	2021-22	-	24	-	14	-	-
	2020-21	-	-	-	-	-	-
Associate							
Furukawa Minda Electric Private Limited	2021-22	3	-	8	-	-	-
	2020-21	32	-	10	-	6	-
Enterprise in which directors of the Company and their relatives exercise significant influence:							
Minda Silca Engineering Limited	2021-22	55	-	-	-	141	4
	2020-21	35	-	-	-	99	4
Minda Capital Private Limited	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Key Managerial Personnel:							
Mr. Ashok Minda *	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Mr. Vinod Raheja *	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Mr. Laxman Ramnarayan *	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Mr Ashim Vohra *	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Mr. Ajay Sancheti	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Mr. Pardeep Mann *	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Mr. Aakash Minda *	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Mr. N.K.Modi *	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Relative of Key Managerial Personnel:							
Mr. Aakash Minda	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Details of transactions and balances with related parties (Cont.):

Party name	Period*	Lease Liability(including interest)/Rent payment	Remuneration paid	Other expenses paid / reimbursed	Investments made	Dividend Income
Subsidiary Companies						
P T Minda Automotive, Indonesia	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
P T Minda Automotive Trading, Indonesia	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Minda Vietnam Automotive Co. Ltd., Vietnam	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Almighty International Private Limited	2021-22	-	-	-	-	117
	2020-21	-	-	-	-	-
Spark Minda Foundation	2021-22	-	-	28	-	-
	2020-21	-	-	30	-	-
Spark Minda Green Mobility Systems Private Limited	2021-22	-	-	-	93	-
	2020-21	-	-	-	5	-
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2021-22	-	-	-	1,611	131
	2020-21	-	-	-	-	-
Joint Venture						
Minda VAST Access System Private Limited	2021-22	-	-	1	-	-
	2020-21	-	-	1	-	-
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Minda Infac Private Limited	2021-22	-	-	-	26	-
	2020-21	-	-	-	-	-
Associate						
Furukawa Minda Electric Private Limited	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Enterprise in which directors of the Company and their relatives exercise significant influence:						
Minda Silca Engineering Limited	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Minda Capital Private Limited	2021-22	161	-	-	-	-
	2020-21	135	-	-	-	-
Key Managerial Personnel:						
Mr. Ashok Minda *	2021-22	-	80	-	-	-
	2020-21	-	50	-	-	-
Mr. Vinod Raheja *	2021-22	-	6	-	-	-
	2020-21	-	-	-	-	-
Mr. Laxman Ramnarayan *	2021-22	-	-	-	-	-
	2020-21	-	14	-	-	-
Mr Ashim Vohra *	2021-22	-	17	-	-	-
	2020-21	-	11	-	-	-
Mr. Ajay Sancheti	2021-22	-	-	-	-	-
	2020-21	-	4	-	-	-
Mr. Pardeep Mann *	2021-22	-	3	-	-	-
	2020-21	-	2	-	-	-
Mr. Aakash Minda *	2021-22	-	15	-	-	-
	2020-21	-	6	-	-	-
Mr. N.K.Modi *	2021-22	-	29	-	-	-
	2020-21	-	7	-	-	-
Relative of Key Managerial Personnel:						
Mr. Aakash Minda	2021-22	1	-	-	-	-
	2020-21	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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Details of transactions and balances with related parties (Cont.):

Party name	Period*	Lease Liability (incl 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
Subsidiary Companies					
P T Minda Automotive, Indonesia	2021-22	-	50	-	1
	2020-21	-	56	-	-
P T Minda Automotive Trading, Indonesia	2021-22	-	-	-	-
	2020-21	-	-	-	-
Minda Vietnam Automotive Co. Ltd., Vietnam	2021-22	-	10	-	-
	2020-21	-	12	-	-
Almighty International Private Limited	2021-22	-	-	-	-
	2020-21	-	-	-	-
Minda Corporation Limited- Employee Stock Option Scheme Trust	2021-22	-	-	57	-
	2020-21	-	-	79	-
Spark Minda Green Mobility Systems Pvt. Ltd	2021-22	-	-	-	-
	2020-21	-	-	1	-
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2021-22	-	22	-	45
	2020-21	-	-	-	-
Joint Venture					
Minda VAST Access System Private Limited	2021-22	-	54	-	7
	2020-21	-	40	-	3
Minda Stoneridge Instruments Limited	2021-22	-	-	-	-
	2020-21	-	16	-	28
Minda Infac Private Limited	2021-22	-	-	-	-
	2020-21	-	-	-	-
Associate					
Furukawa Minda Electric Private Limited	2021-22	-	10	-	-
	2020-21	-	11	-	1
Enterprise in which directors of the Company and their relatives exercise significant influence:					
Minda VAST Access System Private Limited	2021-22	-	-	-	14
	2020-21	-	5	-	31
Minda Stoneridge Instruments Limited	2021-22	41	-	552	-
	2020-21	41	-	472	4
Key Managerial Personnel:					
Mr. Ashok Minda	2021-22	-	-	-	50
	2020-21	-	-	-	26

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Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Details of transactions and balances with related parties (Cont.):

Party name	Period*	Lease Liability payable as at the year end	Loan receivable at the year end	Investments as at the year end	Guarantee Outstanding as at the year end
Subsidiary Companies					
P T Minda Automotive, Indonesia	2021-22	-	-	-	-
	2020-21	-	-	-	-
P T Minda Automotive Trading, Indonesia	2021-22	-	-	-	-
	2020-21	-	-	-	-
Minda Vietnam Automotive Co. Ltd., Vietnam	2021-22	-	-	-	-
	2020-21	-	-	-	-
Almighty International Private Limited	2021-22	-	-	560	-
	2020-21	-	-	560	-
Minda Corporation Limited- Employee Stock Option Scheme Trust	2021-22	-	102	-	-
	2020-21	-	102	-	-
Spark Minda Green Mobility Systems Pvt. Ltd	2021-22	-	-	98	-
	2020-21	-	-	5	-
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2021-22	-	-	2,263	-
	2020-21	-	-	-	-
Joint Venture					
Minda VAST Access System Private Limited	2021-22	-	-	-	-
	2020-21	-	-	-	-
Minda Stoneridge Instruments Limited	2021-22	-	-	-	-
	2020-21	-	-	651	-
Associate					
Furukawa Minda Electric Private Limited	2021-22	-	-	273	-
	2020-21	-	-	273	-
Enterprise in which directors of the Company and their relatives exercise significant influence:					
Minda Silca Engineering Limited	2021-22	-	-	-	-
	2020-21	-	-	-	-
Minda Capital Private Limited	2021-22	201	-	52	-
	2020-21	201	-	52	-
Key Managerial Personnel:					
Mr. Ashok Minda	2021-22	-	-	-	-
	2020-21	-	-	-	-

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 Rs. 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 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Summary of vesting and lock-in provisions are given below:

Grant - 1

S.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

S.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

S.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

The movement in the stock options under the Plan, during the year, is set out below:

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of options	Weighted average exercise price (Rs.)	Number of options	Weighted average exercise price (Rs.)
Outstanding at the beginning of the year	1,242,000	50	588,000	50
Granted during the year	530,000	50	1,012,000	50
Exercised during the year	(386,000)	50	(124,000)	50
Forfeit during the year	(214,000)	50	(234,000)	50
Outstanding at the end of the year	1,172,000	50	1,242,000	50
Exercisable at the end of the year	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%-6.3%
Exercise price (Rs.)	50
Expected dividend yield	.4%-6%
Life of options (years)	2 - 4 years
Weighted average fair value of options as at the grant date (Rs.)	28.5-159.6

The options outstanding as at 31 March 2022 have a weighted average remaining contractual life of 2.84 years (31 March 2021: 3.13 years). The amount recognised as an expense in statement of profit and loss account for employee services received amounting to Rs 21 million (31 March 2021 Rs 15 million). Further, there were no cancellations or modifications to the scheme in year ending 31 March 2022 or 31 March 2021.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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 31 March		Maximum balance during the year ended	
	2022	2021	31 March 2022	31 March 2021
Minda Corporation Ltd. Employees Stock Option Scheme	102	102	102	102

2.43 Leases

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)

Lease liabilities	As at 31 March 2022	As at 31 March 2021
Balance as at the beginning of the year	445	544
Add: Addition during the year	762	98
Less: Deletion during the year	48	6
Add: Finance cost	65	47
Less: Repayment	265	238
Balance as at the end of the year	959	445
Current	163	147
Non-current	796	298

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Amounts recognised in Statement of Profit and Loss		
Interest on lease liabilities	65	47
Depreciation expense	214	167
Expenses relating to short-term leases and leases of low-value assets	21	21
Amounts recognised in Cash Flow Statement		
Repayment of lease liabilities	265	191
Interest paid on lease liabilities	65	47
	330	238

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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

The future minimum lease rentals income in respect of non -cancellable operating leases	As at 31 March 2022	As at 31 March 2021
- Within one year	16	17
- Later than one year and not later than five years	-	16
- Later than five years	-	-

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Lease rent income recognised in the Statement of profit and loss (Refer note 2.29)	19	15

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 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.

2.48 During the previous year, Board of Directors of the Company, in their meeting held on 09 June 2020 decided to withdraw the financial support to its material wholly owned subsidiary Minda KTSN Plastic Solutions GmbH Co. & KG, Germany (MKTSN) (including its step down subsidiaries), pursuant to which MKTSN has filed for insolvency. Accordingly, MKTSN prepared its financial statements for the year ended 31 March 2020 on the assumption that the fundamental accounting assumption of going concern is no longer appropriate. Accordingly, management has assessed the recoverability of investment, loans and other receivables given to MKTSN based on the financial statements of MKTSN and had recorded impairment loss of Rs. 2,796 million in respect of its investments, loans and other receivables from MKTSN. Further, the management had also provided for Rs. 870 million pursuant to guarantee given by the Company to banks in respect of loans taken by MKTSN. The total charge of Rs. 3,666 million was presented as exceptional items in the Statement of Profit and Loss for the year ended 31 March 2020. Break up is as follows:

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Loss allowance for doubtful loan and advances	-	414
Loss allowance for interest accrued on loan to related party and receivable from related party	-	157
Provision for impairment loss for investment in Minda KTSN Plastic Solutions GmbH & Co. KG, Germany and Minda Europe B.V., Netherlands	-	2,225
Provision for corporate guarantee	-	870
Total	-	3,666

Pursuant to above, the Company has lost control over Minda KTSN w.e.f. 09 June 2020.

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 31 March 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
(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	-	-	-
(iv) Other financial liabilities	1	-	699	700	1	-	-
Total	1	-	9,975	9,976			

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

ii. As on 31 March 2021

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)	-	-	15	15	-	-	-
(ii) Loans	-	-	102	102	-	-	-
(iii) Other financial assets	-	-	208	208	-	-	-
Current							
(i) Trade receivables	-	-	4,275	4,275	-	-	-
(ii) Cash and cash equivalents	-	-	174	174	-	-	-
(iii) Other bank balances	-	-	4,447	4,447	-	-	-
(iv) Loans	-	-	-	-	-	-	-
(v) Other financial assets	10	-	683	693	-	10	-
Total	10	-	9,904	9,914			
Financial liabilities							
Non-current							
(i) Borrowings	-	-	933	933	-	-	-
(ii) Lease liabilities	-	-	298	298	-	-	-
Current							
(i) Borrowings	-	-	3,899	3,899	-	-	-
(ii) Lease liabilities	-	-	147	147	-	-	-
(iii) Trade payables	-	-	4,928	4,928	-	-	-
(iv) Other financial liabilities	-	-	785	785	-	-	-
Total	-	-	10,990	10,990			

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 31 March 2022 and 31 March 2021.

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 31 March 2022

(All amounts are in Rs. 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.

(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 March 2022	31 March 2021		31 March 2022	31 March 2021	1% increase in inputs	1% decrease in inputs
Investment in equity shares							
- FP West Solar Private Limited	21	-	Market Multiple	Weighted average cost of capital - 15% EV/Revenue multiple - 7.45x	NA	-	-
- AMP Solar Urja Private Limited	1	-	Market Multiple	Weighted average cost of capital - 13% EV/PAT multiple- 13.13x	NA	-	-
Investment in Compulsorily Convertible Debentures							
- AMP Solar Urja Private Limited	8	-	Market Multiple	Weighted average cost of capital - 13% EV/PAT multiple- 13.13x	NA	-	-

* Sensitivity has been considered for mentioned inputs, keeping the other variables constant. Rs. '-' represents values below Rs. 500,000 as the financials in round off to Rupees in millions.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. 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 31 March 2022	As at 31 March 2021
Investments (excluding investment in jointly controlled entities/associate)	46	15
Trade receivables	4,506	4,275
Cash and cash equivalents	243	174
Other bank balances	1,921	4,447
Loans	102	102
Other financial assets	820	901

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 31 March 2022	For the year ended 31 March 2021
Balance at the beginning of the year	(44)	(21)
Amount written off	-	-
Provided during the year	(32)	(23)
Balance at the end of the year	(76)	(44)

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

a) Expected credit loss for loans and security deposits

As at 31 March 2022

Particulars	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision	
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	Loans to employee	-	0%	-	-
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	Security Deposits	131	0%	-	131
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	Loan to related parties and interest accrued on such loans	159	0%	-	159
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	Loan to related parties and interest accrued on such loans	414	100%	414	-
Loss allowance measured at life-time expected credit loss	Financial assets for which credit risk has increased significantly and not credit -impaired	NA	NA	NA	NA	NA
	Financial assets for which credit risk has increased significantly and credit -impaired	NA	NA	NA	NA	NA

As at 31 March 2021

Particulars	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision	
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	Loans to employee	-	0%	-	-
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	Security Deposits	132	0%	-	132
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	Loan to related parties and interest accrued on such loans	181	0%	-	181
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	Loan to related parties and interest accrued on such loans	414	100%	414	-
Loss allowance measured at life-time expected credit loss	Financial assets for which credit risk has increased significantly and not credit -impaired	NA	NA	NA	NA	NA
	Financial assets for which credit risk has increased significantly and credit -impaired	NA	NA	NA	NA	NA

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

b) 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 31 March 2022	As at 31 March 2021
Current (not past due)	3,957	3,322
1 to 30 days past due	290	577
31 to 60 days past due	52	163
61 to 90 days past due	44	74
More than 90 days past due *	239	183
Expected credit losses (Loss allowance provision)	(76)	(44)
Carrying amount of trade receivables (net of impairment)	4,506	4,275

*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.

(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 Rs 2,164 million as at 31 March 2022 (31 March 2021 Rs.4,621 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 31 March 2022	As at 31 March 2021
From banks - Current	3,675	3,269
From banks - Non current	-	750
From others - Current	363	250

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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 31 March 2022

Particulars	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 31 March 2022

at 31 March 2021

Particulars	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	933	-	-	-	933	-	933
Lease liabilities *	298	-	-	-	298	-	298
Current liabilities							
Financial liabilities - Borrowings	3,899	1,818	1,467	614	-	-	3,899
Lease liabilities	147	-	40	107	-	-	147
Trade payables	4,928	4,928	-	-	-	-	4,928
Other financial liabilities	785	785	-	-	-	-	785
Total	10,990	7,531	1,507	721	1,231	-	10,990

* Carrying value represents discounted value as at 31 March 2021

(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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Exposure to currency risk

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

Particulars	As at 31 March 2022			
	USD	EURO	CHF	JPY
Financial assets				
Trade receivables	322	368	-	4
	322	368	-	4
Financial liabilities				
Borrowings	111	-	-	-
Trade payables	120	99	-	4
	231	99	-	4

Particulars	As at 31 March 2021			
	USD	EURO	CHF	JPY
Financial assets				
Trade receivables	299	519	-	-
	299	519	-	-
Financial liabilities				
Borrowings	209	-	-	-
Trade payables	114	126	2	24
	323	126	2	24

Sensitivity analysis

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

Particulars	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 31 March 2022				
USD	1	(1)	1	(1)
EUR	3	(3)	2	(2)
CHF	-	-	-	-
JPY	-	-	-	-
	4	(4)	3	(3)
For the year ended 31 March 2021				
USD	-	-	-	-
EUR	4	(4)	3	(3)
CHF	-	-	-	-
JPY	-	-	-	-
	4	(4)	3	(3)

USD: United States Dollar, EUR: Euro, GBP: Great Britain Pound, CHF: Swiss Franc, JPY: Japanese Yen

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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		More than 12 months nominal amount	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
INR/USD Sell forward	13	20	1	2	100	150	-	-
INR/EUR Sell forward	2	20	-	3	17	245	-	-
INR/USD Buy forward	2	-	-	-	-	-	-	-
INR/USD Call Option	2	2	1	3	79	92	19	98
Interest rate swap[#]								
INR/USD Buy	2	2	1	3	79	92	19	98

Represent principal amount of loan hedged

Sensitivity analysis

The following table details the group's sensitivity to a 1% increase and decrease in the Rs. 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 31 March 2022				
INR/USD Sell forward	1	(1)	1	(1)
INR/EUR Sell forward	-	-	-	-
INR/USD Call option	1	(1)	1	(1)
	2	(2)	2	(2)
For the year ended 31 March 2021				
INR/USD Sell forward	2	(2)	1	(1)
INR/EUR Sell forward	2	(2)	2	(2)
INR/USD Call option	2	(2)	1	(1)
	6	(6)	4	(4)

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:

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Variable-rate instruments	As at 31 March 2022	As at 31 March 2021
Non current borrowings	827	815
Current borrowings	2,193	2,850
Current maturities of non-current borrowings	361	716
Total	3,381	4,381

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.

Variable-rate instruments	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 31 March 2022	(17)	17	(13)	13
For the year ended 31 March 2021	(22)	22	(16)	16

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 31 March 2022	As at 31 March 2021
Current borrowings (including current maturities and lease liabilities)	3,228	4,046
Non-current borrowings (including lease liabilities)	1,644	1,231
Less : Cash and cash equivalents	(243)	(174)
Adjusted net debt (A)	4,629	5,103
Total equity (B)	11,728	10,267
Adjusted net debt to adjusted equity ratio (A/B)	39%	50%

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

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.51 List of subsidiaries, joint ventures and associates of the Company are as follows (Refer note 2.40)

2.52 Information in respect of Joint Ventures and Associate

- (a) The following table summarises the financial information of Furukawa Electric Private Limited ('FEPL') based on the audited numbers and the carrying amount of the Company's interest in associate:

Particulars	As at 31 March 2022	As at 31 March 2021
Percentage ownership interest	25%	25%
Cash and cash equivalents	119	277
Other current assets	1,135	1,299
Total current assets	1,254	1,576
Total non-current assets	764	849
Total assets	2,018	2,425
Current liabilities	639	983
Financial liabilities (excluding trade payables and provisions)	1,541	1,469
Other liabilities	24	18
Total current liabilities	2,204	2,468
Total non-current liabilities	24	29
Total liabilities	2,228	2,497
Net Assets	(210)	(73)
Company's share of net assets	(52)	(18)
Other adjustments	136	135
Carrying amount of interest in Associate	84	117
Contingent liabilities	46	14
Company's share of contingent liabilities	12	4

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	3,595	3,228
Other income (excluding interest income)	52	96
Depreciation and amortisation	99	106
Interest expense	103	105
Profit for the year	(137)	(262)
Other comprehensive income	2	(1)
Total comprehensive income	(134)	(263)
Company's share of profit	(34)	(66)
Company's share of OCI	1	-
Company's share of total comprehensive income	(33)	(66)

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

- (b) The following table summarises the financial information of Minda Instruments Limited ('MIL') (formerly known as Minda Stoneridge Instruments Limited, Joint venture upto 31 December 2021, subsidiary w.e.f 1 January 2022) and the carrying amount of the Company's interest in jointly controlled entity (also refer note 2.4) :

Particulars	As at 31 March 2022*	As at 31 March 2021
Percentage ownership interest	-	51%
Cash and cash equivalents	-	464
Other current assets	-	1,918
Total current assets	-	2,382
Total non-current assets	-	718
Total assets	-	3,100
Current liabilities	-	930
Financial liabilities (excluding trade payables and provisions)	-	81
Other liabilities	-	34
Total current liabilities	-	1,043
Total non-current liabilities	-	123
Total liabilities	-	1,168
Net Assets	-	1,932
Company's share of net assets	-	985
Other adjustments	-	269
Carrying amount of interest in joint venture	-	1,254
Contingent liabilities	-	89
Company's share of contingent liabilities	-	45

Particulars	For the year ended 31 March 2022*	For the year ended 31 March 2021
Revenue from operations	3,462	3,891
Interest income	24	40
Other income (excluding interest income)	16	17
Depreciation and amortisation	114	156
Interest expense	13	17
Income tax expense	66	78
Profit for the year	187	266
Other comprehensive income	(2)	2
Total comprehensive income	185	268
Company's share of profit	95	136
Company's share of OCI	(1)	1
Company's share of total comprehensive income	94	136

*During the year, the 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 Company w.e.f. 1 January 2022, therefore no details with respect to balance sheet are presented as at 31 March 2022 as it is no longer Joint Venture of the Company. Accordingly, the details of profit and loss have been disclosed upto 31 December 2021.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

- (c) The following table summarises the financial information of Minda Vast Access System Private Limited (MVASPL) and the carrying amount of the Group's interest in jointly controlled entity:

Particulars	As at 31 March 2022	As at 31 March 2021
Percentage ownership interest	50%	50%
Cash and cash equivalents	9	12
Other current assets	774	779
Total current assets	783	792
Total non-current assets	744	760
Total assets	1,527	1,553
Current liabilities	461	442
Financial liabilities (excluding trade payables and provisions)	73	98
Other liabilities	90	139
Total current liabilities	624	679
Total non-current liabilities	27	34
Total liabilities	651	713
Net Assets	876	840
Company's share of net assets (50%)	438	420
Other adjustments	(4)	(1)
Carrying amount of interest in joint venture	434	419
Contingent liabilities	19	30
Company's share of contingent liabilities	10	15

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	2,180	1,439
Interest income	3	2
Other income (excluding interest income)	1	44
Depreciation and amortisation	99	96
Interest expense	9	4
Income tax expense	7	(19)
Profit for the year	34	(58)
Other comprehensive income	4	-
Total comprehensive income	38	(58)
Company's share of Profit	17	(29)
Company's share of OCI	2	-
Company's share of total comprehensive income	19	(29)

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

- (d) The following table summarises the financial information of Minda Infac Private Limited (MIPL)* and the carrying amount of the Group's interest in jointly controlled entity:

Particulars	As at 31 March 2022*	As at 31 March 2021
Percentage ownership interest	51%	-
Cash and cash equivalents	37	-
Other current assets	6	-
Total current assets	43	-
Total non-current assets	37	-
Total assets	80	-
Current liabilities	1	-
Financial liabilities (excluding trade payables and provisions)	32	-
Other liabilities	-	-
Total current liabilities	33	-
Total non-current liabilities	-	-
Total liabilities	33	-
Net Assets	47	-
Company's share of net assets (51%)	24	-
Other adjustments	-	-
Carrying amount of interest in joint venture	24	-
Contingent liabilities	-	-

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	-	-
Interest income	-	-
Other income (excluding interest income)	-	-
Depreciation and amortisation	-	-
Interest expense	-	-
Income tax expense	-	-
Profit for the year	(3)	-
Other comprehensive income	-	-
Total comprehensive income	(3)	-
Company's share of Profit	(1)	-
Company's share of OCI	-	-
Company's share of total comprehensive income	(1)	-

* During the year, the Company has acquired 51% stake in Minda Infac Private Limited for a consideration of Rs. 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".

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.53 Ratio Analysis and its elements

Particulars	Numerator	Denominator	As at 31 March 2022	As at 31 March 2021	% Change	Reason of Variance
(a) Current ratio	Current assets	Current liabilities	1.37	1.38	-0.32%	Not applicable
(b) Debt-equity ratio	Total Debt	Shareholder's Equity	0.33	0.47	-29.11%	Ratio has improved due to repayment of loans and increase in profit in current financial year as previous year was impacted due to COVID.
(c) Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	3.63	1.38	163.35%	Ratio have improved due to increase in profitability.
(d) Return on equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	14.56%	8.85%	64.64%	Ratio has improved due to increase in profitability in current year as previous year was impacted due to COVID.
(e) Inventory turnover ratio *	Cost of goods sold	Average Inventory	4.49	4.16	7.99%	Not applicable
(f) Trade receivables turnover ratio *	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	6.11	5.88	3.86%	Not applicable
(g) Trade payables turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.73	3.29	13.61%	Not applicable
(h) Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	8.24	5.74	43.56%	Ratio has improved due to higher sales during the year.
(i) Net profit ratio	Net Profit	Net sales = Total sales - sales return	5.97%	3.77%	58.26%	Ratio has improved due to higher sales as previous year was impacted due to COVID.
(j) Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	13.33%	9.87%	35.07%	Ratio has improved due to higher sales as previous year was impacted due to COVID.
(k) Return on investment	Interest (Finance Income)	Investment	5.56%	6.16%	-9.78%	Not applicable
(l) Return on investment	Dividend Income	Investment	14.23%	0.00%	Not applicable	Not applicable

* Turnover ratios has been computed considering net average receivables / inventory at the year end

2.54 Other statutory information

- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 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:
 - 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 to or on behalf of the Ultimate Beneficiaries

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

5. The Company have 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 31 March 2022	Relationship with the Struck off company, if any, to be disclosed	Balance Outstanding as on 31 March 2022	Relationship with the Struck off company, if any, to be disclosed
Interium Automotive Private Limited	Payable	3	NA	3	NA
Spunk Indo Marketings Private Limited	Payable	-	NA	-	NA
COMPETENT ENGINEERS	Payable	-	NA	NA	NA
Sky Force Security & Alliance Services Private Limited	Payable	1	NA	-	NA
Paradise Plastic Enterprises Ltd	Receivable	1	NA	NA	NA
Sunrise Autoelectronics Private Limited	Payables	11	NA	11	NA

2.55 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, 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 Rs. 917 million (amount reported Rs. 4,424 million vs amount per books of account Rs. 3507 million), Rs. 472 million (amount reported Rs. 4245 million vs amount per books of account Rs. 3774 million), Rs. 250 million (amount reported Rs. 4131 million vs amount per books of account Rs. 3881 million), for the quarter ended June 30, 2021, September 30, 2021, and December 31, 2021 respectively.

In the previous year the differences were in case of Debtors amounting to Rs. 621 million (amount reported Rs. 1946 million vs amount per books of account Rs. 1325 million), Rs. 636 million (amount reported Rs. 4055 million vs amount per books of account Rs. 3419 million), Rs. 834 million (amount reported Rs. 4271 million vs amount per books of account Rs. 3438 million) 965 million (amount reported Rs. 5240 million vs amount per books of account Rs. 4275 million) for the quarter ended June 30, 2020, September 30, 2020, December 31, 2020 and 31 March, 2021 respectively.

Further, Creditors had a difference of Rs. 1317 million (amount reported Rs. 2714 million vs amount per books of account Rs. 4031 million), Rs. 1440 million (amount reported Rs. 2964 million vs amount per books of account Rs. 4405 million), Rs. 1279 million (amount reported Rs. 2768 million vs amount per books of account Rs. 4047 million), for the quarter ended June 30, 2021, September 30, 2021 and December 31, 2021 respectively.; and

In the previous year, Creditors had a difference of Rs. 663 million (amount reported Rs. 1866 million vs amount per books of account Rs. 2528 million), Rs. 880 million (amount reported Rs. 3461 million vs amount per books of account Rs. 4341 million), Rs. 1084 million (amount reported Rs. 3981 million vs amount per books of account Rs. 5065 million) 366 million (amount reported Rs. 4349 million vs amount per books of account Rs. 4714 million) for the quarter ended June 30, 2020, September 30, 2020, December 31, 2020 and 31 March, 2021 respectively. ; and

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Inventory had a difference of Rs. 217 million (amount reported Rs. 4124 million vs amount per books of account Rs. 3908 million), Rs. 243 million (amount reported Rs. 3996 million vs amount per books of account Rs. 3753 million), Rs. 175 million (amount reported Rs. 4156 million vs amount per books of account Rs. 3981 million), for the quarter ended June 30, 2021, September 30, 2021 and December 31, 2021.

In previous year, Inventory had a difference of Rs. 64 million (amount reported Rs. 3051 million vs amount per books of account Rs. 2987 million), Rs. 43 million (amount reported Rs. 2913 million vs amount per books of account Rs. 2870 million), Rs. 171 million (amount reported Rs. 3686 million vs amount per books of account Rs. 3515 million) 98 million (amount reported Rs. 3849 million vs amount per books of account Rs. 3751 million) for the quarter ended June 30, 2020, September 30, 2020, December 31, 2020 and 31 March, 2021 respectively.

Furthermore, information's/ detailed for the quarter ended 31 March 2022 are yet to be submitted by the Company, basis their discussion with the banks the same shall be submitted post finalisation of statutory audit for the year ended 31 March 2022.

2.56 Consequent to disruptions caused due to continuation of pandemic, the Company has made assessment of impact of the pandemic on its business operations and has made assessment of its liquidity position for the next one year. The Company has assessed the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right-to-use assets, goodwill, investments, inventory, advances, trade receivables, other financial and non-financial assets etc. as at period end based on information available up to the date of approval of these standalone financial statements. Based on current indicators of future economic conditions, the Company does not foresee any significant impact on the operations and financial position of the Company as at 31 March 2022. Company will continue to closely observe the evolving scenario.

2.57 Previous year financials have been audited by a firm of Chartered Accountants other than S.R. Batliboi & Co. LLP. Further, 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
Firm registration number:
301003E/E-300005

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

Pradeep Mann
Company Secretary
Membership No.: A 13371

Place: New Delhi
Date: 17 May 2022

Place: Gurugram
Date: 17 May 2022

Independent Auditor's Report

To the Members of Minda Corporation Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS 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 31 March 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31 March 2022, 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 Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS 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 Ind AS 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 Ind AS financial statements for the financial year ended 31 March 2022. These matters were addressed in the context of our audit of the consolidated Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>Revenue recognition for sale of goods (as described in Note 2.9 and 2.27 of the consolidated Ind AS financial statements)</p> <p>Revenue from sale of goods is recognized upon the transfer of control of the goods sold to the customer. The Company uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition. Revenue is measured by the Company at the fair value of consideration received/ receivable from its customers and in determining the transaction price for the sale of products, the Company considers the effects of various factors such as volume-based discounts, price adjustments to be passed on to the customers based on various parameters like negotiations 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</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We evaluated the Company's accounting policies pertaining to revenue recognition in terms of Ind AS 115 - Revenue from Contracts with Customers. • We performed test of controls of management's process of recognizing the revenue from sales of goods with regard to the timing of the revenue recognition as per the sales terms with the customers and management's process and the assumptions used in calculation of price variations. • We performed audit procedures on a representative sample of the sales transactions to test that the revenues and related trade receivables are recorded taking into consideration the terms and conditions of the sale orders, including the shipping terms. Also, tested, on sample basis, debit/ credit notes in respect of agreed price variations passed on to the customers. • 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 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.
<p>Acquisition of 49% stake of Minda Instruments Limited (MIL) (Formerly known as Minda Stoneridge Instruments Limited) from the JV Partner and MIL became wholly owned subsidiary of the Company (as described in Note 2.52 of the consolidated Ind AS financial statements)</p> <p>The Company acquired 49% of the equity share capital of MIL on December 31, 2021 for a purchase consideration of Rs. 1,611 million from the JV partner - Stoneridge Inc. The purchase consideration was allocated to the fair value of identifiable assets acquired and liabilities assumed, resulting in the recognition of goodwill of Rs. 630 million and customer relationship rights of Rs. 645 million as on the date of acquisition. Considering the involvement of significant judgements and assumptions in fair value measurements and purchase price allocations including the magnitude of the acquisition made, this is considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We read the share purchase agreement, and other related documents to obtain an understanding of the transactions and the key terms and conditions. • We assessed whether the accounting treatment is in accordance with Ind AS 103, Business Combinations. • We assessed the competence, objectivity and relevant experience of the experts engaged by the management to determine fair value of assets and liabilities acquired . • We obtained and read the independent valuer's report on Purchase price allocation. Involved a specialist and evaluated the appropriateness of methodology, key assumptions such as discount and long-term growth rate, risk free rate of return and weighted average cost of capital considered in determining the valuation of intangible assets, and the resultant Goodwill. • We tested the valuation for arithmetical accuracy. • We assessed the adequacy of related disclosures in financial statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated Ind AS financial statements and the same is expected to be made available to us after the date of auditor's report.

Our opinion on the consolidated Ind AS 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 Ind AS 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 Ind AS 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 Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS 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 Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS 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 Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements for the financial year ended 31 March 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 8 subsidiaries whose financial statements include total assets of Rs 1,935 million

as at 31 March 2022, and total revenues of Rs 1,576 million and net cash outflows of Rs 30 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 Ind AS financial statements also include the Group's share of net profit/(loss) of (Rs. 20 million) for the year ended 31 March 2022, as considered in the consolidated Ind AS financial statements, in respect of 2 associates and 1 joint ventures, 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 Ind AS 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 Ind AS financial statements of the Company for the year ended 31 March 2021, included in these consolidated Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on 18 May 2021.

Our opinion above on the consolidated Ind AS 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(xxii) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

- (b) In our opinion, proper 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 Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures, incorporated in India, is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS 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 31 March 2022 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated Ind AS financial statements – Refer Note 2.37 to the consolidated Ind AS 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 31 March 2022;
 - 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 31 March 2022.
 - iv.
 - a) The respective managements of the Holding Company and its subsidiaries 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 respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries 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 ("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 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 respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries 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 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 has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries 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, by the Holding Company and its subsidiaries incorporated in India, during the year and until the date of this audit report is in accordance with section 123 of the Act.

As stated in note 2.16 to the consolidated Ind AS 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 at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**

Partner

Membership Number: 094421

UDIN: 22094421AJBZCK6552

Place of Signature: New Delhi

Date: 17 May 2022

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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 and based on the consideration of report of the respective auditors of the subsidiary companies, associates and joint venture 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 Ind AS financial statements are

S. No	Name	CIN	Holding Company/ subsidiary/associate/Joint	Clause number of the CARO report which is qualified or adverse
1.	Furukawa Minda Electric Private Limited	U29253DL2006PTC155275	Associate	xvii
2.	Spark Minda Green Mobility Systems Private Limited	U34100DL2021PTC377353	Subsidiary	xvii
3.	Minda Vast Access Systems Private Limited	U34300DL2007PTC157344	Joint Venture	xvii
4.	EVQ Point Solutions Private Limited	U34300KA2019PTC127956	Associate	xvii
5	Minda Infac Private Limited	U29309DL2021PTC385027	Joint Venture	xvii

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**

Partner

Membership Number: 094421

UDIN: 22094421AJBZCK6552

Place of Signature: New Delhi

Date: 17 May 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS 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 Ind AS financial statements of Minda Corporation Limited (hereinafter referred to as the "Holding Company") as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated Ind AS 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 operations, 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 Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the 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 Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements and

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, associate company and joint venture 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 Ind AS financial statements.

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

A company's internal financial control with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS financial statements may

become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, its associates and joint operations, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company, in so far as it relates to these 2 subsidiaries, 1 associate and 1 joint venture, 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 subsidiary 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

per **Vikas Mehra**

Partner

Membership Number: 094421

UDIN: 22094421AJBZCK6552

Place of Signature: New Delhi

Date: 17 May 2022

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Consolidated Balance Sheet

as at 31 March 2022

(All amounts are Rs. in million, unless otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	2.1 (a,b)	7,204	5,745
Capital work-in-progress	2.1 (c)	325	178
Goodwill	2.2	929	299
Other intangible assets	2.3	737	83
Financial assets			
i. Investments	2.4	642	1,805
ii. Other financial assets	2.5	166	136
Deferred tax assets (net)	2.18	48	17
Income-tax assets (net)	2.6	144	27
Other non-current assets	2.7	74	146
Total non-current assets		10,269	8,436
Current assets			
Inventories	2.8	4,789	3,959
Financial assets			
i. Trade receivables	2.9	5,688	4,420
ii. Cash and cash equivalents	2.10	708	531
iii. Other bank balances	2.11	2,626	4,463
iv. Loans	2.12	-	2
v. Other financial assets	2.13	734	705
Other current assets	2.14	905	782
Total current assets		15,450	14,862
Total assets		25,719	23,298
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.15	478	478
Other equity	2.16	12,823	10,988
Total equity		13,301	11,466
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	2.17	848	933
ii. Lease liabilities	2.35	970	298
Provisions	2.19	319	249
Deferred tax liabilities (net)	2.18	173	34
Other non-current liabilities	2.20	39	31
Total non-current liabilities		2,349	1,545
Current liabilities			
Financial liabilities			
i. Borrowings	2.21	3,066	3,899
ii. Lease liabilities	2.35	176	147
iii. Trade payables	2.22	-	-
- total outstanding dues of micro enterprises and small enterprises		453	634
- total outstanding dues of creditors other than micro enterprises and small enterprises		5,222	4,431
iv. Other financial liabilities	2.23	582	651
Other current liabilities	2.24	371	283
Provisions	2.25	136	106
Current tax liabilities (net)	2.26	63	136
Total current liabilities		10,069	10,287
Total liabilities		12,418	11,832
Total equity and liabilities		25,719	23,298

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
Firm registration number:
301003E/E300005

Vikas Mehra
Partner
Membership No.: 094421

Place: New Delhi
Date: 17 May 2022

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

Ashok Minda
Chairman & Group CEO
DIN 00054727

Place: Gurugram
Date: 17 May 2022

Aakash Minda
Executive Director
DIN 06870774

Vinod Raheja
Group CFO

Pradeep Mann
Company Secretary
Membership No.: A 13371

Consolidated Statement of Profit and Loss

for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Continuing operations			
Income			
Revenue from operations	2.27	29,759	23,679
Other income	2.28	242	332
Total income		30,001	24,011
Expenses			
Cost of materials consumed	2.29	17,248	14,150
Purchase of stock-in-trade		1,373	1,035
Change in inventories of finished goods, work-in-progress and stock-in-trade	2.30	138	(260)
Employee benefits expense	2.31	4,742	3,827
Finance costs	2.32	309	358
Depreciation and amortization expense	2.1(a), 2.1(b), 2.3	1,120	936
Other expenses	2.33	3,313	2,757
Total expenses		28,243	22,803
Profit from continuing operations before exceptional items, share of profit of joint ventures/ associate and income tax		1,758	1,208
Exceptional item	2.52	327	-
Profit from continuing operations after exceptional items before share of profit of joint ventures/ associate and income tax		2,085	1,208
Tax expense			
Current tax	2.18	547	327
Income tax for earlier year	2.18	(217)	-
Deferred tax	2.18	(90)	(15)
Total tax expense		240	312
Profit from continuing operations after tax before share of profit of joint ventures/ associate		1,845	896
Share of profits of joint ventures/associate (net of taxes)		74	39
Profit from continuing operations		1,919	935
Discontinued operations			
Profit/(loss) from discontinued operations before exceptional item and income tax		-	9
Exceptional item	2.47	-	(416)
Loss from discontinued operations (before tax)		-	(407)
Tax expense related to discontinued operations	2.18	-	-
Loss from discontinued operations (after tax)		-	(407)
Profit for the year		1,919	528
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		(4)	3
Income tax relating to items that will not be reclassified to profit or loss		1	(1)
Share of remeasurement of defined benefit liabilities (net of tax) of an associate and joint ventures		1	3
Net other comprehensive income not to be reclassified subsequently to profit or loss		(2)	5
Items that will be reclassified subsequently to profit or loss			
- Exchange difference in translating financial statement of continuing foreign operations		31	39
- Exchange difference in translating financial statement of discontinued foreign operations		-	368
Net other comprehensive income to be reclassified subsequently to profit or loss		31	407
Other comprehensive income for the year (net of tax)		29	412
Total comprehensive income for the year		1,948	940
Earnings per share [Par value of Rs. 2 per equity share]	2.34		
From continuing operations			
Basic		8.16	4.13
Diluted		8.01	4.05
From discontinued operations			
Basic		-	(1.80)
Diluted		-	(1.80)
From continuing and discontinued operations			
Basic		8.16	2.33
Diluted		8.01	2.29

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
Firm registration number:
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

Pradeep Mann
Company Secretary
Membership No.: A 13371

Place: New Delhi
Date: 17 May 2022

Place: Gurugram
Date: 17 May 2022

Consolidated Cash Flow Statement

for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before tax and after adding share of share of profit of joint ventures/ associate		
- Continuing Operations	1,832	1,247
- Discontinued Operations	-	(407)
Profit before tax including discontinued operation	1,832	840
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Exceptional item (refer note 2.47)	-	417
Depreciation and amortisation expense	1,120	936
Share of (profit) / loss of joint ventures and associate (net of taxes)	(74)	(39)
Impairment allowances for trade receivable and other assets	32	26
Bad debts / amounts written off	15	-
Interest expense	309	358
Loss/ (profit) on sale/discard of property, plant and equipment (net)	8	-
Interest income	(201)	(266)
Liabilities / provisions no longer required written back	-	(137)
Fair value of investment in preference shares	(1)	-
Unrealised foreign exchange loss / (profit) (including mark to market on derivative contracts)	(3)	(18)
Gain on derecognition of ROU assets	(13)	-
Employee stock option expense	21	13
Others	16	16
Working capital adjustments:	3,061	2,146
Decrease in trade receivables	(342)	(739)
(Increase) in inventories	(158)	(573)
Decrease / (increase) in loans, other financial assets and other assets	123	(467)
(Decrease) / increase in trade payables	(343)	429
(Decrease) / increase in other financial liabilities and other liabilities	(242)	234
Increase in provisions	56	37
Cash flow from operating activities post working capital changes	2,154	1,067
Income tax paid (net)	(486)	(212)
Net cash flows from operating activities (A)	1,668	855
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and capital work-in-progress	(1,085)	(1,350)
Proceeds from sale of property, plant and equipment	8	44
Investment in joint venture and associates	(1,691)	-
Investment in others	(30)	-
Investment in fixed deposits (net)	2,494	(688)
Proceeds from sale of treasury shares	17	4
Interest received	214	248
Net cash flows (used in) investing activities (B)	(73)	(1,742)

Consolidated Cash Flow Statement

for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Equity Shares (net of expenses)	-	824
Payment of interim dividend	(69)	(70)
Payment of final dividend	(84)	-
(Repayment of) / proceeds from long term borrowings (including current maturities)	(468)	96
(Repayment of) from short term borrowings (net)	(456)	380
Interest Paid	(254)	(320)
Repayment of principal portion of lease liabilities	(277)	(258)
Net cash generated from/(used in) financing activities (C)	(1,608)	652
Net (decrease)/ increase in cash and cash equivalents (A + B + C)	(13)	(235)
Cash and cash equivalents at the beginning of the year	531	947
Translation adjustment on cash balance	7	8
Adjustment: cash and cash equivalents on deconsolidation of Minda KTSN and its subsidiaries (refer note 2.47)	-	(189)
Cash and cash equivalents acquired on business combination (refer note 2.52)	183	-
Cash and cash equivalents as at the end of the year (refer note 2.10)	708	531

Cash flow attributable to the operating, investing and financing activities of discontinued operations is presented below:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net cash (used in) / generated from operating activities	-	(136)
Net cash used in investing activities	-	(1)
Net cash used in financing activities	-	(167)
Significant accounting policies (refer note 2)		

Notes:

- 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".
- Refer note no. 2.17 and 2.21 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
Firm registration number:
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

Pradeep Mann
Company Secretary
Membership No.: A 13371

Place: New Delhi
Date: 17 May 2022

Place: Gurugram
Date: 17 May 2022

Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at 1 April 2020	454
Changes in equity share capital during the year	24
Balance as at 31 March 2021	478
Equity share capital issued during the year	-
Balance as at 31 March 2022	478

B. Other equity

Particulars	Attributable to owners of the Company										Total
	Reserves and surplus				Equity component of instrument-Cumulative redeemable preference share			Employee stock compensation option outstanding	Foreign currency translation reserve	Items of Other Comprehensive Income Remeasurement of defined benefit obligations	
	Capital reserve	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings		Treasury shares				
Balance as at 1 April 2020	567	192	4,025	543	4,328	47	(9)	16	(413)	-	9,296
Profit for the year	-	-	-	-	528	-	-	-	-	-	528
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	528	-	-	-	407	-	412
Premium on issue of shares	-	-	806	-	-	-	-	-	407	5	940
Premium on issue of shares by ESOP trust	-	-	3	-	-	-	-	-	-	-	806
Profit on sale of treasury shares	-	-	-	-	4	-	-	-	-	-	3
Issue of equity shares on exercise of share based awards during the year	-	-	-	6	-	-	-	(6)	-	-	4
Remeasurement of defined benefit liability/ (asset)	-	-	-	-	5	-	-	-	-	(5)	-
Employee stock compensation expense	-	-	-	-	-	-	-	15	-	-	15
Amount utilised towards expenses for increase in share capital	-	-	(6)	-	-	-	-	-	-	-	(6)
Interim dividend (refer footnote below 2)	-	-	-	-	(70)	-	-	-	-	-	(70)
Final dividend	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	567	192	4,828	549	4,795	47	(9)	25	(6)	-	10,988

Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

(All amounts are in Rs. 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 compensation option outstanding	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		Income
Balance as at 1 April 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)	(2)	29
Total comprehensive income for the year	-	-	-	-	1,919	-	-	-	31	(2)	(2)	1,948
Premium on issue of shares	-	-	-	-	-	-	-	-	-	-	-	-
Premium on issue of shares by ESOP Trust	-	-	8	-	-	-	-	-	-	-	-	8
Profit on sale of treasury shares	-	-	-	-	10	-	-	(18)	-	-	-	10
Issue of equity shares on exercise of share based awards during the year	-	-	-	18	-	-	-	-	-	-	-	-
Remeasurement of defined benefit liability/ (asset)	-	-	-	-	(2)	-	1	-	-	2	-	1
Amount utilised towards expenses for increase in share capital	-	-	-	-	-	-	-	-	-	-	-	-
Employee stock compensation expense	-	-	-	-	-	-	-	21	-	-	-	21
Interim dividend (refer footnote 2 below)	-	-	-	-	(69)	-	-	-	-	-	-	(69)
Final dividend (refer footnote 1 below)	-	-	-	-	(84)	-	-	-	-	-	-	(84)
Balance as at 31 March 2022	567	192	4,836	567	6,569	47	(8)	28	25	-	-	12,823

Footnotes:

- The Company has paid final dividend for the year ended 31 March, 2021 of Rs. 0.35 (absolute amount) for every equity share of Rs. 2 (absolute amount) for the year after the approval of shareholders.
- The Company has paid interim dividend of Rs. 0.30 (absolute amount) for every equity share of Rs. 2 (absolute amount) {31 March 2021 Rs. 0.30 (absolute amount)}.
- The Board of Directors of the Holding Company, in their meeting held on 17 May 2022, recommended a final dividend of Rs.0.70 per equity share (35%) (face value of Rs. 2 per share) aggregating to Rs. 167 million for the year ended 31 March 2022 subject to approval of shareholders in ensuing Annual General Meeting of the company. The total dividend declared for the financial year 2021-22 is Rs.1.00 per equity share (50%) (face value of Rs. 2 per share)
- 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

Firm registration number:

301003E/E300005

Vikas Mehra

Partner

Membership No.: 094421

Place: New Delhi

Date: 17 May 2022

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. 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 5th Floor, Plot no-404/405, Sector -20, Udyog Vihar, Phase-III, Gurugram, Haryana, 122016. 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.

Pursuant to the Scheme of Amalgamation ('Scheme') under the provisions of Section 230 to 232 of the Companies Act, 2013, for amalgamation of Minda SAI Limited, Minda Automotive Solutions Limited, Minda Management Services Limited, Minda Autoelektrik Limited and Minda Telematics and Electric Mobility Solutions Private Limited (formerly EI Labs India Private Limited) (together referred to as "transferor companies"), into Minda Corporation Limited ("Transferee Company") as approved by the Hon'ble National Company Law Tribunal vide its order dated 19 July 2019, all the assets, liabilities, reserves and surplus of the transferor companies have been transferred to and vested in the Company without any consideration.

The consolidated financial statements were authorized for issue by the Group's Board of Directors on 17 May 2022.

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 Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) as amended from time to time and other relevant provisions of the Act ("financial statements").

(ii) Going Concern

The Board of Directors of the Company, in their meeting dated 9 June 2020 decided to withdraw the financial support to its material wholly owned subsidiary Minda KTSN Plastic Solutions GmbH Co. & KG, Germany (MKTSN) (including its step down subsidiaries), pursuant to which MKTSN has filed for insolvency. In terms of Ind AS 105 - "Non-current assets held for sale and discontinued operations", operations of MKTSN has been classified as "Discontinued Operations" w.e.f. 09 June 2020. Accordingly, the financial statements of MKTSN included in these consolidated financial statements, presented as comparatives, have been prepared on the basis that the fundamental accounting assumption of going concern is no longer appropriate.

(iii) 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 (Rs.). 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 Rs. 500,000 to make financials in round off to Rupees in millions.

(iv) 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

(v) 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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 2.18
- Estimated impairment of financial and non-financial assets – Note 2(E)(vii), Note 2(E)(xviii) and Note 2.1
- Assessment of useful life of property, plant and equipment and intangible asset – Note 2(E)(iii) and Note 2(E)(iv)
- Estimation of obligations relating to employee benefits: key actuarial assumptions – Note 2.19.2
- Valuation of Inventories – Note 2(E)(vi)
- 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 2.19, Note 2.25, Note 2.26 and Note 2.38
- Fair value measurement – Note 2.43

(vi) 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 categorised 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. Current-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 satisfies any of the following criteria:

1. It is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
2. It is held primarily for the purpose of being traded;
3. It is expected to be realised within 12 months after the reporting date; or
4. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

The Group classifies all other assets as non-current.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- (1) It is expected to be settled in the Group's normal operating cycle;
- (2) It is held primarily for the purpose of being traded;
- (3) It is due to be settled within 12 months after the reporting date; or
- (4) The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

C. 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

The details of the consolidated entities are as follows:

Name of the Company	Country of Incorporation	Nature of Interest	% of Ownership	
			31 March 2022	31 March 2021
Subsidiaries / Step-Subsidiaries				
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) *	India	Subsidiary	100	NA
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
Minda KTSN Plastic Solutions GmbH & Co. KG('Minda KTSN') **	Germany	Subsidiary	NA	100
KTSN Kunststofftechnik Sachsen Beteiligungs-GmbH **	Germany	Subsidiary of 'Minda KTSN'	NA	100

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.

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(All amounts are in Rs. million, unless otherwise stated)

Name of the Company	Country of Incorporation	Nature of Interest	% of Ownership	
			31 March 2022	31 March 2021
Minda KTSN Plastic Solutions Mexico, S. de R.L. de C.V **	Mexico	Subsidiary of 'Minda KTSN'	NA	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	NA
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) *	India	Jointly Controlled Entity	Nil	51
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	NA

* Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) became wholly owned subsidiary from 1 January 2022. Upto 31 December 2021 it was a Jointly Controlled Entity.

** up to 9 June 2020

*** During the year, Spark Minda Mobility Systems Private Limited has acquired 29.5% stake and accordingly it become step associate of the Group.

D. 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

- 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.

E. Summary of significant accounting policies

i) 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

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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 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

ii) 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, sales tax/ 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

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,

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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.

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.

iii) 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

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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.

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 property, plant and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the property, plant and equipment) is included in the Consolidated Statement of Profit and Loss when the property, plant and equipment is derecognized.

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.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the property, plant and

equipment's and are recognized in the Consolidated Statement of Profit and Loss when the property, plant and equipment's is derecognized.

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

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.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date the property, plant and equipment are ready to use. Depreciation on sale/deduction from property, plant and equipment is provided up to the date of sale, deduction as the case may be.

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(All amounts are in Rs. million, unless otherwise stated)

Property, plant and equipment category	Rates estimated by Group	As per Schedule II
Factory Buildings	30 years	30 Years
Plant and Machinery	5 - 15 years	15 years
Tools	5 years	15 years
Electrical Installations	10 years	10 years
Office Equipment	5 years	5 years
Furniture & Fixtures	10 years	10 years
Computer hardware	3 years	3 years
Vehicles	4 Years	8 Years

Leasehold Improvements are amortised on the straight-line basis over the lower of primary period of lease.

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 as given above best represent the period over which management expects to use these property, plant and equipment.

Residual value considered as 5% for all property, plant and equipment.

iv) 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.

v) 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 consolidated statement of profit and loss in the year in which they are incurred.

vi) Inventories

Inventories are valued at lower of cost and net realizable value. However, raw materials, components and other items held for use in the

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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

vii) Impairment of non-financial asset

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.

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

viii) Research and Development

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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

ix) 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.

x) 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 be 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.

Actuarial gains and losses are recognized immediately in the Consolidated Statement of profit and loss. Gains or

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losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs.

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.

xii) 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.

xii) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

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

Right of Use Asset

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

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies Note 2E(vii) Impairment of non-financial assets.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases 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

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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.

xiii) 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.

xiv) 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 Company 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 where appropriate.

When the Group 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 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 recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes

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. 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.

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(All amounts are in Rs. million, unless otherwise stated)

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 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.

xv) 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.

xvi) 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.

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.

xvii) 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.

xviii) 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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 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.

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

All equity investments in scope of Ind AS 109 are measured at fair value. 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

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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;
- 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 2.46 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.

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(All amounts are in Rs. million, unless otherwise stated)

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.

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 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.

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.

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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.

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

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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.

xix) 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.

xx) 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

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share-based payment to its employees. The Company uses ESOP trust as a vehicle for transferring shares to employees under the employee remuneration schemes. ESOP Trust buys shares of the Company, for giving shares to the Company'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 Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company'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.

xxi) 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 Company for the year, the nature and amount of such items is disclosed as exceptional items.

xxii) Corporate Social Responsibility ("CSR") expenditure:

CSR expenditure incurred by the Group is charged to the Consolidated Statement of the Profit and Loss.

F. Standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective from 1 April 2022.

These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

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(All amounts are in Rs. million, unless otherwise stated)

2.1 (a) Property, plant and equipment

Particulars	Gross block					Accumulated depreciation					Net block		
	Balance as at 1 April 2021	Additions	Acquired through business acquisition*	Disposals	Translation Adjustment	Balance as at 31 March 2022	Balance as at 1 April 2021	Depreciation	Acquired through business acquisition*	On disposals	Translation Adjustment	Balance as at 31 March 2022	Balance as at 31 March 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 (a)	7,832	1,044	1,318	158	(20)	10,056	2,697	849	712	141	(6)	4,123	5,933

* Also refer note 2.52

Also refer note 2.47, Group has recorded impairment loss pursuant to filing of insolvency (including its step down subsidiaries) of the Group. The subsidiary is considered as a separate Cash Generating Unit.

Notes:

- (i) Refer to note 2.17 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 2.36.
- (iii) On transition to Ind AS (i.e. 1 April 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in million, unless otherwise stated)

2.1 (b) Right of Use Assets

Particulars	Gross block				Accumulated depreciation					Net block			
	Balance as at 1 April 2021	Additions	Acquired through business acquisition**	Disposals ***	Translation Adjustment	Balance as at 31 March 2022	Balance as at 1 April 2021	Depreciation	Acquired through business acquisition**	On disposals	Translation Adjustment	Balance as at 31 March 2022	Balance as at 31 March 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 (b)	954	873	55	85	-	1,797	343	218	19	54	-	526	1,271
Total (a+b)	8,786	1,917	1,373	243	(20)	11,852	3,040	1,067	731	195	(6)	4,650	7,204

*Also refer note 2.52

*** Includes Rs. 25 million whereby the management intends to vacate the one of its office space

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Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in million, unless otherwise stated)

a) Property, plant and equipment as at 31 March 2021

Particulars	Gross block			Accumulated depreciation				Net block Balance as at 31 March 2021 (m) = (f-)				
	Balance as at 1 April 2020 (a)	Additions (b)	Acquired through business acquisition (c)	Disposals (d)	Translation Adjustment (e)	Balance as at 31 March 2021 (f) = (a+b+c-d-e)	Depreciation (h)		Acquired through business acquisition (i)	On disposals (j)	Translation Adjustment (k)	Balance as at 31 March 2021 (l) = (g+h+i-j-k)
Freehold land	138	-	-	-	-	138	-	-	-	-	-	138
Buildings	1,133	233	-	-	(11)	1,377	180	-	-	(4)	238	1,139
Leasehold improvements	140	4	-	-	-	144	47	-	-	-	54	90
Plant and equipment	4,616	917	-	40	(12)	5,505	1,481	558	25	(14)	2,000	3,505
Furniture and fixtures	145	22	-	4	(1)	164	63	18	2	(1)	78	86
Vehicles	204	17	-	44	-	177	101	41	25	-	117	60
Office equipment	159	9	-	7	(1)	162	93	16	6	(1)	102	60
Computer hardware	131	40	-	7	(1)	165	95	20	6	(1)	108	57
Total (A)	6,666	1,242	-	102	(26)	7,832	2,060	722	64	(21)	2,697	5,135
Current (refer note 2.47)												
Freehold land	125	-	-	128	(3)	-	-	-	-	-	-	-
Buildings	984	-	-	1,010	(26)	-	129	-	133	(3)	-	-
Leasehold improvements	8	-	-	8	-	-	8	-	8	-	-	-
Plant and equipment	1,379	-	-	1,407	(27)	-	631	-	648	(17)	-	-
Furniture and fixtures	5	-	-	5	-	-	5	-	5	-	-	-
Vehicles	1	-	-	1	-	-	1	-	1	-	-	-
Office equipment	81	-	-	83	-	-	81	-	83	(2)	-	-
Computer hardware	11	-	-	11	-	-	11	-	11	-	-	-
Total (B)	2,594	-	-	2,653	(58)	-	866	-	889	(22)	-	-

Also refer note 2.47, Group has recorded impairment loss pursuant to filing of insolvency by one of the subsidiary (including its step down subsidiaries) of the Group. The subsidiary is considered as a separate Cash Generating Unit.

Notes:

- (i) Refer to note 2.17 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 2.36.
- (iii) On transition to Ind AS (i.e. 1 April 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.1 (b) Right of use assets as at 31 March 2021

Particulars	Gross block			Accumulated depreciation				Net block					
	Balance as at 1 April 2020 (a)	Additions (b)	Acquired through business acquisition (c)	Disposals (d)	Translation Adjustment (e)	Balance as at 31 March 2021 (f) = (a+b+c-d-e)	Balance as at 1 April 2020 (g)	Depreciation (h)	Acquired through business acquisition (i)	On disposals (j)	Translation Adjustment (k)	Balance as at 31 March 2021 (l) = (g+h+i-j-k)	Balance as at 31 March 2021 (m) = (f-l)
Leasehold land#	291	-	-	7	7	284	16	7	-	-	-	23	261
Building	566	98	-	-	-	664	158	160	-	-	-	318	346
Plant and equipment	6	-	-	-	-	6	3	-	-	1	-	2	3
Total	863	98	-	7	-	954	177	167	-	1	-	343	610
Current (refer note 2.47)	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold land	66	-	-	68	(2)	-	66	-	-	68	(2)	-	-
Building	263	-	-	270	(7)	-	64	-	-	66	(2)	-	-
Plant and equipment	8	-	-	8	-	-	7	-	-	7	-	-	-
Total	337	-	-	346	(9)	-	137	-	-	141	(4)	-	-
Total (a+b)	10,460	1,340	-	3,108	(93)	8,786	3,240	889	-	1,095	(47)	3,040	5,745

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Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.1 (c) Capital Working in Progress

Particulars	As at 31 March 2022	As at 31 March 2021
Capital work in progress	325	178

As at 31 March 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	279	45	1	-	325
Projects temporarily suspended	-	-	-	-	-
Total	279	45	1	-	325

As at 31 March 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	168	6	-	4	178
Projects temporarily suspended	-	-	-	-	-
Total	168	6	-	4	178

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Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.2 Goodwill

Particulars	Gross block				Accumulated depreciation				Net block Balance as at 31 March 2022	
	Balance as at 1 April 2021 (a)	Additions (b)	Acquired through business acquisition* (c)	Disposals (d)	Translation Adjustment (e)	Balance as at 31 March 2022 (f) = (a+b-c-d-e)	Impairment for the year (h)	On disposals (i)		Translation Adjustment (j)
Goodwill	299	-	630	-	-	929	-	-	(j)	-
Total	299	-	630	-	-	929	-	-	-	-

Particulars	Gross block				Accumulated depreciation				Net block Balance as at 31 March 2021	
	Balance as at 1 April 2020 (a)	Additions (b)	Acquired through business acquisition (c)	Disposals (d)	Translation Adjustment (e)	Balance as at 31 March 2021 (f) = (a+b-c-d-e)	Impairment for the year (h)	On disposals (i)		Translation Adjustment (j)
Goodwill	299	-	-	-	-	299	-	-	(j)	-
Total	299	-	-	-	-	299	-	-	-	-

* Refer note 2.52

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 31 March 2022 and 31 March 2021 was based on the following key assumptions:

- 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.
- The terminal growth rate ranges from 4% to 5% (Previous year: 4% to 5%) representing management view on the future long-term growth rate.
- Discount rate ranging from 11% to 18% (Previous year: 11% to 12.9%) 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.

* Also refer note 2.47, Group has recorded impairment loss pursuant to filing of insolvency by one of the subsidiary (including its step down subsidiaries) of the Group. The subsidiary is considered as a separate Cash Generating Unit.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.4 Investment in joint venture & associates

Particulars	As at 31 March 2022	As at 31 March 2021
Investment in equity instruments of equity investee		
Interest in joint ventures, unquoted		
21,332,700 (31 March 2021: 21,332,700) equity shares of Rs. 10 each fully paid up in Minda Vast Access Systems Private Limited		
1,19,00,000 (31 March 2021: 6,069,000) equity shares of Rs. 10 each fully paid up in Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)*	434	419
2,550,000 (31 March 2021: Nil) equity shares of Rs. 10 each fully paid up in Minda Infac Private Limited**	-	1,254
Interest in associate, unquoted	24	-
29,375,000 (31 March 2021: 29,375,000) equity shares of Rs. 10 each fully paid up in Furukawa Minda Electric Private Limited	84	117
8,387 (31 March 2021: Nil) equity shares of Rs. 10 each fully paid up in EVQ Point Solutions Private Limited ***	53	-
Investment in others		
Investment in equity instruments at cost		
Unquoted equity instruments		
28,180,001 (31 March 2021: 28,180,001) investment in Minda KTSN Plastic Solutions GmbH & Co. KG, Germany	2,207	2,207
Less: Provision for impairment loss (refer to note 2.47)	(2,207)	(2,207)
Investment at amortised cost		
Unquoted preference shares		
520,000 (31 March 2021: 520,000) 0.001% Cumulative redeemable preference shares of Rs.100 each in Minda Capital Private Limited ^	16	15
Investment at fair value through OCI		
Unquoted equity instruments		
11,21,667 (31 March 2021: Nil) equity shares of Rs. 10 each fully paid up in FP West Solar Private Limited	22	-
84,000 (31 March 2021: 130) equity shares of Rs. 10 each fully paid up in AMP Solar Urja Private Limited	1	-
Investment in Compulsorily Convertible Debentures (CCDs)		
Unquoted compulsorily convertible debentures		
84,000 (31 March 2021: Nil) CCDs of Rs. 1000 each fully paid up in AMP Solar Urja Private Limited^^	8	-
	642	1,805

* During the year, the Holding company has purchased 49% equity stake of Minda Instruments Limited (MIL) {Formerly known as Minda Stoneridge Instruments Limited (MSIL)} for a consideration of Rs. 1,611 million from the JV partner. Accordingly, MIL has become wholly owned subsidiary of the Group w.e.f. December 31, 2021. In accordance with Ind AS 103 (Business Combinations) and Ind AS 110 (Consolidated Financial Statements), the Group has re-measured the existing stake at fair value and recorded gain of Rs. 327 million in these consolidated financial results and has been disclosed as exceptional item. As per the valuation report available with the Group, intangibles amounting to Rs 645 million and implied Goodwill of Rs 630 million and fair value gain on Property, plant and equipment's of Rs 73 million have been identified and accounted in the consolidated financial statements. (refer note 2.52)

** During the year, the Holding Company has acquired 51% stake in Minda Infac Private Limited for a consideration of Rs. 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 year, one of the subsidiary has acquired 29.5% stake in EVQ Point Solutions Private Limited

^ 0.001% Cumulative Redeemable preference shares of Rs.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 Rs. 1000/- each. Each CCD is compulsorily convertible into 100 equity shares on the completion period ending 31 December 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 31 March 2022	As at 31 March 2021
Aggregate amount of unquoted investments (gross of impairment)	2,849	4,012
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of impairment in value of investments	2,207	2,207

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.5 Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Non Current		
Balances with banks		
– Deposits maturity after 12 months from the balance sheet date	25	4
Security deposits	109	91
Security deposits to related parties (refer note 2.39)	32	41
	166	136

2.6 Income tax assets

Particulars	As at 31 March 2022	As at 31 March 2021
Advance income tax (net)	144	27
	144	27

2.7 Other non-current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Capital advances	64	131
Prepaid expenses	2	2
Receivable from government authorities	8	13
	74	146

2.8 Inventories

(Valued at cost or net realisable value, whichever is lower)

Particulars	As at 31 March 2022		As at 31 March 2021	
Raw materials (including packing materials, tools and dies)	2,822		2,080	
Add: Material-in-transit	161	2,983	113	2,193
Work-in-progress		545		676
Finished goods	332		384	
Add: Goods-in-transit	481	813	264	648
Stock-in-trade	371		367	
Add: Goods-in-transit	27	398	24	391
Stores and spares		50		51
		4,789		3,959

Refer to note 2.17 and 2.21 for information on inventories pledged as security.

The cost of inventories recognised as an expense includes Rs. 19 million (Previous year: Rs. 17 million) in respect of write-down of inventory to net realisable value (excluding provision for obsolete inventory).

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.9 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables		
Unsecured, considered good *	5,620	4,347
Trade Receivables – which have significant increase in credit risk	-	-
Trade receivable – credit impaired	76	45
Receivable from related parties (refer note 2.39)	68	73
	5,764	4,465
Impairment Allowance (allowances for doubtful debts)		
Unsecured, considered good	-	-
Trade Receivables – which have significant increase in credit risk	-	-
Trade receivable – credit impaired	(76)	(45)
Total Trade Receivables	5,688	4,420

Trade receivables Ageing Schedule

As at 31 March 2022

Particulars	Curent 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

As at 31 March 2021

Particulars	Curent 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	2-3 years	
Undisputed Trade Receivables – considered good*	3,382	852	185	-	2	-	4,421
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	23	21	44
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Total	3,382	852	185	-	25	21	4,465

* Net of accrual towards anticipated discount.

Refer note 2.17 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. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

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 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.10 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Cash on hand	6	5
Balance with banks		
- Deposits with original maturity of 3 months or less	317	146
- On current accounts	385	380
	708	531

2.11 Other bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
Balance with bank		
-Deposits maturity for more than 3 months but less than 12 months *	2,626	4,463
	2,626	4,463

*Deposits include Rs.301 million (31 March 2021: Rs.146 million) being fixed deposits held as margin money or security against borrowings, guarantee.

2.12 Loans

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Loan to related party (refer note 2.39 and 2.47)	414	414
Less: Loss allowance for doubtful loan	(414)	(414)
Loan to employees	-	2
	-	2

Movement in expected credit loss on loans	As at 31 March 2022	As at 31 March 2021
Opening balance	414	-
Add : Amount pursuant to deconsolidation of subsidiary (refer note 2.47)	-	414
Add : Created during the year	-	-
Less : Utilisation during the year	-	-
Closing balance	414	414

2.12.1 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 31 March 2022	As at 31 March 2021
"Minda KTSN Plastic Solution GMBH & Co. KG, Germany	Unsecured short term loan	12%	- *	-

* Net of provision for loss allowance amounting to Rs. 414 million (31 March 2021 Rs. 414 million)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.13 Other financial asset

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Interest accrued on fixed deposits	33	42
Receivable pursuant to settlement agreement (refer note 2.38)	463	472
Receivable from related party (refer note 2.39)	80	-
Unbilled revenue	116	144
Loan to employees	33	26
Mark to market gain on derivative contracts	-	10
Others receivable	3	6
Security deposits	6	5
	734	705

2.14 Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	55	64
Balance with government authorities	300	247
Amount paid under protest (refer note 2.37)	26	8
Advances to suppliers	308	290
Export benefits/rebate claims/grants receivables	197	163
Others	19	10
	905	782

2.15 Equity share capital

Particulars	As at 31 March 2022	As at 31 March 2021
2.15.1 Authorised		
692,500,000 (31 March 2021: 692,500,000) equity shares of Rs. 2 each.	1,385	1,385
240,000 (31 March 2021: 240,000) 0.001% cumulative redeemable preference shares of Rs. 800 each.	192	192
	1,577	1,577
2.15.2 Issued, subscribed and fully paid up		
a) Equity shares of Rs. 2 each (previous year Rs. 2 each)		
239,079,428 (31 March 2021: 239,079,428) equity shares of Rs. 2 each	478	478
	478	478
2.15.3 Reconciliation of share capital outstanding as at the beginning and at the end of the year		

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Equity shares of Rs. 2 each (31 March 2021: Rs. 2 each) fully paid up

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year (face value Rs. 2 per share)	239,079,428	478	227,222,285	454
Add: Issued during the year (face value Rs. 2 per share) (refer to note 2.15.9)	-	-	11,857,143	24
Balance as at the end of the year [face value of Rs. 2 each (31 March 2021: Rs. 2 each)]	239,079,428	478	239,079,428	478

Pursuant to the approval of the shareholders on 23 March 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 Rs. 10 (Rupees Ten) per share to Rs. 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 Rs. 10 each to 209,311,640 shares (including shares held by Minda Corporation limited - Employee Stock Option Scheme trust) of Rs. 2 each.

2.15.4 Rights, preferences and restrictions attached to each class of shares

a) Equity shares of Rs. 2 each (31 March 2021: Rs. 2 each) fully paid up

The Company has one class of equity shares having a par value of Rs. 2 per share (31 March 2021 : Rs. 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 Rs. 800 each fully paid up

The Company had 240,000 cumulative redeemable preference shares of Rs. 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 31 March 2018.

2.15.5 a) Details of shareholder holding more than 5% shares as at year end

a) Equity shares of Rs. 2 each fully paid up

Name of shareholders	As at 31 March 2022		As at 31 March 2021	
	% 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 for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

b) Details of shares held by promoters

As at 31 March 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		

As at 31 March 2021

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		

2.15.6 Shares allotted as fully paid up by way of bonus issue (during five years immediately preceding 31 March 2022)

Particulars	Years (number and aggregate number of shares)					
	2021-22	2020-21	2019-2020	2018-2019	2017-2018	2016-2017
Fully paid up equity shares of Rs.2 each	-	-	-	-	-	-
Cumulative number of shares of Rs.2 each	192,508,430	192,508,430	192,508,430	192,508,430	192,508,430	192,508,430

2.15.7 Issue of shares to Minda Corporation Limited Employees' Stock Option Scheme

Pursuant to the Board of Director's approval in Board meeting held on 29 September 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 Rs.0.1 million towards initial trust fund and later on advanced a sum of Rs.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 Rs. 10 each at the premium of Rs. 490 per equity share to the Minda Corporation limited - Employee stock option scheme trust, as approved in the Extra ordinary general meeting dated 24 October 2011. Further, the Company had issued bonus shares in proportion of one equity share for one share held on 29 March 2012, as decided in Extra ordinary general meeting held on 16 March 2012. During the financial year ended 31 March 2017, the members of the Company had approved 'Employee Stock Option Scheme, 2017' through Postal Ballot on 10 February 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).

2.15.8 Qualified Institutional Placement (QIP) of equity shares

During the year ended 31 March 2019, the Company has raised funds amounting to Rs. 3,056 million (net of expenses of Rs. 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 Rs. 173.47 per share whereby equity share capital has increased by Rs. 36 million and securities premium is increased by Rs. 3,020 million (net of expenses).

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Details of utilization of QIP proceeds are as follows:

Objects of the issue as per prospectus	Proceeds of QIP	Utilized upto 31 March 2022	Unutilized amount as at 31 March 2022	Unutilized amount as at 31 March 2021
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	1,611	1,445	-

The unutilized amount of the issue as at 31 March 2022 has been temporarily deployed in bank accounts

2.15.9 Preferential allotment of equity shares

During the previous year ended 31 March 2021, the Company has raised additional capital aggregating to Rs. 824 million (net of expenses of Rs. 6 million) by way of preferential allotment of equity shares. The Company has issued 11,857,143 shares at a price of Rs.70/- per share whereby equity share capital has increased by Rs. 24 million and securities premium account is increased by Rs. 800 million (net of expenses of Rs. 6 million).

Details of utilization of preferential allotment proceeds are as follows:

Objects of the issue	Proceeds from preferential allotment	Utilized upto 31 March 2021	Unutilized amount as at 31 March 2022	Unutilized amount as at 31 March 2021
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	-	-

2.16 Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021
2.16.1 Capital reserve		
Opening balance	567	567
Closing balance	567	567
2.16.2 Securities premium		
Opening balance	4,828	4,025
Add: Premium on issue of shares	-	806
Less: Amount utilised towards expenses for increase in share capital	-	(6)
Add: Premium on issue of shares issued by ESOP Trust	8	3
Closing balance	4,836	4,828
2.16.3 Equity component of compound financial instrument-Cumulative redeemable preference share		
Opening balance	47	47
Closing balance	47	47
2.16.4 Employee stock compensation outstanding		
Opening balance	25	16
Add: Employee stock compensation expense	21	15

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
Issue of equity shares on exercise of share based awards during the year	(18)	(6)
Closing balance	28	25
2.16.5 General reserve		
Opening balance	549	543
Add: Issue of equity shares on exercise of share based awards during the year	18	6
Closing balance	567	549
2.16.6 Retained earnings		
Opening balance	4,795	4,328
Add: Profit on sale of treasury shares	10	4
Add: Net profit/(loss) for the year	1,919	528
	6,724	4,860
Less : Final dividend (refer details below)	(84)	-
Less : Interim dividend (refer details below)	(69)	(70)
Remeasurement of defined benefit obligation, net of tax	(2)	5
Closing balance	6,569	4,795
2.16.7 Remeasurement of define benefit obligation		
Opening balance	-	-
(Less)/ Add : Remeasurement of define benefit obligation, net of tax	(2)	5
Transferred to retained earnings	2	(5)
Closing balance	-	-
2.16.8 Capital redemption reserve		
Opening balance	192	192
Closing balance	192	192
2.16.9 Foreign currency translation reserve		
Opening balance	(6)	(413)
Add: Amount transferred during the year	31	407
Closing balance	25	(6)
2.16.10 Treasury shares		
Opening balance	(9)	(9)
Less: Issue of shares by ESOP trust	1	-
Closing balance	(8)	(9)
	12,823	10,988

Distribution made and proposed

Particulars	As at 31 March 2022	As at 31 March 2021
Dividends on equity shares declared and paid:		
Final dividend for the year ended 31 March 2022 : Rs. Nil per share (31 March 2021 : Rs. 0.35 per share)	84	-
Interim dividend for the year ended 31 March 2022 : Rs. 0.30 per share (31 March 2021 : Rs. 0.30 per share)*	69	70
	153	70
Proposed dividends on equity shares: **		
Proposed dividend for the year ended 31 March 2022 : Rs. 0.70 per share (31 March 2021 : Rs. 0.35 per share)	167	84
	167	84

* 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 31 March 2022

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.16.11 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 2.42).

- **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.

- **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 Company held by the 'Minda Corporation Limited Employee Stock Option Scheme Trust (ESOP Trust). The Company 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.17 Non-current borrowings

Particulars	Footnote	Non-current		Current maturities	
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Secured					
Term loans					
from banks	[1]	848	922	451	399
from others	[2]	-	11	-	10
Unsecured					
Term loans					
from banks	[3]	-	-	-	418
Deferred sales tax liabilities					
State Industrial and Investment Corporation of Maharashtra Limited (SICOM)	[4]	-	-	-	2
		848	933	451	829
Less: Amount shown under Short term borrowing [refer to note 2.21]		-	-	451	829
		848	933	-	-

Footnotes:

No.	Detail of Loan	Loan outstanding as at 31 March 2022*	Loan outstanding as at 31 March 2021*	Details of security / guarantee / other terms
1	Term loan from banks (denominated in Rs.)	1,188	1,112	<p>31 March 2022: Entire term loan is secured by</p> <ol style="list-style-type: none"> 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- <ol style="list-style-type: none"> a) D6-11, Sector 59, Noida b) Plot no. 68, Echelon Institutional Area, Sector-32, Gurgaon, Haryana <p>31 March 2021: Entire term loan is secured by</p> <ol style="list-style-type: none"> 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- <ol style="list-style-type: none"> a) D6-11, Sector 59, Noida b) Plot no. 68, Echelon Institutional Area, Sector-32, Gurgaon, Haryana <p>Other terms: SIDCUL Industrial Area, Pantnagar, Uttrakhand, 9 Pantnagar IEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, D-225/1,226 & 227 MIDC, Phase-III, Chakan Industrial Area, Chakan, Pune, Maharashtra, Gut No. 221, 222, 235, 249, 253, 254, 268, 269, 270, 271, 272, 278, 282 and 283, Dhanivalli Village, Taluka Murbad, District Thane (Mumbai), Shed No. DP No. G, 42, SIDCO Industrial Estate, Kakkulur and land and building, located at 355, Sector-3, Phase-2, IMT Bawal.</p>
	Term loan from banks - ECB (denominated in USD)	111	209	
2	Vehicle Loan from Kotak Mahindra Prime Limited	-	21	<p>31 March 2022: Nil 31 March 2021: Vehicle Loan is secured by way of hypothecation of respective vehicles in previous financial year.</p>

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

No.	Detail of Loan	Loan outstanding as at 31 March 2022*	Loan outstanding as at 31 March 2021*	Details of security / guarantee / other terms
3	Term loan from banks (denominated in Rs.)	-	418	31 March 2022: Nil 31 March 2021: Negative lien on immovable property situated at 9 A IEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, 9 Pantnagar, IEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, D-225/1, 226 & 227 MIDC, Phase-III, Chakan Industrial, Area, Chakan, Pune, Maharashtra, Gut No. 221, 222, 235, 249, 253, 254, 268, 269, 270, 271, 272, 278, 282 and 283, Dhanivalli Village, Taluka Murbad, District Thane (Mumbai), Shed No. DP No. G 42, SIDCO Industrial Estate, Kakkulur and land and building located at 355, Sector-3, Phase-2, IMT Bawal.
4	Deferred sales tax liabilities (SICOM) (denominated in Rs.)	-	2	31 March 2022: Nil 31 March 2021: Unsecured.
Total		1,299	1,762	

*Net of transaction cost

Repayment Terms:

Loan Category	Frequency of principal repayments	Interest rates	As at 31 March 2022		As at 31 March 2021	
			No of installments	Amount	No of installments	Amount
Term loan from banks (denominated in Rs.)	Quarterly Payments	5.90% to 7.20% (PY 7.00% to 8.10%)	17	425	20	500
			14	306	16	350
			14	373	-	-
			16	11	28	18
	Monthly Payments	7.05% to 7.60% (PY 7.15% to 8.55%)	15	70	27	126
			1	3	13	39
			-	-	7	61
			-	-	6	10
			-	-	6	8
			-	-	10	418
ECB loans (denominated in USD)	Quarterly Payments	1.87% to 1.97% (PY 1.94% to 3.55%)	3	47	7	106
			6	64	10	103
Vehicle Loan (denominated in Rs.)	Quarterly Payments	(PY 8.00% - 9.50%)	-	-	9-22	21

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(All amounts are in Rs. million, unless otherwise stated)

Maturity profile for the year ended 31 March 2022:

Loan Category	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Term loan from banks (Rs. denominated)	-	92	269	827	-	1,188
ECB loans (USD denominated)	-	26	64	21	-	111
Deferred sales tax liabilities	-	-	-	-	-	-
Total	-	118	333	848	-	1,299
Vehicle Loan	-	-	-	-	-	-

Maturity profile for the year ended 31 March 2021:

Loan Category	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Term loan from banks (Rs. denominated)	-	186	530	814	-	1,529
ECB loans (USD denominated)	-	25	77	107	-	210
Deferred sales tax liabilities	2	-	-	-	-	2
Total	2	211	607	921	-	1,741
Vehicle loans	-	3	7	11	-	21

Movement in current and non current borrowings

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Borrowings at the beginning of the year	4,832	5,319
Proceeds / Receipts during the year	-	476
Repayment during the year	(924)	-
Movement due to non-consolidation of subsidiary (refer note 2.49)	-	(1,074)
Movement due to non-cash transactions:		
- Foreign exchange movement	5	111
Borrowings at the end of the year	3,913	4,832

2.18 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 31 March 2022 and 31 March 2021 are::

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Tax expense related to continuing operations	240	312
(b) Tax expense related to discontinued operations	-	-
	240	312
(a) Tax expense related to continuing operations		
Current tax		
Current year	547	327
Adjustments in respect of current income tax of previous years *	(217)	-
	330	327
Deferred tax		
Origination and reversal of temporary differences	(90)	(15)
	(90)	(15)

* 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(b) Tax expense related to discontinued operations		
Current tax		
Current year	-	-
	-	-
Deferred tax		
Origination and reversal of temporary differences	-	-
	-	-
Income tax expense reported in the statement of profit and loss	240	312

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Impairment loss on investments (refer note 2.47)	2,225	2,225
Loss allowance on loans and receivable from related parties	571	571
Provision for Corporate Guarantee *	-	870
	2,796	3,666
Unrecognised tax effects		
The deductible temporary difference do not expire under current tax legislation	704	923

* 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.

C. Amounts recognised in other comprehensive Income

The major components of income tax expense for the years ended 31 March 2022 and 31 March 2021 are:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Income tax		
Remeasurement of post employment benefit obligation	(1)	1
Income tax charges to other comprehensive (income)/expense	(1)	1

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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 31 March 2022 and 31 March 2021:

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Rate	Amount	Rate	Amount
Profit/(loss) before tax excluding share of profit / (loss) of joint venture and including exceptional item				
from continuing operations		1,758		1,208
from discontinued operations		-		(407)
Total Profit/(loss) before tax excluding share of profit / (loss) of joint venture and including exceptional item	25.17%	1,758	25.17%	801
Tax using the Company's domestic tax rate		442		202
Tax effect of:				
Loss of discontinued operations		-		102
Effect of non deductible expense and exempt income		16		23
Tax adjustment for earlier years		(217)		-
Impact of income of subsidiary company taxable at lower rate		(2)		-
Tax incentives - 80IC, 80IA and 80JJAA deduction		(3)		-
Difference in tax rate in foreign jurisdiction		(7)		(4)
Others		11		(11)
Effective tax rate		240		312

E. Component of deferred tax asset / (liability) (net)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred tax asset		
Accrued expense deductible on payment	34	21
Provision for gratuity and compensated absences	101	68
Loss allowance for trade receivables and advances	19	13
Brought forward losses	5	-
Impact of Ind AS 116	43	27
Others	1	-
	202	129
Deferred tax liability		
Difference in book written down value and tax written down value of property, plant and equipment	167	146
Others	160	-
	327	146
Deferred tax liability (net)	(125)	(17)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

F. Movement of temporary differences

Particulars	As at 01 April 2021	Acquired through business acquisition ***	Credited/ (charge) in profit or loss during 2021-22	Foreign currency translation	Credited/ (charge) in OCI during 2021-22	As at 31 March 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	71	-	1	202
Deferred tax liabilities						
Difference in book written down value and tax written down value of property, plant and equipment*	146	37	(16)	-	-	1678
Others**	-	163	(3)	-	-	160
B	146	200	(19)	-	-	327
Net Deferred Tax Liability (A)-(B)	(17)	(174)	90	-	1	(125)

* Includes Deferred Tax Liability amounting to Rs 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 (refer note 2.52).

** Represents in Deferred Tax Liability amounting to Rs 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 (refer note 2.52).

*** Represents Deferred Tax Asset/Liability acquired during Acquisition of Minda Instruments Limited {formerly known as Minda Stoneridge Instruments Limited (refer note 2.52)}.

Particulars	As at 1 April 2020	Credited/(charge) in profit or loss during 2020-21	Foreign currency translation	Credited/(charge) in OCI during 2020-21	As at 31 March 2021
Deferred Tax Asset					
Accrued Expense deductible on payment	18	3	-	-	21
Provision for gratuity and compensated absences	69	(1)	1	(1)	68
Loss allowance for trade receivables	7	6	-	-	13
brought forward losses	-	-	-	-	-
impact of Ind As 116	34	(7)	-	-	27
Other	-	2	-	-	-
A	128	3	1	(1)	129
Deferred tax liabilities					
Difference in book written down value and tax written down value of property, plant and equipment	161	(14)	(1)	-	146
Others	(1)	1	-	-	-
B	160	(13)	(1)	-	146
Net deferred tax (A)-(B)	(32)	16	2	(1)	(17)

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Reflected in Balance Sheet as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax assets	48	17
Deferred tax liabilities	173	34
Deferred tax liabilities (net)	(125)	(17)

2.19 Non current provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits (refer to note 2.19.2)		
–Gratuity	145	97
–Compensated absence	124	109
–Other retirement benefits	40	34
Others		
–Provision for warranties (refer to note 2.19.1)	10	9
	319	249

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:

Particulars	As at 31 March 2022	As at 31 March 2021
At the beginning of the year	81	68
Provided during the year	16	14
Utilised during the year	(7)	(1)
At the end of the year	90	81
Current portion	80	72
Non- current portion	10	9

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 31 March 2022	For the year ended 31 March 2021
Contribution towards		
– Provident fund	163	123
– Employee state insurance	8	8
	171	131

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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. 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.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Changes in the present value of the defined benefit obligation is as follows:		
Present value of defined benefit obligation at the beginning of the year	352	326
Liabilities assumed in business acquisition (refer note 2.52)	64	-
Interest cost	25	22
Acquisition adjustment	(2)	1
Current service cost	54	45
Benefits paid	(44)	(42)
Actuarial (gain)/ loss on obligation	8	-
Present value of defined benefit obligation at the end of the year	456	352
Changes in the present value of the plan asset is as follows:		
Fair value of plan asset at the beginning of the year	232	204
Assets acquired in business acquisition	46	-
Return on plan asset	17	14
Contributions	-	20
Benefits paid	(7)	(6)
Premium	(3)	-
Fair value of plan asset at the end of the year	285	232
Net asset/(liability) recognised in consolidated balance sheet		
Present value of defined benefit obligation at the end of the year	456	352
Fair value of plan asset at the end of the year	285	232
Net liability recognized in the consolidated balance sheet as at the end of the year	(171)	(120)
Current portion	26	23
Non- current portion	145	97
Expenses recognized in the statement of profit and loss:		
Current service cost	54	45
Interest cost	25	22
Expected return on plan assets	(17)	(14)
Expenses recognized in the statement of profit and loss:	62	53
Remeasurements income recognised in other comprehensive income:		
Actuarial loss/(gain) loss on defined benefit obligation	5	-
Actuarial gain/(loss) on planned assets	-	-
Expenses recognised in other comprehensive income:	5	-

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(All amounts are in Rs. million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial assumptions:		
Discount rate	7.19%	6.80%
Expected salary increase rates	8.50%	5.5% to 10%
Mortality	100% of IALM 2012-14	100% of IALM 2012-14
Employee attrition rate		
- Up to 30 years of age	12.00%	3% to 30%
- From 31 years of age to 44 years of age	8.00%	2% to 20%
- Above 44 years of age	5.00%	1% to 10%

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 10.32 years (previous year: 10.33 years). The Group expects to make a contribution of Rs. 74 million (previous year: Rs. 64 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 31 March 2022		For the year ended 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (- / + 1%)	(34)	38	(32)	34
Future salary growth (- / + 1%)	33	(31)	31	(29)

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 31 March 2022	For the year ended 31 March 2021
1 year	27	25
2 to 5 years	116	87
More than 5 years	313	240

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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 31 March 2022 amounts to Rs.154 million (previous year Rs. 120 million) and the expense recognised in the statement of profit and loss during the year for the same amounts to Rs. 64 million (31 March 2021: Rs. 20 million) [Gross payment of Rs. 35 million (31 March 2021: Rs..22 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 31 March 2022	For the year ended 31 March 2021
Contribution towards		
-Social security	24	22
	24	22

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 31 March 2022	For the year ended 31 March 2021
Changes in the present value of the benefit obligation is as follows:		
Opening balance	34	36
Less: De-consolidation of subsidiary	-	(9)
Actuarial (Gain) / Loss on Obligation	(1)	(3)
Service cost	5	5
Interest cost	3	3
Net balance	41	32
Translation adjustment	(1)	2
Closing balance	40	34
Current portion	-	-
Non- current portion	40	34
Expenses recognized in the statement of profit and loss:		
Current service cost	5	5
Interest cost	3	3
Expenses recognized in the statement of profit and loss:	8	7
Remeasurements income recognised in other comprehensive income:		
Actuarial loss / (gain) on defined benefit obligation	(1)	(3)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial assumptions:		
Discount rate		
- Others	7.17%	7.32-7.42%
Expected salary increase rates		
- for PT Minda Automotive Indonesia	8.50%	8.50%
- for Minda Vietnam Automotive Company Limited	Year 1 to 3: 10% Year 4 & 5: 8% Thereafter: 6.5%	Year 1 to 3: 10% Year 4 & 5: 8% Thereafter: 6.5%
Mortality	TMI IV	TMI IV
Employee attrition rate		
- for PT Minda Automotive Indonesia and Minda Vietnam Automotive Company Limited		
- 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%

The impact of sensitivity analysis on actuarial assumptions for overseas entities is considered insignificant, hence the same has not been disclosed

2.20 Other non current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits	39	31
	39	31

2.21 Current borrowings

Movement in expected credit loss on loans	Footnote	As at 31 March 2022	As at 31 March 2021
Secured			
Cash credit and working capital demand loan			
from banks	[1]	2,457	1,466
Vendor financing facility (Letter of Credit)	[2]	-	568
Unsecured			
Cash credit and working capital demand loan			
from banks	[3]	-	350
Supplier payment service facility	[4]	-	322
Purchase order financing facility			
from banks	[5]	120	114
from others	[6]	38	250
Current maturities of (refer note 2.17)			
- Term loans		451	817
- Vehicle loan		-	10
- Deferred payment liability		-	2
		3,066	3,899

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Footnotes:

No.	Detail of Loan*	Outstanding as at 31 March 2022	Outstanding as at 31 March 2021	Details of Security/ Other terms
1	Cash Credit & working capital demand loan - from banks	2,155	1,320	<p>31 March 2022: Secured by first pari passu charge on present & future current assets of the company.</p> <p>31 March 2021: Secured by first pari passu charge on present & future current assets of the company.</p> <p>Other terms: Negative lien on immovable property situated at 9 A IIEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, 9 Pantnagar IIEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, D-225/1,226 & 227 MIDC, Phase-III, Chakan Industrial Area, Chakan, Pune, Maharashtra, Gut No. 221, 222, 235, 249, 253, 254, 268, 269, 270, 271, 272, 278, 282 and 283, Dhanivalli Village, Taluka Murbad, District Thane (Mumbai), Shed No. DP No. G, 42, SIDCO Industrial Estate, Kakkulur and land and building, located at 355, Sector-3, Phase-2, IMT Bawal.</p>
	Overdraft facility-from banks	301	146	Secured by 100% margin on fixed deposits of the company.
2	Vendor financing facility (Letter of Credit)	-	558	<p>31 March 2022: Nil</p> <p>31 March 2021: Facility was given to vendors for bill discounting by way of Letter of Credit and the Letter of Credit facility is secured by first pari passu charge on present & future current assets of the Company.</p> <p>Other terms: Negative lien on immovable property situated at 9 A IIEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, 9 Pantnagar, IIEM, SIDCUL Industrial Area, Pantnagar, Uttrakhand, D-225/1, 226 & 227 MIDC, Phase-III, Chakan Industrial, Area, Chakan, Pune, Maharashtra, Gut No. 221, 222, 235, 249, 253, 254, 268, 269, 270, 271, 272, 278, 282 and 283, Dhanivalli Village, Taluka Murbad, District Thane (Mumbai), Shed No. DP No. G 42, SIDCO Industrial Estate, Kakkulur and land and building located at 355, Sector-3, Phase-2, IMT Bawal.</p>
		-	10	<p>31 March 2022: Nil</p> <p>31 March 2021: Facility is secured by letter of credit and Letter of Credit facility is Secured by 100% margin on fixed deposits of the Company</p>
3	Short Term Loan	-	350	Unsecured
4	Supplier payment service facility	-	322	Unsecured
5	Purchase order financing facility from banks	120	250	Unsecured
6	Purchase order financing facility from others	38	114	Unsecured
	Total	2,614	3,070	

*Current borrowings are either payable in one installment within one year or repayable on demand. All short term loan are denominated in rupee and interest rate is at 4.12% to 8.35%. (PY 4.30% to 8.35%)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.22 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	453	634
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,222	4,431
	5,675	5,065

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables	5,642	4,989
Trade payables to related parties (refer to note 2.39)	33	76
	5,675	5,065

Trade payables Ageing Schedule

As at 31 March 2022

Particulars	Current but 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	2,174	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

As at 31 March 2021

Particulars	Current but 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	577	57	-	-	-	634
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,526	1,051	14	-	-	3,591
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Others *	840	-	-	-	-	840
Total	3,943	1,108	14	-	-	5,065

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

* 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.

2.22.1 Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ('Act')

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:

Particulars	As at 31 March 2022	As at 31 March 2021
The principal amount remaining unpaid to any supplier as at the end of the year	439	631
The interest due on principal amount remaining unpaid to any supplier as at the end of the year	14	3
	453	634
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year.	3,257	3,631
	3,257	3,631
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	9	19
	9	19
The amount of interest accrued and remaining unpaid at the end of the year	23	22
	23	22

2.23 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on borrowings	1	13
Mark to market loss on derivative contracts	1	-
Capital creditors	94	104
Unpaid dividend **	1	-
Payable pursuant to settlement agreement (refer note 2.38)	463	472
Other payables	22	62
	582	651

** There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.24 Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory dues payable	223	111
Advances from customers	132	169
Others	16	3
	371	283

2.25 Provision

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Provision for employee benefits [refer to note 2.19.2]		
Gratuity	26	23
Compensated absence	30	11
Others		
Provision for warranty (refer to note 2.19.1)	80	72
	136	106

2.26 Current tax liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for income tax (net of advance income tax)	63	136
	63	136

2.27 Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Revenue from contract with customers		
Sale of products		
- Manufactured goods	27,272	21,365
- Traded goods	1,994	1,634
Sale of products*	29,266	22,999
b) Other operating revenues		
- Technical know how and service income	259	230
- Scrap sales	143	112
- Job work income	6	12
- Duty drawback and other export incentives	76	61
- Subsidy received	3	-
- Government incentive	-	98
- Other operating income	6	33
- Liabilities / provisions no longer required written back	-	134
Other operating revenues	493	680
Revenue from operations	29,759	23,679

* Disclosures relating to revenue from contract with customers.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.27 (a) Timing of revenue recognition

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Goods transferred at a point in time	29,266	22,999
Total revenue from contract with customers	29,266	22,999

2.27 (b) Contract Balances

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Trade Receivables	5,688	4,420
Contract Assets (Unbilled revenue) (refer note 2.13)	116	144
Contract Liabilities (Advance from customers) (refer note 2.24)	132	169

Contract assets relates to revenue earned by the Company on account of rate difference agreed with the customer. Amount billed during the year Rs. 144 million (31 March 2021: Nil) 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 Rs. 169 million (31 March 2021: Rs. 99 million). Advance amount received during the year is Rs. 132 million (31 March 2021: 169 million) is outstanding at the year end.

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 31 March 2022	For the year ended 31 March 2021
Revenue as per contracted price	29,471	23,328
Adjustments		
Sales return	(132)	(124)
Discount	(73)	(205)
Revenue from contract with customers	29,266	22,999

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..

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.28 Other income

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Rate	Amount	Rate	Amount
Interest income				
– on fixed deposits		194		265
– on others		7		1
Liabilities / provisions no longer required written back		-		3
Rental income (refer note 2.35)		19		15
Gain on derecognition of ROU assets {refer note 2.1 (b)}		13		-
Miscellaneous income		9		48
		242		332

2.29 Cost of materials consumed

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Rate	Amount	Rate	Amount
Opening stock	2,679		1,881	
Add: Translation adjustment	4		1	
		2,683		1,882
Add: Purchases during the year	17,541		14,450	
		17,541		14,450
		20,224		16,332
Less: Closing stock	2,983		2,213	
Add: Translation adjustment	(7)		(31)	
		2,976		2,182
		17,248		14,150

2.30 Changes in inventories of finished goods, stock in trade and work in progress

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Rate	Amount	Rate	Amount
Finished goods (including stock in trade)				
Opening stock	1,140		925	
Add/ (less): Translation adjustment	1		2	927
		1,141		927
Closing stock	1,211		1,039	
Add/ (less): Translation adjustment	(1)		(3)	1,036
		1,210		1,036
		(69)		(109)
Work in progress				
Opening stock	752		525	
Add/ (less): Translation adjustment	-		-	525
		752		525
Closing stock	545		676	
Add/ (less): Translation adjustment	-		-	676
		545		676
		207		(151)
Decrease / (Increase) in inventories		138		(260)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.31 Employee benefits expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	4,282	3,469
Contribution to Provident fund and other funds (refer note 2.19.2)	196	153
Gratuity (refer note 2.19.2)	62	53
Employee stock compensation expense (refer note 2.41)	21	15
Staff welfare expense	181	137
	4,742	3,827

2.32 Finance costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense		
on borrowings from banks	200	260
on borrowings from others	13	20
on lease liabilities	69	47
Other borrowing costs	27	31
	309	358

2.33 Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Jobwork charges	574	520
Consumption of stores and spare parts	283	206
Power and fuel	599	480
Rent (refer note 2.35)	25	21
Repair and maintenance		
-buildings	79	69
-plant and machinery	169	130
-others	116	86
Travelling and conveyance	264	228
Legal and professional	155	158
Auditor Remuneration	8	17
Communication expenses	38	39
Charity and donations	-	1
Bad debts/amounts written off	15	3
Loss allowance for expected credit loss	32	23
Rates and taxes	21	18

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Exchange fluctuations (net)	5	2
Warranty expenses	16	14
Corporate social responsibility expenses	50	25
Loss on sale/discard of property, plant and equipment	8	-
Advertisement and business promotion	65	51
Freight and forwarding expenses	538	432
Insurance expenses	48	43
Bank charges	11	30
Security expense	6	7
Miscellaneous expenses*	189	154
	3,313	2,757

* Includes Rs. 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 31 March 2022	For the year ended 31 March 2021
Net profit / (loss) attributable to equity shareholders		
From continuing operations	1919	935
From discontinued operations	-	(407)
From continuing and discontinued operations	1919	528
Number of weighted average equity shares		
Basic	235,219,788	226,238,516
Diluted	239,423,428	230,952,156
Nominal value of equity share (Rs.)	2.00	2.00
Earnings per share (Rs.) (Basic)		
From continuing operations	8.16	4.13
From discontinued operations	-	(1.80)
From continuing and discontinued operations	8.16	2.33
Earnings per share (Rs.) (Diluted)		
From continuing operations	8.01	4.05
From discontinued operations	-	(1.80)
From continuing and discontinued operations	8.01	2.29

In the previous year, as the potential equity shares are anti-dilutive, the effect of same is ignored in calculating diluted earnings per share as per

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.35 Leases

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 31 March 2022	As at 31 March 2021
Balance as at the beginning of the year	445	882
Less: Discontinued operations (refer to note 2.47)	-	(338)
Add: Addition during the year	846	98
Add: Acquired through business acquisition (refer to note 2.52)	111	-
Less: Deletion during the year	(48)	(6)
Add: Finance cost	69	47
Less: Repayment	(277)	(258)
Less: Translation adjustments	-	20
Balance as at the end of the year	1146	445
Current	176	147
Non-current	970	298

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Amounts recognised in Statement of Profit and Loss		
Interest on lease liabilities	69	47
Depreciation expense	218	167
Expenses relating to short-term leases and leases of low-value assets	25	21
Amounts recognised in Cash Flow Statement		
Repayment of lease liabilities	277	258
Interest paid on lease liabilities	69	47
	346	305

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.

Company 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 31 March 2022	As at 31 March 2021
- Within one year	16	17
- Later than one year and not later than five years	-	16
- Later than five years	-	-

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Lease rent income recognised in the Statement of profit and loss (Refer note 2.28)	19	15

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.36 Capital and other commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	358	589
Estimated amount of contracts remaining to be executed on capital account and not provided for pertaining to interest in joint ventures	3	11
	361	600

2.37 Contingent liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
i) Claims against the Group not acknowledged as debts*		
a) Income tax { Amount paid under protest Rs. 10 million (previous year: Rs. Nil)}	316	60
b) Sales tax/ VAT (Amount paid under protest Rs. 14 million (previous year Rs. 1 million)	211	87
c) Excise duty/Service tax/ Custom Duty (Amount paid under protest Rs. 2 million (previous year Rs. 7 million)	6	11
d) Bonus payable for financial year 2014-15 as per payment of Bonus Act, 1965	1	-
Others		
Contingent liabilities related to joint ventures/ associate**	21	64

*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 group.

Further on account of merger of Companies as mentioned in Corporate information under Note 2 to the financial statement, Minda Corporation Limited has 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 has been assessed without giving the credit of prepaid/ advance taxes paid by those merged entities and accordingly demand amounting to Rs. 381 million has been raised. In a similar manner for Assessment Year 2020-21 demand of Rs. 42 million has 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

- With respect to assessment year 2012-2013 till assessment year 2018-2019, the income tax authorities have increased the taxable income of the Holding Company by Rs 479 million (31 March 2021: Rs Nil) 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 Rs 208.76 million (31 March 2021: Rs Nil) against which Company had deposit amounting to Rs 10 million (31 March 2021: Rs Nil). The Company has preferred an appeal with Commissioner of Income Tax (Appeals) and based on the discussion with the legal counsel is confident of favourable outcome.

B. For others (with respect to subsidiaries)

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

- With respect to assessment year 2018-2019, the income tax authorities have increased the taxable income by Rs 12 million (31 March 2021: Rs Nil) on account of transfer pricing adjustments. Tax impact of the same is Rs 7 million (31 March 2021: Rs. Nil) against which Company had deposit amounting to Rs 1 million (31 March 2021: Rs Nil). 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.
- With respect to assessment year 2017-18, the tax authorities have increased the taxable income on account of disallowance of royalty expenditure, management fees expenditure and other adjustments. Tax impact of the same is Rs 44 million (31 March 2021: Rs 44 million). The Company has preferred an appeal with Tax Court and based on the discussion with 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

- Matter pending with Deputy Commissioner of State Tax, Pune pertaining to financial year 2016-2017 for disallowance of input tax credit. The Holding Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs 3 million (31 March 2021: Rs 9 million) against which Company had deposit amounting to Rs 1 million (31 March 2021: Rs 1 million).
- Matter pending with Deputy Commissioner of State Tax, Pune pertaining to financial year 2017-2018 for disallowance of input tax credit. The Holding Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs 1 million (31 March 2021: Rs 6 million) against which the holding company had deposit amounting to Rs Nil (31 March 2021: Nil).
- Matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2017-2018 demand raised for non-submission of Statutory Form C. The Holding Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs. 18 million (31 March 2021: Rs 31 million) against which holding company had deposit amounting to Rs Nil million (31 March 2021: Rs Nil).
- Matter pending with Joint Excise & Taxation Commissioner(Appeals) pertaining to financial year 2017-2018 for disallowance of input tax credit. The Holding Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs 14 million (31 March 2021: Rs 14 million)
- 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 Rs 10 million (31 March 2021: Rs. Nil)

B. For others (with respect to subsidiaries)

- 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 Rs 63 million (31 March 2021: Rs Nil) against which subsidiary had deposit amounting to Rs 6 million (31 March 2021: Rs. Nil).
- Matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2015-2016 for disallowance of input tax credit. The Subsidiary has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs 14 million (31 March 2021: Rs Nil) against which subsidiary had deposit amounting to Rs 1 million (31 March 2021: Rs. Nil).
- Matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2016-17 demand raised for non-submission of Statutory Forms and other adjustments. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs 65 million (31 March 2021: Rs 65 million) against which Company had deposit amounting to Rs 2 million (31 March 2021:Rs.Nil)
- Matter pending with Joint Commissioner of State Tax, Pune pertaining to financial year 2016-2017 for disallowance of input tax credit. The Subsidiary has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs 11 million (31 March 2021: Rs 11 million) against which Subsidiary had deposit amounting to Rs 1 million (31 March 2021: Rs. Nil).

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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 cum Demand Notice which was issued by the Directorate General of GST Intelligence (DGGI) under Central Excise Act, 1944 (CEA) on Minda Corporation Limited and Maruti Suzuki India Limited 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, Maruti Suzuki India Limited also provided drawing/designs to Minda Corporation Limited and Maruti Suzuki India Limited, free of cost. While computing the value of excisable goods manufactured by Minda Corporation Limited and Maruti Suzuki India Limited, 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. The Holding Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs 4 million (31 March 2021: Rs.4 million)

In relation to Contingent Liability related to Joint Ventures/ Associates majorly includes (Share of Group in the contingent liabilities)

1. 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 Minda Vast Access System Private Limited and Maruti Suzuki India Limited for the period 2012-13 to 2016-17 Allegations made in the SCN is that Minda Vast Access System Private Limited 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 Minda Vast Access System Private Limited and MSL, free of cost. While computing the value of excisable goods manufactured by Minda Vast Access System Private Limited and Maruti Suzuki India Limited, 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. The Joint Venture has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs 7 million (31 March 2021: Rs.7 million)
2. Matter pending with Directorate General of Goods & Service Tax Intelligence pertaining to financial year 2013-2014 for Service Tax Liability on Compensation Agreement. The Company has done an analysis and is of the opinion that it has a fair chance of favourable decision. The tax amount involved Rs 10 million (31 March 2021: Rs 10 million) against which the joint venture had deposit amounting to Rs 1 million (31 March 2021: Rs.1 million).

For Associates

1. With respect to assessment year 2013-14, the income tax authorities have raised the demand of Rs 32 million (31 March 2021: Rs32 million) on account of various adjustments under Income Tax Act, 1961. 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.

** During the year, Minda Corporation Limited has acquired 49% balance stake of Minda Instruments Limited (Formerly known as Minda Stoneridge Instruments Limited) on 1 January 2022 and accordingly it became 100% Subsidiary of Minda Corporation Limited. Till previous year Minda Corporation Limited share of contingent liability have been disclosed under this note)

- ii) Pursuant to judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages for the purpose of provident fund, to include special allowances which are common for all employees. However there is uncertainty with respect to the 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.38 During the year ended 31 March 2017, 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 Group. At the time of entering into the above mentioned LOC, the group also obtained indemnity letter from ultimate parent of party, indemnifying the group 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 group in respect of this damage claim.

During the previous year, the group and party have entered into settlement agreement, pursuant to which group is required to pay Rs. 463 million {(31 March 2021 Rs. 473 million) (Euro 5.5 million)}. As per Ind AS 37, the group has accounted for payable against settlement amount under "other financial liabilities" and correspondingly recognised receivable under "other financial assets".

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 (w.e.f 5 November 2020)		
		Mr. Vinod Raheja - Group CFO (w.e.f 4 February 2022)		
		Mr. R. Laxman - Executive Director and Group CFO (w.e.f. 26 September 2019, up to 31 December 2020)		
		Mr. Naresh Kumar Modi - Executive Director & CFO (w.e.f 18 May 2021, up to 4 February 2022)		
		Mr. Ashim Vohra - COO		
		Mr. Ajay Sancheti - Company Secretary (up to 1 August 2020)		
		Mr. Pardeep Mann - Company Secretary (w.e.f 1 August 2020)		
		(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 10.08.2021)
Minda Vast Access Systems Private Limited				
Furukawa Minda Electric Private Limited				
Minda Instruments Limited, India (formerly known as Minda Stoneridge Instruments Limited, upto 31 December 2021)*				

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Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

	Description of relationship	Name of the party
		EVQ Point Solutions Private Limited (w.e.f. 29 October 21)
(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
(v)	Others	Minda KTSN Plastic Solutions GmbH & Co. KG, Germany (w.e.f 10 June 2020) (refer note 2.47)

*During the 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. 1 January 2022 and hence transactions upto 31 December 2021 have been disclosed.

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
Joint Venture						
Minda VAST Access System Private Limited	2021-22	132	-	-	-	15
	2020-21	89	-	-	1	10
Minda Infac Private Limited	2021-22	-	24	-	-	14
	2020-21	-	-	-	-	-
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2021-22	9	-	26	5	6
	2020-21	12	-	29	7	11
Associate						
Furukawa Minda Electric Private Limited	2021-22	28	-	5	-	-
	2020-21	32	-	10	-	-
Enterprise in which directors of the Company and their relatives exercise significant influence:						
Minda Silca Engineering Limited	2021-22	55	-	-	1	-
	2020-21	35	-	-	3	-
Minda Capital Limited	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Key Managerial Personnel:						
Mr. Ashok Minda *	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Mr. Vinod Raheja *	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Mr. Laxman Ramnarayan *	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Mr Ashim Vohra *	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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
Mr. Ajay Sancheti *	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Mr. Pardeep Mann *	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Mr. Aakash Minda *	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Mr. N.K.Modi *	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Relative of Key Managerial Personnel:						
Mr. Aakash Minda	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-

* Does not include provisions for gratuity and compensated absences liabilities, since the provisions are based on actuarial valuations for the Group as a whole..

Details of transactions and balances with related parties (Cont.):

Party name	Period	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	2021-22	99	14	-	-	-	1
	2020-21	31	10	-	-	-	1
Minda Infac Private Limited	2021-22	-	-	26	-	-	-
	2020-21	-	-	-	-	-	-
Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited)	2021-22	155	33	-	-	-	-
	2020-21	151	41	-	-	-	-
Associate							
Furukawa Minda Electric Private Limited	2021-22	-	-	-	-	-	-
	2020-21	6	-	-	-	-	-
Enterprise in which directors of the Company and their relatives exercise significant influence:							
Minda Silca Engineering Limited	2021-22	141	4	-	-	-	-
	2020-21	99	4	-	-	-	-
Minda Capital Limited	2021-22	-	-	-	174	-	-
	2020-21	-	-	-	135	-	-
Key Managerial Personnel:							

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Party name	Period	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. Ashok Minda *	2021-22	-	-	-	-	80	-
	2020-21	-	-	-	-	50	-
Mr. Vinod Raheja *	2021-22	-	-	-	-	6	-
	2020-21	-	-	-	-	-	-
Mr. Laxman Ramnarayan *	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	14	-
Mr Ashim Vohra *	2021-22	-	-	-	-	17	-
	2020-21	-	-	-	-	11	-
Mr. Ajay Sancheti *	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	4	-
Mr. Pardeep Mann *	2021-22	-	-	-	-	3	-
	2020-21	-	-	-	-	2	-
Mr. Aakash Minda *	2021-22	-	-	-	-	15	-
	2020-21	-	-	-	-	6	-
Mr. N.K.Modi *	2021-22	-	-	-	-	29	-
	2020-21	-	-	-	-	7	-
Relative of Key Managerial Personnel:							
Mr. Aakash Minda	2021-22	-	-	-	1	-	-
	2020-21	-	-	-	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..

Details of transactions and balances with related parties (Cont.):

Party name	Period	Purchase 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	Lease Liability payable as at the year end	Investments as at the year end
Joint Venture								
Minda VAST Access System Private Limited	2021-22	-	-	54	-	18	-	-
	2020-21	-	-	40	-	3	-	-
Minda Infac Private Limited	2021-22	-	-	-	32	-	-	26
	2020-21	-	-	-	-	-	-	-
Minda Stoneridge Instruments Limited	2021-22	-	-	22	-	48	-	-
	2020-21	-	-	16	-	36	-	-
Associate								
Furukawa Minda Electric Private Limited	2021-22	-	-	8	-	-	-	-
	2020-21	-	-	11	-	1	-	-
Enterprise in which directors of the Company and their relatives exercise significant influence:								

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Party name	Period	Purchase 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	Lease Liability payable as at the year end	Investments as at the year end
Minda Silca Engineering Limited	2021-22	-	-	0		14	-	
	2020-21	5	-	5		31	-	
Minda Capital Limited	2021-22	-	41	-	472	0	774	52
	2020-21	-	41	-	472	4	201	52
Key Managerial Personnel:								
Mr. Ashok Minda	2021-22	-	-	-	-	50		
	2020-21	-	-	-	-	26		

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 31 March 2022	For the year ended 31 March 2021
Revenue		
Domestic	24,802	20,348
Overseas		
Asia (excluding domestic)	1,794	1,141
America	615	227
Europe	2,548	1,963
Total	29,759	23,679

Carrying amount of assets

Location	For the year ended 31 March 2022	For the year ended 31 March 2021
Domestic	23,687	20,730
Overseas		
Asia (excluding domestic)	1,276	1,634

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

America	261	141
Europe	495	793
Total	25,719	23,298
Additions of property, plant and equipment and intangible fixed assets		
Domestic		
- Property, plant and equipment	1,031	2,173
- Intangible fixed assets	43	25
	1,074	2,198
Overseas		
Asia (excluding domestic)		
- Property, plant and equipment	13	22
- Intangible fixed assets	-	-
	13	22

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.

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 Rs. 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

S.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

S.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

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

S.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

The movement in the stock options under the Plan, during the year, is set out below:

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of options	Weighted average exercise price (Rs.)	Number of options	Weighted average exercise price (Rs.)
Outstanding at the beginning of the year	1,242,000	50	588,000	50
Granted during the year	530,000	50	1,012,000	50
Exercised during the year	(386,000)	50	(124,000)	50
Forfeited during the year	(214,000)	50	(234,000)	50
Outstanding at the end of the year	1,172,000	50	1,242,000	50
Exercisable at the end of the year	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%-6.3%
Exercise price (Rs.)	50
Expected dividend yield	.4%- .6%
Life of options (years)	2 - 4 years
Weighted average fair value of options as at the grant date (Rs.)	28.5-159.6

The options outstanding as at 31 March 2022 have a weighted average remaining contractual life of 2.84 years (31 March 2021: 3.13 year)

The amount recognised as an expense in statement of profit and loss account for employee services received amounting to Rs 21 million (31 March 2021 Rs 15 million). Further, there were no cancellations or modifications to the scheme in year ending 31 March 2022 or 31 March 2021.

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 31 March 2022

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Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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	0.52%	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	0.28%	38	0.21%	4
Minda Vietnam Automotive Co. Limited , Vietnam	2.91%	387	3.91%	75
Minda Europe BV	0.15%	20	0.00%	-
KTSN Kunststofftechnik Sachsen Beteiligungs- GmbH, Germany (refer note 2.49)	0.00%	-	0.00%	-
Minda KTSN Plastic and Tooling Solutions Sp Z.O.O, Poland (refer note 2.49)	0.00%	-	0.00%	-
Minda KTSN Plastic Solutions GmbH & Co. KG, Germany (refer note 2.49)	0.00%	-	0.00%	-
Minda KTSN Plastic Solutions S.R.O, Czech Republic (refer note 2.49)	0.00%	-	0.00%	-
Minda KTSN Plastic Solutions Mexico, S. de R.L. de C.V, Mexico (refer note 2.49)	0.00%	-	0.00%	-
Associate (Investment as per equity method)				
Indian				
Furukawa Minda Electric Private Limited	(0.14%)	(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

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

As at 31 March 2021

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	89.54%	10,267	158.52%	837
Subsidiaries				
Indian				
Spark Minda Foundation	0.25%	29	4.55%	24
Minda Corporation limited - Employee Stock Option Scheme trust	(0.51%)	(58)	0.00%	-
Spark Minda Green Mobility System Private Limited	0.03%	4	(0.19%)	(1)
Foreign				
PT Minda Automotive Indonesia, Indonesia	3.20%	367	(3.60%)	(19)
Almighty International PTE Limited, Singapore	3.99%	457	(0.19%)	(1)
PT Minda Automotive Trading, Indonesia	0.28%	32	0.38%	2
Minda Vietnam Automotive Co. Limited , Vietnam	3.11%	357	10.42%	55
Minda Europe BV	0.17%	19	0.00%	-
KTSN Kunststofftechnik Sachsen Beteiligungs- GmbH, Germany (refer note 2.49)	0.00%	-	0.00%	-
Minda KTSN Plastic and Tooling Solutions Sp Z.O.O, Poland (refer note 2.49)	0.00%	-	5.62%	30
Minda KTSN Plastic Solutions GmbH & Co. KG, Germany (refer note 2.49)	0.00%	-	(2.13%)	(11)
Minda KTSN Plastic Solutions S.R.O, Czech Republic (refer note 2.49)	0.00%	-	(1.15%)	(6)
Minda KTSN Plastic Solutions Mexico, S. de R.L. de C.V, Mexico (refer note 2.49)	0.00%	-	(0.64%)	(3)
Furukawa Minda Electric Private Limited	0.13%	15	(12.50%)	(66)
Jointly controlled entity (Investment as per equity method)				
Indian				
Minda Stoneridge Instruments Limited	4.50%	516	25.57%	135
Minda Vast Access Systems Private Limited	0.31%	35	(5.87%)	(31)
Eliminations/adjustments	(5.01%)	(574)	(78.79%)	(417)
Total	100.00%	11,466	100.00%	528

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Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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 31 March 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) Bank balances other than (ii) above	-	-	2,626	2,626	-	-	-
(iv) Loans	-	-	-	-	-	-	-
(v) Other financial assets	-	-	734	734	-	-	-
Total	-	31	9,938	1,009,969			
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			

ii. As on 31 March 2021

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)	-	-	15	15	-	-	-
(iii) Other financial assets	-	-	136	136	-	-	-
Current							
(i) Trade receivables	-	-	4,420	4,420	-	-	-
(ii) Cash and cash equivalents	-	-	531	531	-	-	-
(iii) Bank balances other than (ii) above	-	-	4,463	4,463	-	-	-
(iv) Loans	-	-	2	2	-	-	-
(v) Other financial assets	10	-	695	705	-	-	-
Total	10	-	10,262	10,272			

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial liabilities							
Non-current							
(i) Borrowings	-	-	933	933	-	-	-
(ii) Lease Liability	-	-	298	298	-	-	-
Current							
(i) Borrowings	-	-	3,899	3,899	-	-	-
(ii) Lease Liability	-	-	147	147	-	-	-
(iii) Trade payables	-	-	5,065	5,065	-	-	-
(iv) Other financial liabilities	-	-	651	651	-	-	-
Total	-	-	10,993	10,993	-	-	-

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 31 March 2022 and 31 March 2021

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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.

(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 31 March 2021	31 March 2021	Sensitivity*	
	31 March 2022	31 March 2021				1% increase in inputs	1% decrease in inputs
Investment in equity shares							
- FP West Solar Private Limited	21	-	Market Multiple	Weighted average cost of capital - 15% EV/Revenue multiple - 7.45x	NA	-	-
- AMP Solar Urja Private Limited	1	-	Market Multiple	Weighted average cost of capital - 13% EV/PAT multiple- 13.13x	NA	-	-
Investment in Compulsorily Convertible Debentures							
- AMP Solar Urja Private Limited	8	-	Market Multiple	Weighted average cost of capital - 13% EV/PAT multiple- 13.13x	NA	-	-

* Sensitivity has been considered for mentioned inputs, keeping the other variables constant. Rs. '1' represents values below Rs. 500,000 as the financials in round off to Rupees in millions

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. 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 31 March 2022	As at 31 March 2021
Investments (excluding investment in jointly controlled entities/associate)	47	15
Trade receivables	5,688	4,420
Cash and cash equivalents	708	531
Other bank balances	2,626	4,463
Loans	-	2
Other financial assets	900	841

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 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. 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 31 March 2022	For the year ended 31 March 2021
Balance at the beginning of the year	(45)	(21)
Impairment loss recognised/ (reversed), net	(32)	(23)
Amount written off	153	(1)
Balance at the end of the year	76	(45)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

a) Expected credit loss for loans and security deposits

As at 31 March 2022

Particulars	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	-	0%	-	-
	Loans to employee	147	0%	-	147
	Security Deposits				
Loss allowance measured at life-time expected credit loss	Financial assets for which credit risk has increased significantly and not credit-impaired	NA	NA	NA	NA
	Financial assets for which credit risk has increased significantly and credit-impaired	NA	NA	NA	NA

As at 31 March 2021

Particulars	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	-	0%	-	-
	Loans to employee	137	0%	-	137
	Security Deposits				
Loss allowance measured at life-time expected credit loss	Financial assets for which credit risk has increased significantly and not credit-impaired	NA	NA	NA	NA
	Financial assets for which credit risk has increased significantly and credit-impaired	NA	NA	NA	NA

b) Expected credit loss for trade receivables under simplified approach

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

Particulars	Carrying amount	
	As at 31 March 2022	As at 31 March 2021
Current (not past due)	5,013	3,408
1 to 30 days past due	351	635
31 to 60 days past due	56	163
61 to 90 days past due	74	74
More than 90 days past due*	270	185
Expected credit losses (Loss allowance provision)	76	(45)
Carrying amount of trade receivables (net of impairment)	5,688	4,420

*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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

(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 Rs. 3,334 million as at 31 March 2022 (31 March 2021: Rs. 4,997 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.

I. Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2022	As at 31 March 2021
From banks - Current	3,675	3,269
From banks - Non current	-	750
From others	363	250

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 31 March 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	2,456	276	333	-	-	3,065
Lease liabilities	176	-	141	35	-	-	176
Trade payables	5,675	5,675	-	-	-	-	5,675
Other financial liabilities	582	582	-	-	-	-	582
Total	11,317	8,713	417	368	1,818	-	11,317

* Carrying value represents discounted value as at 31 March 2022

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

As at 31 March 2021	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Non-current liabilities							
Borrowings	933	-	-	-	933	-	933
Lease liabilities *	298	-	-	-	298	-	298
Current liabilities							
Borrowings	3,899	1,818	1,467	614	-	-	3,899
Lease liabilities	147	-	40	107	-	-	147
Trade payables	5,065	5,065	-	-	-	-	5,065
Other financial liabilities	651	651	-	-	-	-	651
Total	10,993	7,534	1,507	721	1,231	-	10,993

* Carrying value represents discounted value as at 31 March 2021

(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 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 31 March 2022 and 31 March 2021 are as below:

Particulars	As at 31 March 2022			
	USD	EURO	CHF	JPY
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

Particulars	As at 31 March 2021			
	USD	EURO	CHF	JPY
Financial assets				
Trade receivables	299	519	-	-
	299	519	-	-
Financial liabilities				
Borrowings	209	-	-	-
Trade payables	114	126	2	24
	323	126	2	24

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Sensitivity analysis

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

Particulars	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 31 March 2022				
USD	(1)	1	(1)	1
EUR	3	(3)	2	(2)
CHF	-	-	-	-
JPY	-	-	-	-
	2	(2)	2	(2)
For the year ended 31 March 2021				
USD	-	-	-	-
EUR	4	(4)	3	(3)
CHF	-	-	-	-
JPY	-	-	-	-
	4	(4)	3	(3)

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

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			
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	Up to 12 months nominal amount		More than 12 months nominal amount	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
INR/USD Sell forward	13	20	1	2	100	150	-	-
INR/EUR Sell forward	2	20	-	3	17	245	-	-
INR/USD Buy forward	2	-	-	-	-	-	-	-
INR/USD Call option	2	2	1	3	79	92	19	98
Interest rate swap#								
INR/USD Buy	2	2	1	3	79	92	19	98

Represent principal amount of loan hedged

Sensitivity analysis

The following table details the group's sensitivity to a 1% increase and decrease in the Rs. 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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 31 March 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)	1	(1)
For the year ended 31 March 2021				
INR/USD Sell forward	2	(2)	1	(1)
INR/EUR Sell forward	2	(2)	2	(2)
INR/USD Buy forward	-	-	-	-
INR/USD Call option	2	(2)	1	(1)
	6	(6)	4	(4)

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 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 31 March 2022	As at 31 March 2021
Non current borrowings	827	815
Current borrowings	2,193	2,850
Current maturities of non-current borrowings	361	716
Total	3,381	4,381

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 31 March 2022	(17)	17	(13)	13
For the year ended 31 March 2021	(22)	22	(16)	16

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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 31 March 2022	As at 31 March 2021
Current borrowings (including current maturities and lease liabilities)	3,242	4,046
Non-current borrowings (including lease liabilities)	1,818	1,231
Less : Cash and cash equivalents	(708)	(531)
Adjusted net debt (A)	4,352	4,746
Total equity (B)	13,301	11,466
Adjusted net debt to adjusted equity ratio (A/B)	32.7%	41.4%

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

2.45 Other statutory information

- The Group do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 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:
 - 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
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Group have 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:
 - 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,
- The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

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:-

Name of Struck off Company	Nature of transactions with struck-off company	Balance Outstanding as on 31 March 2022	Relationship with the Struck off company, if any, to be disclosed	Balance Outstanding as on 31 March 2021	Relationship with the Struck off company, if any, to be disclosed
Interium Automotive Private Limited	Payable	3	NA	3	NA
Spunk Indo Marketings Private Limited	Payable	-	NA	-	NA
COMPETENT ENGINEERS	Payable	-	NA	NA	NA
Sky Force Security & Alliance Services Private Limited	Payable	1	NA	-	NA
Paradise Plastic Enterprises Ltd	Receivable	1	NA	NA	NA
Sunrise Autoelectronics Private Limited	Payable	11	NA	11	NA

2.46 Quarterly returns submitted with the bank

The quarterly returns or statements filed by the Holding Company for working capital limits with banks and financial institutions are not in agreement with the books of account of the Company, 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 Rs. 917 million (amount reported Rs. 4,424 million vs amount per books of account Rs. 3,507 million), Rs. 472 million (amount reported Rs. 4,245 million vs amount per books of account Rs. 3,774 million), Rs. 250 million (amount reported Rs. 4,131 million vs amount per books of account Rs. 3,881 million), for the quarter ended June 30, 2021, September 30, 2021, and December 31, 2021 respectively.

In the previous year the differences were in case of Debtors amounting to Rs. 621 million (amount reported Rs. 1,946 million vs amount per books of account Rs. 1,325 million), Rs. 636 million (amount reported Rs. 4,055 million vs amount per books of account Rs. 3,419 million), Rs. 834 million (amount reported Rs. 4,271 million vs amount per books of account Rs. 3,438 million) 965 million (amount reported Rs. 5,240 million vs amount per books of account Rs. 4,275 million) for the quarter ended June 30, 2020, September 30, 2020, December 31, 2020 and 31 March, 2021 respectively.

Further, Creditors had a difference of Rs. 1,317 million (amount reported Rs. 2,714 million vs amount per books of account Rs. 4,031 million), Rs. 1,440 million (amount reported Rs. 2,964 million vs amount per books of account Rs. 4,405 million), Rs. 1,279 million (amount reported Rs. 2,768 million vs amount per books of account Rs. 4,047 million), for the quarter ended June 30, 2021, September 30, 2021 and December 31, 2021 respectively.; and

In the previous year, Creditors had a difference of Rs. 663 million (amount reported Rs. 1,866 million vs amount per books of account Rs. 2,528 million), Rs. 880 million (amount reported Rs. 3,461 million vs amount per books of account Rs. 4,341 million), Rs. 1,084 million (amount reported Rs. 3,981 million vs amount per books of account Rs. 5,065 million) 366 million (amount reported Rs. 4,349 million vs amount per books of account Rs. 4,714 million) for the quarter ended June 30, 2020, September 30, 2020, December 31, 2020 and 31 March, 2021 respectively. ; and

Inventory had a difference of Rs. 217 million (amount reported Rs. 4,124 million vs amount per books of account Rs. 3,908 million), Rs. 243 million (amount reported Rs. 3,996 million vs amount per books of account Rs. 3,753 million), Rs. 175 million (amount reported Rs. 4,156 million vs amount per books of account Rs. 3,981 million), for the quarter ended June 30, 2021, September 30, 2021 and December 31, 2021.

In previous year, Inventory had a difference of Rs. 64 million (amount reported Rs. 3,051 million vs amount per books of account Rs. 2,987 million), Rs. 43 million (amount reported Rs. 2,913 million vs amount per books of account Rs. 2,870 million), Rs. 171 million (amount reported Rs. 3,686 million vs amount per books of account Rs. 3,515 million) 98 million (amount reported Rs. 3,849 million vs amount per books of account Rs. 3,751 million) for the quarter ended June 30, 2020, September 30, 2020, December 31, 2020 and 31 March, 2021 respectively.

Furthermore, information's/ detailed for the quarter ended 31 March, 2022 are yet to be submitted by the Holding company, basis their discussion with the banks the same shall be submitted post finalisation of statutory audit for the year ended March 31,2022.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.47 Discontinued operations

During the previous year, the Board of Directors of the Holding Company, in their meeting dated 09 June 2020 decided to withdraw the financial support to its material wholly owned subsidiary Minda KTSN Plastic Solutions GmbH Co. & KG, Germany (MKTSN), pursuant to which MKTSN filed for insolvency.

Accordingly, MKTSN along with its subsidiary companies prepared its financial statements for the year ended 31 March 2020, on the assumption that the fundamental accounting assumption of going concern is no longer appropriate. Consequently, all assets have been valued at net realisable value or carrying value, whichever is lower, and liabilities have been reflected at the values at which they are expected to be discharged. The Group had recorded charge of Rs. 2,222 million in respect of reduction in carrying value of property, plant and equipment and other assets and recognition of liabilities primarily related to severance costs which has been presented as exceptional items in the consolidated financial statements in the year 31 March 2020. Further, goodwill arising on consolidation relating to MKTSN amounting to Rs. 711 million has also been impaired.

The approach used to determine the Fair Value less Cost of Disposal ('FVLCD') were as follows:

Property, plant and equipment (except Land) has been valued using Depreciated Replacement Costs method and Land was valued using Market Rent method. All other assets were valued based on its net realisable value and liabilities were reflected at the values at which they are expected to be discharged. Further, an appropriate cost of disposals was deducted from the above net realisable value.

The carrying value and fair value of assets and liabilities as at 31 March 2020 related to the MKTSN is mentioned below:

Particulars	Carrying value	Adjustment to carrying value to fair value	Fair value less cost of disposal
Assets			
- Property, plant and equipment (including right-of-use assets)	2,221	(293)	1,928
- Capital work-in-progress	5	(4)	1
- Goodwill	711	(711)	-
- Other intangible assets	30	(30)	-
- Inventories	787	(216)	571
- Trade receivables	559	(64)	495
- Other financial assets	900	(395)	505
- Other current assets	501	(471)	30
Total assets	5,714	(2,184)	3,530
Liabilities			
- Borrowings	1,459	-	1,459
- Other financial liabilities	657	-	657
- Lease liabilities	341	3	338
- Trade Payables	773	-	773
- Other current liabilities	169	(9)	178
- Provisions	72	(743)	815
Total liabilities	3,471	(749)	4,220
Net assets/(liability)	2,243	(2,933)	(690)

In terms of Ind AS 105 - "Non current assets held for sale and discontinued operations", operations of MKTSN was classified as "Discontinued Operations" w.e.f. 09 June 2020. The relevant financial information of MKTSN has been disclosed under discontinued operations in terms of Ind AS 105- "Non-current assets held for sale and discontinued operations" as below.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

Financial performance and Cash flow information:

Particulars	For the period 01 April 2020 to 09 June 2020
Sale of products	296
Other operating revenues	43
Revenue from operations	339
Other income	71
Total income	410
Total expenses	401
Profit/(loss) before exceptional item and tax for the period from discontinued operations	9
Exceptional item	(416)
Profit/(loss) before tax for the period from discontinued operations	(407)
Tax expense related to discontinued operations	-
Current tax	-
Deferred tax	-
Net Profit/(loss) after tax for the period from discontinued operations	(407)
Net cash generated from operating activities	(136)
Net cash generated from / (used in) investing activities	(1)
Net cash used in financing activities	(167)

The profit / (loss) from discontinued operations of Rs. Nil (Previous year loss of Rs. 9 million) is attributable entirely to the owners of the Holding Company.

During the previous year ended 31 March 2021, pursuant to de-consolidation of MKTSN and its subsidiaries, the Group has reclassified Rs. 417 million relating to accumulated Foreign Currency Translation Reserve (FCTR) from other comprehensive income to exceptional items in the Statement of Profit and loss in the consolidated financial statements.

The carrying amounts of assets and liabilities as at 09 June 2020 were as follows:

Particulars	As at 09 June 2020
Property, plant and equipment (including right-of-use assets)	1,972
Capital work-in-progress	1
Inventories	565
Trade receivables	321
Cash & Bank Balances	189
Loans	7
Other current assets	57
Total assets	3,112
Borrowings	
Other financial liabilities	2,008
Lease liabilities	322
Trade Payables	671
Other current liabilities	157
Provisions	843
Total liabilities	4,001
Net assets	(889)

Pursuant to requirements of Ind AS 105, the amounts in the Statement of profit and loss have been presented for continuing operations, as if the operations had been discontinued from the start of the previous year, as applicable, unless otherwise stated.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.48 Information in respect of joint ventures/ associates

- (a) The following table summarises the financial information of Furukawa Electric Private Limited ('FEPL') based on the audited numbers and the carrying amount of the Group's interest in associate:

Particulars	As at 31 March 2022	As at 31 March 2021
Percentage ownership interest	25%	25%
Cash and cash equivalents	119	277
Other current assets	1,135	1,299
Total current assets	1,254	1,576
Total non-current assets	764	849
Total assets	2,018	2,425
Current liabilities	639	983
Financial liabilities (excluding trade payables and provisions)	1,541	1,469
Other liabilities	24	18
Total current liabilities	2,204	2,468
Total non-current liabilities	24	29
Total liabilities	2,228	2,497
Net Assets	(210)	(73)
Group's share of net assets	(52)	(18)
Other adjustments	136	135
Carrying amount of interest in Associate	84	117
Contingent liabilities	46	14
Group's share of contingent liabilities	12	4

Particulars	For the period ended 31 March 2022	For the period ended 31 March 2021
Revenue from operations	3,595	3,228
Other income (excluding interest income)	52	96
Depreciation and amortisation	99	106
Interest expense	103	105
Profit for the year	(137)	(262)
Other comprehensive income	2	(1)
Total comprehensive income	(134)	(263)
Group's share of profit	(34)	(66)
Group's share of OCI	1	-
Group's share of total comprehensive income	(34)	(66)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

- (b) The following table summarises the financial information of Minda Instruments Limited ('MIL') (formerly known as Minda Stoneridge Instruments Limited, Joint venture upto 31 December 2021, subsidiary w.e.f 1 January 2022) and the carrying amount of the Group's interest in jointly controlled entity (also refer note 2.52):

Particulars	As at 31 March, 2022*	As at 31 March 2021
Percentage ownership interest	-	51%
Cash and cash equivalents	-	464
Other current assets	-	1,918
Total current assets	-	2,382
Total non-current assets	-	718
Total assets	-	3,100
Current liabilities	-	930
Financial liabilities (excluding trade payables and provisions)	-	81
Other liabilities	-	34
Total current liabilities	-	1,043
Total non-current liabilities	-	123
Total liabilities	-	1,168
Net Assets	-	1,932
Group's share of net assets	-	985
Other adjustments	-	269
Carrying amount of interest in joint venture	-	1,254
Contingent liabilities	-	89
Group's share of contingent liabilities	-	45

Particulars	For the period ended 31 December 2021*	For the period ended 31 March 2021
Revenue from operations	3,462	3,891
Interest income	24	40
Other income (excluding interest income)	16	17
Depreciation and amortisation	114	156
Interest expense	13	17
Income tax expense	66	78
Profit for the year	187	266
Other comprehensive income	(2)	2
Total comprehensive income	185	268
Group's share of profit	95	136
Group's share of OCI	1	1
Group's share of total comprehensive income	94	136

*During the 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. 1 January 2022, therefore no details with respect to balance sheet are presented as at 31 March 2022 as it is no longer Joint Venture of the Group. Accordingly, the details of profit and loss have been disclosed upto 31 December 2021.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

- (c) The following table summarises the financial information of Minda Vast Access System Private Limited (MVASPL) and the carrying amount of the Group's interest in jointly controlled entity:

Particulars	As at 31 March 2022	As at 31 March 2021
Percentage ownership interest	50%	50%
Cash and cash equivalents	9	12
Other current assets	774	779
Total current assets	783	792
Total non-current assets	744	760
Total assets	1,527	1,553
Current liabilities	461	442
Financial liabilities (excluding trade payables and provisions)	73	98
Other liabilities	90	139
Total current liabilities	624	679
Total non-current liabilities	27	34
Total liabilities	651	713
Net Assets	876	840
Group's share of net assets (50%)	438	420
Other adjustments	(4)	(1)
Carrying amount of interest in joint venture	434	419
Contingent liabilities	19	30
Group's share of contingent liabilities	10	15

Particulars	For the period ended 31 March 2022	For the period ended 31 March 2021
Revenue from operations	2,180	1,439
Interest income	3	2
Other income (excluding interest income)	1	44
Depreciation and amortisation	99	96
Interest expense	9	4
Income tax expense	7	(19)
Profit for the year	34	(58)
Other comprehensive income	4	-
Total comprehensive income	38	(58)
Group's share of Profit	17	(29)
Group's share of OCI	2	-
Group's share of total comprehensive income	19	(29)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

- (d) The following table summarises the financial information of Minda Infac Private Limited (MIPL)* and the carrying amount of the Group's interest in jointly controlled entity:

Particulars	As at 31 March 2022*	As at 31 March 2021
Percentage ownership interest	51%	-
Cash and cash equivalents	37	-
Other current assets	6	-
Total current assets	43	-
Total non-current assets	37	-
Total assets	80	-
Current liabilities	1	-
Financial liabilities (excluding trade payables and provisions)	32	-
Other liabilities	0	-
Total current liabilities	33	-
Total non-current liabilities	-	-
Total liabilities	33	-
Net Assets	47	-
Group's share of net assets (51%)	24	-
Other adjustments	-	-
Carrying amount of interest in joint venture	24	-
Contingent liabilities	-	-

Particulars	For the period ended 31 March 2022	For the period ended 31 March 2021
Revenue from operations	-	-
Interest income	-	-
Other income (excluding interest income)	-	-
Depreciation and amortisation	-	-
Interest expense	-	-
Income tax expense	-	-
Profit for the year	(3)	-
Other comprehensive income	-	-
Total comprehensive income	(3)	-
Group's share of Profit	(1)	-
Group's share of OCI	-	-
Group's share of total comprehensive income	(1)	-

* During the year, the Holding Company has acquired 51% stake in Minda Infac Private Limited for a consideration of Rs. 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.

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 foreseeable losses on 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

2.51 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

2.52 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 31 December 2021} and accordingly post this acquisition by combining the previously held stake and additional stake, it become wholly owned subsidiary of the Group.

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 Rs. 3,288 Million. The fair value of identifiable assets acquired and liabilities assumed on acquisition are as follows:

Particulars	For the year ended 31 March 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 Rs. 327 million. The same is disclosed as exceptional item.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

(iii) Contribution to group results

Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) has contributed Rs. 1,384 million of revenue and Rs. 153 million to profit before tax from 1 January 2022 to 31 March 2022. Had the acquisition taken place at the beginning of the year i.e. 1 April 2021, Minda Instruments Limited (formerly known as Minda Stoneridge Instruments Limited) would have contributed total revenue of Rs. 4,845 million and profit before tax of Rs. 406 million.

(iv) For Contingent Liability acquired through business acquisition refer note 2.37.

2.53 Consequent to disruptions caused due to continuation of pandemic, the Group has made assessment of impact of the pandemic on its business operations and has made assessment of its liquidity position for the next one year. The Group has assessed the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right-to-use assets, goodwill, investments, inventory, advances, trade receivables, other financial and non-financial assets etc. as at period end based on information available up to the date of approval of these consolidated financial statements. Based on current indicators of future economic conditions, the Group does not foresee any significant impact on the operations and financial position of the Group as at 31 March 2022. Group will continue to closely observe the evolving scenario.

2.54 Previous year financials have been audited by a firm of Chartered Accountants other than S.R. Batliboi & Co. LLP. Further, 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
Firm registration number:
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

Pradeep Mann
Company Secretary
Membership No.: A 13371

Place: New Delhi
Date: 17 May 2022

Place: Gurugram
Date: 17 May 2022

FORM NO. AOC 1

(All amounts are in Rs. 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 share-holding
1	Minda Instruments Limited	31.03.2022	INR	119	1,988	3,606	1,312	-	4,779	406	104	302	-	100%
2	Spark Minda Foundation	31.03.2022	INR	0	18	23	5	-	-	(11)	-	(11)	-	100%
3	Minda Europe B.V.	31.03.2022	Euro 84,0866	25	(1)	22	3	-	-	-	-	-	-	100%
4	Almighty International Pte. Ltd.	31.03.2022	USD 75.5100	214	372	457	1	-	-	114	-	114	-	100%
5	PT Minda Automotive Indonesia	31.03.2022	IDR 0.00526	289	134	671	249	23	826	56	16	40	-	100%
6	PT Minda Automotive Trading	31.03.2022	IDR 0.00526	23	14	53	15	-	89	5	1	4	-	100%
7	Minda Vietnam Automotive Company Limited	31.03.2022	VND 0.00330	33	353	512	126	-	636	95	20	75	-	100%
8	Spark Minda Green Mobility System Private Limited	31.03.2022	INR	98	(28)	83	14	-	5	(33)	(6)	(27)	-	100%
9	ESOP Trust	31.03.2022	INR	-	(48)	113	160	-	11	11	1	10	-	100%

(This space has been intentionally left blank)

FORM NO. AOC 1

(All amounts are in Rs. 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 2022	31st March 2022	31st March 2022
2	Shares of Associate/ Joint Ventures held by the company on the year end			
	No.	21,332,700	29,375,000	2,550,000
	Amount of investment in Associates/ Joint Ventures	0*	272,668,730	25,500,000
	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 Consolidate jointly Controlled entity.	Ind AS 28 does not allow to Consolidate jointly Controlled entity.	Ind AS 28 does not allow to Consolidate jointly Controlled entity.
5	Net Worth attributable to Shareholding as per latest audited Balance Sheet	438	(525)	24
6	Profit/ Loss for the year	33	(137)	(3)
i	Considered in Consolidation	17	(34)	(1)
ii	Not considered in Consolidation	17	(103)	(2)

* Amount in absolute is Rs 901 (31 March 2021: Rs 901)

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



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