MUNJAL AUTO

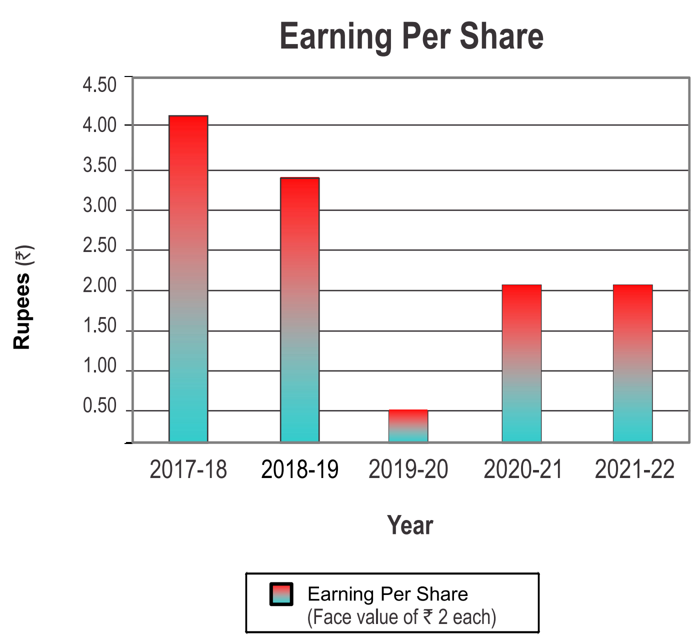
37th Annual Report & Accounts 2021-22

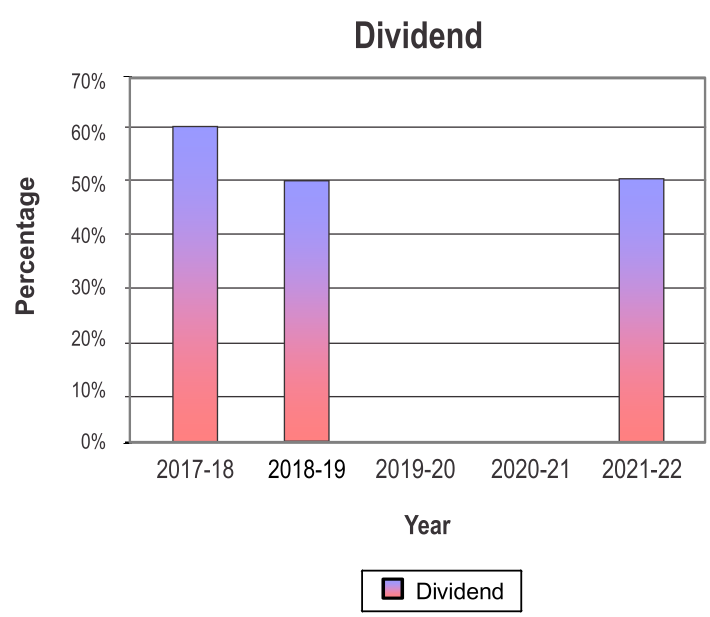
Munjal Auto Industries Limited

FINANCIAL STATISTICS
FIVE YEARS' TRACK RECORD

(Amount ₹ in Lakhs)

	2017-18	2018-19	2019-20	2020-21	2021-22
Equity Share Capital	2,000	2,000	2,000	2,000	2,000
Reserves & Surplus	26,265	28,116	27,374	29,536	31,633
Deferred Tax Liability / (Assets)	(1,274)	(1,297)	(1,247)	(659)	(269)
Secured Loans	2,868	2,321	8,020	6,870	4,763
Total External Liability	18,309	20,850	33,363	39,774	39,120
Total Assets	48,168	51,990	69,510	77,521	77,248
Sales	1,06,087	1,15,089	1,14,821	1,99,154	1,71,570
YoY Growth	13.42%	8.49%	-0.23%	73.45%	-13.85%
Profit Before Interest, Depreciation & Tax (PBDIT)	7,692	6,539	3,686	6,390	5,592
Interest	433	381	844	867	488
Depreciation	1,819	1,875	2,157	2,248	2,099
Profit Before Tax	5,441	4,283	685	3,275	3,004
Profit After Tax	4,159	3,325	494	2,103	2,081
Earning Per Share (Nominal value of ₹ 2/- each)	4.16	3.33	0.49	2.10	2.08
Dividend	60%	50%	-	-	50%





CORPORATE INFORMATION

Munjal Auto Industries Limited
CIN: L34100GJ1985PLC007958

BOARD OF DIRECTORS

CHAIRMAN AND MANAGING DIRECTOR
Mr. Sudhir Kumar Munjal

WHOLE TIME DIRECTORS
Mrs. Anju Munjal
Mr. Anuj Munjal

DIRECTORS
Mr. Vikram Shah
Mr. Naresh Kumar Chawla
Mr. Mahendra Sanghvi
Mr. Ramkisan Devidayal
Mr. Sudesh Kumar Duggal
Mr. Jal Ratanshaw Patel
Ms. Avi Sabavala

CFO
Mr. Brham Prakash Yadav

COMPANY SECRETARY
Mr. Rakesh Johari

AUDITORS
K. C. Mehta & Co.
Chartered Accountants
Meghdhanush, Race Course,
Vadodara - 390007

BANKERS
State Bank of India
IDBI Limited
HDFC Bank Limited

REGISTERED OFFICE & PLANT I
187, GIDC Industrial Estate,
Waghodia - 391760
Dist. Vadodara, Gujarat

PLANT II
Plot No.37, Sector 5, Phase II,
Growth Centre, Bawal - 123501
Dist. Rewari, Haryana

PLANT III
Plot No.11, Industrial Park -2, Village: Salempur,
Mehdood, Haridwar - 249402, Uttarakhand

PLANT IV
Plot No.32A, Industrial Area,
Phase II, Dharuhera - 122106,
Dist. Rewari, Haryana

CORPORATE OFFICE
Unitech Business Zone, 2nd Floor,
Tower C, Nirvana Country, South City - 2,
Sector - 50, Gurugram - 122018

CONTENTS

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present 37th Annual Report together with the audited financial statements for the financial year ended March 31, 2022.

1. THE STATE OF COMPANY'S AFFAIRS:

(i) FINANCIAL RESULTS - STANDALONE AND CONSOLIDATED

The Company's financial performance for the year ended March 31, 2022 is summarized below: -

(Amount ₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2022	**Year ended March 31, 2021**	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Revenue from operations	1,70,655.10	1,98,196.13	1,91,567.74	2,12,263.92
Other income	914.49	957.44	545.47	532.62
Total Income	**1,71,569.59**	**1,99,153.57**	**1,92,113.21**	**2,12,796.54**
Profit before depreciation, exceptional item and tax	**5,103.18**	**5,522.71**	**7,640.98**	**7,218.81**
(Less): Depreciation	(2,098.97)	(2,247.92)	(3,574.15)	(3,901.11)
(Less): Exceptional item	-	-	-	-
Profit before Tax	**3,004.21**	**3,274.79**	**4,066.83**	**3,317.70**
(Less): Taxation				
- Current year	**(929.17)**	**(923.72)**	**(1,304.79)**	**(999.20)**
- Earlier years	13.96	(6.46)	15.00	(6.46)
- Deferred tax	(8.46)	(241.99)	184.16	(267.98)
Profit after tax	**2,080.54**	**2,102.62**	**2,961.20**	**2,044.06**
Attributable to:				
Shareholders of the Company	2,080.54	2,102.62	2,679.39	2,062.80
Non-controlling interests	-	-	281.81	(18.74)
Opening balance for retained earnings	**27,698.98**	**25,522.85**	**27,154.35**	**25,091.55**
Closing balance for retained earnings	**29,779.52**	**27,698.98**	**29,833.74**	**27,154.35**
Earnings per share (in ₹)	**2.08**	**2.10**	**2.96**	**2.04**

(ii) STANDALONE FINANCIAL HIGHLIGHTS/SUMMARY

During FY 2021-22, total income of the Company was ₹ 1,716 Crores as compared to ₹ 1,992 Crores in FY 2020-21, showing drop of about 13.86%.

Profit before tax and Profit after tax were ₹ 30.04 Crores and ₹ 20.81 Crores respectively for the FY 2021-22 as against ₹ 32.75 Crores and ₹ 21.03 Crores respectively in the previous year.

(iii) CONSOLIDATED FINANCIAL HIGHLIGHTS/ SUMMARY

During FY 2021-22, total income of the Company was ₹ 1,921 Crores as compared to ₹ 2,128 Crores in FY 2020-21, showing drop of about 9.72%.

Profit before tax and Profit after tax were ₹ 40.67 Crores and ₹ 29.61 Crores respectively for the FY 2021-22 as against ₹ 33.18 Crores and ₹ 20.44 Crores respectively in the previous year.

2. PERFORMANCE AND CONTRIBUTION OF SUBSIDIARY

(i) PERFORMANCE OF SUBSIDIARY

Revenue from operations of Indutch Composites Technology Private Limited (ICTPL) was ₹ 209.13 Crores in FY 2021-22 as against ₹ 140.68 Crores in the previous year.

Profit before tax and Profit after tax of ICTPL were ₹ 905.64 Lakhs and ₹ 723.67 Lakhs respectively during the current year as against ₹ 57.36 Lakhs and (-) ₹ 44.11 Lacs respectively in the previous year.

(ii) CONSOLIDATED FINANCIAL STATEMENTS (INCLUDING CONTRIBUTION TO OVERALL PERFORMANCE OF THE COMPANY)

The consolidated financial statements of the Company are prepared in accordance with the Indian Accounting Standards (Ind AS) - 110 on Consolidated Financial Statements, Section 129 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") along with a separate statement containing the salient features of the financial performance of its subsidiary in the prescribed form. The audited consolidated financial statements together with Auditors' Report form part of the Annual Report and reflect the contribution of the subsidiary to the overall performance of the Company.

3. COVID-19 AND ITS IMPACT

FY 2021-22 started on a weak note, with the second wave of the COVID-19 pandemic impacting sentiment and supply chain disruptions, which pushed up inflation. However, strong commitments from the Government and the apex bank to maintain the status quo on interest rates while maintaining enough liquidity aided the revival and seem to have set in motion a multi-year earnings growth cycle.

Your Directors have been periodically reviewing with the Management, the impact of Covid-19 on the Company.

The physical and emotional well being of employees continues to be a top priority for the Company, with several initiatives to support employees and their families during the pandemic.

4. DIVIDEND

Your Directors have pleasure to recommend a dividend @ 50% i.e. ₹ 1.00/- on equity share of ₹ 2/- each for the financial year ended March 31, 2022. The dividend, if approved by the members in the ensuing Annual General Meeting, would absorb ₹ 1,000 lakhs out of the distributable profits available.

Dividend Distribution Policy of the Company as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') is available at the following link: https://munjalauto.com/wp-content/uploads/2021/09/Dividend-Distribution-Policy.pdf

5. CHANGE IN NATURE OF BUSINESS

During FY 2021-22, there was no change in the nature of Company's business.

6. CAPACITY UTILIZATION & PLANT OPERATIONS

During FY 2021-22, your Company focused on optimizing investments and ensuring business continuity to enhance market share across various platforms.

All four units of the Company, located at Waghodia in Gujarat, Bawal as well as Dharuhera in Haryana and Haridwar in Uttarakhand are running well and continue to operate at a satisfactory level of efficiency.

7. CHANGES IN CAPITAL STRUCTURE

The paid-up equity capital as on March 31, 2022 stood at ₹ 20 Crore consisting of 10 Crore Equity Shares of ₹ 2/- each with no change as compared to previous financial year.

The Company has not issued any equity shares during the year. Accordingly, the Company is neither required to furnish any information in respect of issue of equity shares with differential rights pursuant to Rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014 ('SCD Rules') nor in respect of issue of Employees Stock Option pursuant to Rule 12(9) of SCD Rules nor in respect of issue of Sweat Equity Shares pursuant to Rule 12(9) of SCD Rules. The Company has only one class of equity shares with face value of ₹ 2/- each, ranking pari-passu.

8. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

In terms of applicable provisions of the Act and the Articles of Association of the Company, Mrs. Anju Munjal, Director of the Company retires by rotation at the ensuing annual general meeting and being eligible, offers herself for re-appointment. Her reappointment is recommended by the Nomination and Remuneration Committee. Brief resume and other details of Mrs. Anju Munjal, who is proposed to be re-appointed as a Director of your Company, have been furnished in the explanatory statement to the notice of the ensuing annual general meeting.

9. ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

Annual evaluation of the performance of the Board, its Committees and of Individual Directors forms part of Corporate Governance Report.

10. QUALITY

Your Company is focusing on quality, right from new product development stage such as design of processes, manufacturing of tools, fixtures & dies, to ensure quality output. This is the attribute of your Company which has enabled it to sustain as a consistent quality producer over the years.

11. FINANCE

Your Company continued to focus on operational improvement. Continuing focus on managing optimal levels of inventory, sound business performance, operating efficiencies in various segments of business and cost saving drive across the organization have helped it generating smooth cash flow from operations.

Your Company was able to raise the short-term/long term funds needed for its working capital related requirements & term loans for new capital expenditure at competitive rates. Your Company continues to enjoy excellent credit ratings for both long and short tenure borrowings and maintains impeccable debt-servicing track record, which helps it retain excellent rapport with all of its bankers.

12. CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adheres to the corporate governance requirements set out by SEBI. The Company has been practicing the principles of good corporate governance over the years and lays strong emphasis on transparency, accountability and integrity. The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of Annual Report.

Certificate of Corporate Governance and Non-Disqualification of Directors, issued by Secretarial Auditor of the Company is attached to the Corporate Governance Report as **Annexure II** and **Annexure III** respectively.

13. TRANSFER TO GENERAL RESERVE

The Company is not required to transfer any amount to its reserves. Accordingly, no amount has been transferred to General Reserve of the Company.

14. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, your Company has transferred unpaid/unclaimed dividend amounting to ₹ 17.08 Lakhs for FY 2013-14 and related 89,160 shares to the Investor Education and Protection Fund Authority (IEPF) of the Central Government of India.

15. CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the corporate social responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in '**Annexure A**' of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report. CSR Policy is available on the Company's website on www.munjalauto.com.

The Company has spent ₹ 62.00 Lakhs as against the amount required to be spent on CSR activities during the year under review in accordance with the provisions of Section 135 of the Act of ₹ 56.46 Lakhs.

16. POLICY RELATING TO PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place Anti Sexual Harassment Policy to treat women employees with dignity and no discrimination against them plus zero tolerance towards any sexual abuse to abide by letter and spirit requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed there under and redressal of complaints of sexual harassment at work place. Internal complaints committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are supposed to adhere to and conduct themselves as prescribed in this policy. The summary of sexual harassment complaints received and disposed off during the financial year under review is as under:

- Number of Complaints Received - Nil
- Number of Complaints Disposed off - Nil

17. DEPOSITS

Your Company has neither accepted nor renewed any deposits within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 for the year ended March 31, 2022.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the FY 2021-22, your Company has not given any guarantees or securities within the meaning of the provisions of Section 186 of the Act.

However, the aggregate of loans and advances granted, as also investments made, if any are within the limits of Section 186 of the Act and have been disclosed in financial statements.

19. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

a) In the preparation of the annual accounts financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit and loss of the Company for the financial year ended March 31, 2022 under review;

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

d) they have prepared the annual accounts for the financial year ended March 31, 2022 on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

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

20. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During FY 2021-22, there were no materially significant related party transactions entered into by the Company with the Promoters, Directors, Key Managerial Personnel or other designated persons, which might have potential conflict with the interest of the Company at large.

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. All related party transactions are placed before the Audit Committee for its approval. During the year under review, the Audit Committee approved transactions through the omnibus mode in accordance with the provisions of the Act and Listing Regulations. Related party transactions were disclosed to the Board on regular basis as per Ind AS-24. Details of related party transactions as per Ind AS-24 may be referred to in Note 57 of the Standalone Financial Statements.

21. HOLDING/SUBSIDIARY COMPANY

During the FY 2021-22, Thakurdevi Investments Private Limited (TDIPL) continues to be holding Company of the Company, holding 74.81% Equity Share Capital of the Company.

During the FY 2021-22, Indutch Composites Technology Pvt. Ltd. (ICTPL) continues to be subsidiary company. Munjal Auto Industries Limited continues to hold 68% Equity Share Capital of ICTPL. The annual accounts of subsidiary companies are available on the website of the Company viz. www.munjalauto.com.

There are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the holding or subsidiary.

22. AUDIT COMMITTEE RECOMMENDATIONS

During the FY 2021-22, the Board has accepted all recommendations of Audit Committee and accordingly no disclosure is required to be made in respect of non-acceptance of any recommendation of the Audit Committee by the Board.

23. INTERNAL FINANCIAL CONTROL

The Corporate Governance Policy guides the conduct of the affairs of your Company and clearly describes the roles, responsibilities at each level of its key functionaries involved in governance. Your Company has in place adequate internal financial controls with reference to the Financial Statements. During the year under review, no reportable material weakness in the operation was observed. Regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

24. INSURANCE

Your Company's assets are adequately insured against multiple risks from fire, riot, earthquake, terrorism and other risks, which are considered necessary by the Management.

As an additional coverage, a Public Liability Insurance Policy is also in place to cover public liability, if any, arising out of any industrial accidents. The Company has also covered the Directors' and Officers' liability under the Act to meet with any eventuality.

25. RATINGS FOR BORROWING

ICRA, the rating agency has reaffirmed AA- with stable outlook for the long-term ratings for bank facilities and A1+ the short-term rating for short term bank facilities and commercial paper of your Company vide letter dated October 04, 2021. The aforesaid rating is valid till June 30, 2022.

26. AUDITORS

(i) Statutory Auditors

The Company's Auditors, M/s. K. C. Mehta & Co., Chartered Accountants (Firm Registration Number - 106237W), were appointed as the Statutory Auditors of the Company upto the conclusion of the forthcoming 37th Annual General Meeting, however, they have intimated to the Company that their firm is converted into the Limited Liability Partnership with the name K. C. Mehta & Co., LLP with effect from June 07, 2022. They have given their consent for re-appointment as the Statutory Auditors for the second term of five years. They are holding a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Members are requested to approve their appointment as the Auditors of the Company and to fix their remuneration as recommended by the Board, pursuant to Section 139 of the Companies Act, 2013. The Statutory Auditors have confirmed that they satisfy the criteria of independence, as required under the provisions of the Companies Act, 2013.

(ii) Internal Auditors

Mukund and Rohit, Chartered Accountants were Internal Auditors since April, 1991 upto financial year 2021-22. With deep regret, they have expressed inability to be considered for their appointment as Internal Auditor for the year 2022-23.

Your directors have taken on record appreciation for their valuable contributions by way of high level of motivation and there by inculcating discipline as well as their urge to continue in pursuit of excellence in the achievement of the goals of the Company.

The Company is in process to identify new Internal Auditor.

(iii) Secretarial Auditors

As required under Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint a Secretarial Auditor for auditing secretarial and related records of the Company.

The Secretarial Audit Report for the year 2021-22, given by M/s. Devesh Pathak & Associates, Practising Company Secretaries, Vadodara is attached as **'Annexure B'** to this Report.

The Board at its meeting held on May 27, 2022 has re-appointed M/s. Devesh Pathak & Associates, Practising Company Secretaries, Vadodara as Secretarial Auditors for the financial year 2022-23.

(iv) Cost Records and Audit

The company is neither required to maintain Cost Records nor required to appoint Cost Auditor pursuant to Section 148 of the Act.

27. EXPLANATIONS/COMMENTS ON STATUTORY AUDITORS' REPORT & SECRETARIAL AUDITORS' REPORT

Neither the Statutory Auditors nor the Secretarial Auditors of the Company, in their respective reports, have made any qualifications, reservations, adverse remarks or disclaimers. Accordingly, no explanations/ comments thereon are required to be furnished.

28. AUDIT COMMITTEE

The composition of the Audit Committee is in line with the provisions of Section 177 of the Act read with Regulation 18 of the Listing Regulations. The Chairman of the Audit Committee is an Independent Director. The Audit Committee of the Board provides reassurance to the Board on the existence of an effective internal control environment that ensures the efficiency and effectiveness of the operations of the Company and safeguarding of assets and adequacy of provisions for all liabilities. Further details on the Audit Committee and its terms of reference etc. have been furnished in Corporate Governance Report.

29. NOMINATION AND REMUNERATION COMMITTEE

The composition of the Nomination and Remuneration Committee (NRC) is in line with the Section 178 of the Act read with Regulation 19 of the Listing Regulations. The Committee determines overall Company's Policy on remuneration packages and other terms and conditions of the appointment of the Executive Directors and senior management of the Company as well as sitting fees to the Non-Executive Directors of the Company and also to approve payment of remuneration to Managing Director and Whole Time Directors as decided by the members of the Company and recommends to the Board of Directors for their consideration and approval. The details of meetings and their attendance are included in the Corporate Governance Report.

30. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition of the Stakeholders' Relationship Committee (SRC) is in line with the Section 178 of the Act and Regulation 20 of the Listing Regulations. The Committee looks into investors' grievances arising out of issues regarding share transfers, dividends, dematerialization and related matters, evaluating performance and service standards of the Registrar and Share Transfer Agent and takes requisite action(s) to redress the same. The details of meetings and their attendance are included in Corporate Governance Report.

31. REPORTING OF FRAUDS

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act and rules framed thereunder either to the Company or to the Central Government.

32. ANNUAL RETURN ON THE WEBSITE

Pursuant to section 92(3) read with 134(3)(a) of the Act,a copy of the annual return is placed on the website of the Company i.e. www.munjalauto.com and can be accessed at https://munjalauto.com/finance/annual-reports/.

33. CODE OF CONDUCT

The Code of Conduct is applicable to the members of the Board and all designated employees in the course of day to day business operations of the Company. The Code laid down by the Board is known as "Code of Conduct and Fair Disclosure of Unpublished Price Sensitive Information" which forms an Appendix to the Code of Conduct of the Company which is in line with SEBI (Prohibition of Insider Trading) Regulation, 2018, as amended from time to time.

The Company has received affirmations from Board members as well as senior management confirming their compliance with the said Code for FY 2021-22.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place in business practices and dealing with stakeholders. All the Board members and the senior management personnel have confirmed their compliance with the Code. All management personnel are being provided appropriate training in this regard.

34. WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company has a vigil mechanism/whistle blower policy to deal with instance of fraud and mismanagement, if any. In staying true to our values of strength, performance and passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder's responsibility.

35. PREVENTION OF INSIDER TRADING

The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the 'Trading Window' is closed. The Board is responsible for implementation of the code. All Directors and the designated employees have confirmed compliance with the code.

36. BOARD MEETINGS

Four meetings of the Board of Directors were held during the financial year 2021-22. Details of the composition of the Board and its committees and of the meeting held, attendance of the Directors of such meetings and other relevant details are provided in the Corporate Governance Report.

37. RISK MANAGEMENT POLICY

Your Company has a well-defined risk management framework in place. Further, your Company has established procedures to periodically place before the Board, the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate these risks. Moreover, in terms of Regulation 21 of the Listing Regulations, Risk Management committee also is in place. Its details have been furnished in the Corporate Governance Report.

38. CHANGES AND COMMITMENTS

The Company has entered into Deed of Assignment(s) on April 26, 2022 for transfer of Company's surplus leasehold land admeasuring about 1,68,292 Square Meters situated at 187, GIDC Industrial Estate at Waghodia, Vadodara at lump sum consideration of ₹ 50.48 Crore. The transferee is a third party and does not belong to the promoter/promoter group/ group Companies. The transaction does not fall within the purview of Related Party Transactions.

Except above no material changes and/or commitment affecting the financial position of your Company has occurred between April 1, 2022 and the date of signing of this report. Your Company did not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure.

39. PARTICULARS OF EMPLYOEES

The Statement of disclosure of remuneration under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report as **'Annexure C'.** The information as per Rule 5(2) of the Rules forms part of this report. However, in terms of provisions of Section 136 of the Companies Act, 2013, the report and Financial Statements are being sent to the members of the Company excluding the statement of particulars of employees under Rule 5(2) of the Rules. Any member interested in obtaining a copy of the said statement may write to the Company Secretary at the registered office of the Company.

40. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) of the Listing Regulations, is enclosed as **'Annexure D'** and forms part of this report.

41. INDUSTRIAL RELATIONS

Industrial relations have remained cordial throughout the year in the Company at its all units.

42. ENVIRONMENT, HEALTH, SAFETY AND SOCIAL RESPONSIBILITY

Your Company is committed in maintaining the highest standards of environment compliances and therefore adopted a systematic approach towards environment management by embedding a vision of being an 'Injury Free' and 'Zero Environment Incident' organisation. Over the past many years, your Company has been progressing well in terms of reducing injury frequency rates and has improved the safety records.

Your Company is environment-conscious and committed to making a positive contribution to the communities where it operates. The Company has been proactively pursuing measures and reaching out to the communities surrounding the areas of its operations by extending support and lending a helping hand to some very credible social institutions that are committed to address social causes.

Your Company has been certified for Occupation, Health and Safety (OHSAS) ISO 45001:2018 from Bureau Veritas during FY 2021-22, which is valid upto 01st May, 2025.

43. **CONSERVATION OF ENERGY / TECHNOLOGY ABSORPTION AS WELL AS FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information required under Section 134(3)(m) of the Act read with rules made thereunder is annexed to this report as **'Annexure E'.**

44. **BUSINESS RESPONSIBILITY REPORT**

As stipulated under the Listing Regulations, the Business Responsibility Report ('BRR') has been prepared and forms part of the annual report as **'Annexure F'**. The report provides detailed overview of initiatives taken by your Company from environmental, social and governance perspective.

45. **REMUNERATION POLICY**

Pursuant to provisions of the Act, the Nomination and Remuneration Committee (NRC) of your Board has formulated a Remuneration Policy for the appointment and determination of remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees. The NRC has developed criteria for determining the qualification, positive attributes and independence of Directors and for making payments to Executive and Non- Executive Directors. The remuneration policy of the Company can also be viewed at the website of the Company i.e. www.munjalauto.com.

46. **STATUTORY DISCLOSURES**

Your Directors state that there being **no transactions** with respect to following items during the year under review**, no disclosure or reporting is required** in respect of the following matters:

i. No Deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

ii. No Issue of equity shares with differential rights as to dividend, voting or otherwise.

iii. No Issue of shares (including sweat equity shares) to employees of your Company under any scheme.

iv. No receipt of remuneration or commission by the Managing Director nor the Whole-time Directors of your Company from its subsidiaries.

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

vi. No Buy-back of shares or financial assistance under Section 67(3).

vii. No application was made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

viii. No settlements have been done with banks or financial institutions.

47. **COMPLIANCES WITH APPLICABLE SECRETARIAL STANDARDS**

The Company is fully compliant with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of Board of Directors and General Meetings respectively.

48. **(A) STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE ACT**

The Board of Directors hereby declares that all the independent directors duly appointed by the Company have given the declaration and they meet criteria of independence as provided under Section 149(6) of the Act.

(B) A STATEMENT WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF INDEPENDENT DIRECTORS

Your Directors are of the opinion that Independent Directors of the Company are of high integrity and suitable expertise as well as experience (including proficiency).

ACKNOWLEDGEMENTS

The Board of Directors express their sincere thanks to all of its Stakeholders, including, inter alia, Suppliers, Vendors, Investors and Bankers and appreciation to all its customers for their consistent, abiding support throughout the year.

Your Company also records its appreciation of the contributions made by employees at all levels. Their commitment, cooperation and support are indeed the backbone of all endeavors of the Company.

The Company would like to gratefully acknowledge support/guidance of Government of India and especially Goods and Services Tax (GST) Department, Income Tax Department, Industrial & Labour Departments, Government of Gujarat, Government of Haryana, Government of Uttarakhand and other government agencies, the Company has been receiving over the years and is looking forward to their continued support/guidance in times to come.

The Directors mourn the loss of lives due to Covid-19 pandemic, are deeply grateful to them and have immense respect for every person who risked their life and safety to fight this pandemic.

For and on behalf of the Board of Directors
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN : 00084080

Date : May 27, 2022
Place : Vadodara

ANNEXURE 'A' TO THE BOARD'S REPORT

Annual Report on CSR Initiatives for the FY 2021-22

1. Brief outline on CSR Policy of the Company

The Company has framed a CSR policy in compliance with the provisions of the Companies Act, 2013. The CSR policy, inter alia, covers the concept (CSR philosophy, snapshot of activities undertaken by the group and applicability, scope/area/localities to be covered and activities), resources, identification and approval process (resources/fund allocation, identification process and approval process) modalities of execution and implementation and monitoring.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Vikram Shah	Chairman, Non-Executive Independent Director	1	1
2	Mr. Naresh Kumar Chawla	Member, Non-Executive Independent Director	1	1
3	Mr. Sudhir Kumar Munjal	Member, Chairman & Managing Director	1	1
4	Mrs. Anju Munjal	Member, Whole Time Director	1	1
5	Mr. Anuj Munjal	Member, Whole Time Director	1	1

3. Web-link where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

- The composition of the CSR committee is available on our website at https://munjalauto.com/vission-mission-values/
- The CSR Policy of the Company is available on our website at: https://munjalauto.com/finance/key-policies/
- The details of CSR projects are available on our website at: https://munjalauto.com/

4. 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	2020-21	2.42 lakhs	2.42 lakhs
	Total	2.42 lakhs	2.42 lakhs

6. Average net profit of the company as per section 135(5): **₹ 28.23 crores**

7. (a) Two percent of average net profit of the Company as per section 135(5): **₹ 56.46 lakhs**

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c): **₹ 56.46 lakhs**

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

Total Amount Spent for the Financial Year (in ₹ Lakhs)	Amount Unspent (in ₹ Lakhs)				
	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
62.00	Nil	N.A.	N.A.	Nil	N.A.

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

(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 ₹)	(8) Amount spent in the current financial Year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation- Direct (Yes/No)	(11) Mode of Implementation- Through Implementing Agency	
				State	District						Name	CSR Registration number
	-	-	-	-		-	-	-	-	-	-	-
	Total	-	-	-		-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than 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) Amount spent for the project (in ₹)	(7) Mode of Implementation- Direct (Yes/No)	(8) Mode of Implementation- Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Education and Health care	Special Education, medical intervention including preventive health care in Disability/ Social Sector	Yes	Gujarat,	Vadodara	12,00,000	No	Disha Charitable Trust	CSR00004073
2.	Mahatma Satyanandji Munjal Alopathic, Ayurvedic, Homeopathic Clinic	Preventive Healthcare	Yes	Gujarat,	Sabarkantha	50,00,000	No	Vanprastha Saadhak Ashram	CSR00006987
	Total					**62,00,000**			

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

(e) Amount spent on Impact Assessment, if applicable: **N/A**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 62 lakhs**

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

Sl. No.	Particular	Amount (in ₹ Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	56.46
(ii)	Total amount spent for the Financial Year	62.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**5.54**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any [Excess spending in the year 2020-21]	2.42
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	**7.96***

*Amount available for set off in succeeding financial years is ₹ 5.54 lakhs of FY 2021-22 and ₹ 2.42 lakhs of FY 2020-21. Therefore, total amount available for set off in succeeding financial years is ₹ 7.96 lakhs.

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 ₹)	Amount spent in the reporting Financial Year (in ₹)	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 ₹ Lakhs)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2020-21	-	-	-	-	-	-
2.	2019-20	-	-	-	-	-	22.01
3.	2018-19	-	-	-	-	-	-
	Total	-	-	-	-	-	22.01

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

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

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:

(a) Date of creation or acquisition of the capital asset(s).: **N/A**

(b) Amount of CSR spent for creation or acquisition of capital asset.:**N/A**

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

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).: **N/A**

No capital asset was created / acquired during FY 2021-22 through CSR spend.

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).:**Not Applicable**

For and on behalf of the Board of Directors
Munjal Auto Industries Limited

Place : Vadodara
Date : May 27, 2022

Mr. Sudhir Kumar Munjal
Chairman & Managing Director
DIN: 00084080

Mr. Vikram Shah
Chairman-CSR Committee
DIN : 00007914

ANNEXURE 'B' TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 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,
Munjal Auto Industries Ltd,
187, GIDC Industrial Estate
Waghodia
Dist: Baroda-391760

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 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 verificationof the **Munjal Auto Industries 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, minutes 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 thereunder;

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

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

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

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

ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; [Presently: The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.]

iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Presently: The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018]

iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guideline, 1999 [Presently: The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

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

vi. 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;

vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Presently :The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021]

viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Presently: The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018]

(vi) Having regard to the products and processes of the Company as also having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof **on test check basis, we further report that** the Company has complied with the following laws applicable specifically to the Company:

(a) The Environment (Protection) Act, 1986

(b) The Air (Prevention and Control of Pollution) Act, 1981

(c) The Water (Prevention and Control of Pollution) Act, 1974

(d) The Hazardous Wastes (Management and Handling and Transboundary Movement) Rules, 1989

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 Ltd. and National Stock Exchange of India Ltd [including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR')

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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report (by way of information) that during the audit period, the Company has:

(a) not issued any securities during the period under review and accordingly

- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Presently: The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021]
- The securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

were not applicable during the audit period under review.

(b) neither got delisted Equity Shares nor bought back any security of the Company and accordingly

- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Presently: Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021] and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

were not applicable during the audit period.

For Devesh Pathak & Associates
Practising Company Secretaries

Date : May 27, 2022
Place : Vadodara

CS Devesh A. Pathak
Sole Proprietor
FCS: 4559
CP No. 2306
UDIN : F00455D000372498

ANNEXURE 'C' TO THE BOARD'S 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

<table>
<tr><th>S.N.</th><th>Particulars</th><th colspan="5"></th></tr>
<tr><td rowspan="4">i.</td><td rowspan="4">The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year</td><td colspan="3">Executive Directors</td><td colspan="2" rowspan="4"></td></tr>
<tr><td>CMD</td><td>WTD</td><td>WTD</td></tr>
<tr><td>98</td><td>85</td><td>85</td></tr>
<tr><td>X</td><td>X</td><td>X</td></tr>
<tr><td rowspan="2">ii.</td><td rowspan="2">The % increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manger, if any of the Financial Year</td><td colspan="3">Executive Directors</td><td colspan="2">KMPs</td></tr>
<tr><td>CMD
-</td><td>WTD
-</td><td>WTD
-</td><td>CFO
8.00%</td><td>CS
10.00%</td></tr>
<tr><td>iii.</td><td>The % increase in the median remuneration of employees in the financial year</td><td colspan="5">11.99%</td></tr>
<tr><td>iv.</td><td>The number of permanent employees on the rolls of Company</td><td colspan="5">901</td></tr>
<tr><td>v.</td><td>Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration</td><td colspan="5"><table><tr><th>% Increase in</th><th>2021-22</th><th>Justification/ Remarks</th></tr><tr><td>Salaries of Employees</td><td>10.22%</td><td>-</td></tr><tr><td>Managerial Remuneration</td><td>-</td><td>-</td></tr></table></td></tr>
<tr><td>vi.</td><td>Affirmation that the remuneration is as per the remuneration policy of the Company.</td><td colspan="5">Remuneration is as per the remuneration policy of the company.</td></tr>
</table>

ANNEXURE 'D' TO THE BOARD'S REPORT
MANAGEMENT DISCUSSION & ANALYSIS

OUTLOOK

(i) Global Economy Overview

In 2021, the world economy saw a strong rebound, owing to wide spread vaccination, robust demand recovery on the back of major stimulus packages and favourable monetary policies by governments and central banks. The recovery was accompanied by an increase in inflation as commodity and energy prices shot upamid global supply chain disruptions. The prices increased further in the first quarter of FY 2021-22 on account of Russia-Ukraine crisis, and the subsequent imposition of economic sanctions. Apart from that, multiple lockdowns in China hampered global activity and may further impact the global supply chain. Most major economies appear to have crossed their pre-pandemic outputlevels, but potential headwinds pose downside risks to growth forecasts.

(ii) Indian Economy Overview

As per National Statistical Office's Second Advanced Estimates, India's real GDP grew by 8.70% in FY 2021-22, bouncing back from a contraction in FY 2020-21. The growth can be attributed to the government's massive stimulus package and timely policy interventions, as well as the government's response to the pandemic with a rapid vaccination drive, increased capital expenditure, record high tax revenue and GST collections, and the RBI's accommodative monetary policies. When the third wave arrived in January 2022, the country was much better prepared compared to the previous waves.The pandemic has triggered certain structural changes within the economy, which may impact the viability and future prospects of businesses

(ii) Future Outlook

The RBI expects the Indian economy to register a GDP growth of 7.2% in FY 2022-23, on the back of the government's focus on capital investment and exports, as well as structural reforms and a robust financial system, though rising inflation poses downside risks to the forecast. Long-term economic growth is expected to be supported by sector-specific policies such as the Production Linked Incentive (PLI) scheme, which aims to encourage domestic manufacturing across 15 industries, a credit guarantee programme for SMEs, and increased infrastructure spending.

INDUSTRY STRUCTURE AND DEVELOPMENTS

(i) Global Automobile Industry

As the economy returns to normalcy, the need for mobility is gathering pace once again. The next fiscal is expected to be a year of rebound for the industry. The global automotive industry will witness single-digit growth in FY 2022-23. Also, the shift away from fossil fuel vehicles, in favour of low/ zeroemission vehicles will take centre stage and OEMs will reposition themselves on a new path towards the same.

(ii) Indian Automobile Industry

FY 2021-22 was another tough year for the Indian automobile industry. The industry, recovered from the historic lows of 2020-21, but continued to be affected during the year due to the 2nd & 3rd waves of COVID-19, shortage of semiconductors, supply chain uncertainties, high logistics cost, rising commodity prices and above all the lowering in demand post the festive season. The increase in global oil prices and commodities due to the Russia-Ukraine war is expected to have some impact on the demand in the automotive industry for some time. The Indian automobile industry worked hard to indigenise parts, control costs, invest in new technologies and expand exports to keep the value chain running. The government also launched several targeted initiatives, such as the PLI scheme and the expansion of the FAME scheme.

(iii) Auto components industry

In FY 2021-22, the auto component industry revenue grew by approximately 13-15% on the back of domestic OEMs, replacement, export volumes and commodity price pass-through. Exports have increased because of the 'China+1 strategy', which has been a bright spot in the Indian auto component growth story. Export growth in FY 2021-22 would have been much higher if not for the semiconductor constraint. While auto ancillaries have witnessed a healthy export order book for the upcoming months, geopolitical and supply-chain problems must be closely monitored.

COMPANY'S FINANCIAL PERFORMANCE

During FY 2021-22, total income of the Company was ₹ 1,716 Crores as compared to ₹ 1,992 Crores in FY 2020-21, showing drop of about 13.86%.

Profit before tax and Profit after tax were ₹ 30.04 Crores and ₹ 20.81 Crores respectively for the FY 2021-22 as against ₹ 32.75 Crores and ₹ 21.03 Crores respectively in the previous year.

(i) Key Financial Ratios

As required under Regulation 34 of the Listing Regulations, details of changes are:

Particulars	FY 2021-22	FY 2020-21	Change (in %)	Remarks - 2021-22
Debtors turnover ratio-times	6.43	6.33	1.62	The ratios in the current year have improved compared to the previous year, mainly on account of effectively processing credit period.
Inventory turnover ratio - times	31.07	29.44	5.55	The ratios in the current year have improved compared to the previous year, because of decrease in average inventory level in comparison to cost of goods sold.
Interest coverage ratio	7.15	4.77	49.90	Interest coverage ratio was improved due to reduction in borrowing and decrease in interest rate by Banks.
Current ratio - times	1.31	1.26	3.91	Overall the trade receivables and trade payables of the Company has increased owing to the BS VI pricing premium.
Debt equity ratio	0.14	0.22	34.99	Debt equity ratio has improved due to reduction in borrowing.
Operating Profit margin (%)	1.76	1.65	6.66	The ratios in the current year have improved compared to the previous year, primarily reflecting better operational performance and reduction in borrowing.
Net Profit margin (%)	1.22	1.06	14.92	The ratios in the current year have improved compared to the previous year, primarily reflecting better operational performance and reduction in borrowing.
Return on net worth (%)	6.19	6.66	7.06	Consequent to the fall in the profit, the return on net worth has been decreased.

DEVELOPMENTS AT OUR SUBSIDIARY

In the Financial year 2018-19 your Company took majority stake in Indutch Composite Technologies Private Limited. The purpose of this acquisition was twofold, first, to diversify the risks in the present business. Second, to enter an area of huge market potential. India is just starting to realize the benefits of the use of composites as a material and in the coming years, its use across sectors will increase. Today the company is the leader in the country for windmill blades and tools.

In the past three years the company has grown three folds to touch a turnover of two hundred Crore rupees. There is huge potential for growth in this business.

HUMAN RESOURSE DEVELOPMENT

Our progress is the outcome of our HR team's efforts towards efficient human capability utilisation. Human Resource Development (HRD) is aligned to business needs to enhance business performance and results. The Company follows global best practices and strives to offer employee friendly policies that support the overall growth and development of employees. At MAIL, we onboard talent and nurture their growth through regular training and other knowledge enhancing and skill upgradation mechanisms. Raising employees' involvement in the decision making process and grooming them for leadership positions has been an ongoing process.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

We have a robust internal control system corresponding to our size and operating structure. The Internal Control System is integrated with our financial and operating systems which directs in a more effective manner. Your Company has deployed an Enterprise Resource Planning ("ERP") system based on SAP platform enabling a high degree of system-based checks and controls ensuring protection of its assets and interests. The governance risk and compliance framework further ensure that internal controls are effective and complied with. The audit findings and management's resolution plans are reported on a quarterly basis to the Audit Committee by the internal auditor. The internal auditor of your Company also reports to the Audit Committee in respect of adequacy of internal control systems and weaknesses, if any. Furthermore, the statutory auditor reports on the adequacy and effectiveness of the internal financial controls in respect of financial reporting.

OPPORTUNITIES & THREATS

OPPORTUNITIES

India, as an emerging economy, is at the cusp of exponential growth in various sectors. While some sectors, like the automotive sector, are seeing paradigm shifts in their products. Sectors like electronics and other areas linked to the digital wave, are witnessing huge strides in growth.

Your Company is looking at opportunities in both, the fast-changing automotive sector and other upcoming sectors. With the maturing of the business environment and the financial sector, there are many organic and inorganic opportunities that the company is looking at.

THREATS

Threats can be classified into two distinctive areas. First is the general business scenario and the other is your Company's product segment.

The general business scenario is in the midst of a VUCA (Volatile, Uncertain, Complex, Ambiguous) environment. With India getting more connected to the world economy, it is impacted by events happening the world over. Be it the Russia-Ukraine war, recession in the US, the world's problems with China, the depressing economic conditions in South America. These events, and many other like them, constantly create pressure like shortages in commodities, higher prices of raw materials, depreciation of currency, etc. Your Company is constantly working on making the organisation more agile and system oriented to address this changing landscape.

The auto segment is seeing a paradigm shift with the introduction of electric mobility. This does pose a threat to the Company, like many in the industry. Munjal Auto is closely monitoring the developments. We are working on getting business from our existing customers, which will not be affected by electrification, as well as new businesses. We are also looking at newer sectors to enter into, like our subsidiary Indutch Composite Technologies Private Limited.

RISK AND CONCERNS

There are possible risks on the horizon, both global and domestic. In India, the strong economic recovery could be hampered by the continued Russia-Ukraine conflict and the emergence of new variants of the virus. The effects of any significant economic disruption could have a cascading effect through both demand and supply channels. If supply chains get hit and inflation starts rising, purchasing power and demand will be constricted. CoVID continues to be a cause of concern owing to the emergence of new variants which could cause hardship for the population and disrupt the progress.

The Company is taking all necessary measures in terms of mitigating the impact of challenges being resilient in order to sail through the current situation. It is focused on controlling the fixed costs, maintaining liquidity and closely monitoring the supply chain to ensure that the manufacturing facility operate smoothly.

CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the markets, exchange rate variations, global economic, social & demographic factors, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

For and on behalf of the Board of Directors
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN : 00084080

Date : May 27, 2022
Place : Vadodara

ANNEXURE 'E' TO THE BOARD'S REPORT

Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo [Particulars pursuant to the Companies (Accounts) Rules, 2014]

A. Conservation of Energy

Your Company is committed to sustainable business practices by contributing to environment protection and considers energy conservation as one of the strong pillars of preserving natural resources. Your Company has taken various initiatives as listed below, for energy conservation and preserving natural resources:

- Programs for improving energy, efficiency and energy productivity across all operations;
- Rainwater harvesting, reduce usage, reuse and recycle water;
- Domestic sewage treatment and recycling facilities are a part of design in all its units towards becoming zero water discharge;
- Creating awareness and promote sustainability amongst stakeholders.

The Management is pursuing energy conservation with considerable focus and commitment. Effective use of energy, particularly in the hard core manufacturing processes of the Company. Optimal utilization of various energy resources like power, fuel and oil is ensured by ongoing measures/steps that improve power factor and other consumption.

B. Technical Absorption

Since, the Company has not imported technology; the company has no information to offer in respect of Technology Absorption.

C. Foreign Exchange Earnings and outgo

Foreign Exchange earnings and outgo during the year under review are as follows:

(Amount ₹ in Lakhs)

		2021-22	2020-21
(a)	Foreign Exchange Earnings	77.79	16.90
(b)	Foreign Exchange Outgo	35.48	46.60

ANNEXURE 'G' TO BOARDS' REPORT

Business Responsibility Report [pursuant to Regulation 34(2)(f) of the Listing Regulations]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L34100GJ1985PLC007958
2	Name of the Company	Munjal Auto Industries Limited
3	Registered address	187, GIDC Industrial Estate, Waghodia, Vadodara, Gujarat - 391760
4	Website	www.munjalauto.com
5	E-mail id	cs@munjalauto.com
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Category: Manufacture of diverse parts and accessories for motor vehicles NIC Code: 29301
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	- Exhaust systems for two wheelers - Spoke rims/Steel Wheel Rims for two wheelers - Fuel Tanks and BIW parts of four wheelers
9	Total number of locations where business activity is undertaken by the Company	We have manufacturing plants in 4 locations in the country: **State/Union Territory: Location** Haryana: Dharuhera & Bawal Uttarakhand: Haridwar Gujarat: Vadodara
9(a)	Number of International Locations	Nil
9(b)	Number of National Locations	Four
10	Markets served by the Company - Local/State/National/ International	The Company has PAN India market presence through its plants.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital	₹ 20 Crores
2	Total Turnover	₹ 1,716 Crores
3	Total profit after taxes	₹ 20.81 Crores
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Please refer Annexure on CSR activities annexed to the Board's Report.
5	List of activities in which expenditure in 4 above has been incurred	Please refer Annexure on CSR activities annexed to the Board's Report.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes, as on March 31, 2022, Company has one subsidiary namely Indutch Composites Technology Private Limited
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The subsidiary company is not required to comply with the Business Responsibility 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%]	No

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**

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

   DIN : 02714266

   Name : Mr. Anuj Munjal

   Designation : Whole Time Director

   (b) Details of the BR head

Sr. No.	Particulars	Details
1	DIN	02714266
2	Name	Mr. Anuj Munjal
3	Designation	Whole Time Director
4	Telephone Number	02668-262421
5	Email Id	cs@munjalauto.com

2. **Principle-wise [as per National Voluntary Guidelines (NVGs)] BR Policies:**

   Principle 1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

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

   Principle 3 : Businesses should promote the well-being of all employees

   Principle 4 : Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

   Principle 5 : Businesses should respect and promote human rights

   Principle 6 : Businesses should respect, protect, and make efforts to restore the environment

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

   Principle 8 : Businesses should support inclusive growth and equitable development Principle

   Principle 9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	All the policies have been formulated in consultation with the internal stakeholders of the Company. The external stakeholders are being consulted as per business requirements and on need basis.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies adopted by the Company are in conformity with the applicable statutory laws, rules and regulations.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	All the policies have been approved by the Management of the Company and are approved by the Board wherever statutorily required.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Board of Directors have appointed Mr.Anuj Munjal, Executive Director of the Company to oversee the implementations of the policies.								
6	Indicate the link for the policy to be viewed online?	All the policies which are statutorily required are hosted on the website of the Company i.e. www.munjalauto.com. The access to the other policies is available to the employees and concerned stakeholders on need basis.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been formally communicated to key internal stakeholders. The external stakeholders are being communicated on website/need basis.								
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?	The working of the Policies is assessed under the Internal Audit Function.								

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

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	*1	-	-

* 1.The Company need not formulate policy as their grievances, suggestions are fairly represented by the Trade Association in which the Company is a member.

3. Governance related to BR

(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

The Board of Directors will assess the BR Performance on annual basis.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Report of the Company will be hosted on the website of the Company i.e. www.munjalauto.com under Investor Relations section.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The ethics, bribery and corruption are covered under the Code of conduct and HR Policy of the Company. The code and policies cover only the Company. It does not extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others.

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.

The Company was not in receipt of any complaint during the past financial year.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company's R & D team is constantly carrying out research of product and processes to improve quality of product, life and performance keeping in view social/environmental concerns/risks and/or opportunities.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

a. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

Value Engineering helps to reduce raw material consumption.

b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company as a responsible corporate citizen always strives to ensure utilization of resources in effective and efficient manner. Efforts are being taken for leveraging water conservation, energy efficiency, lesser fuel consumption and sustainable use of renewal sources. It is not feasible to measure the usage of energy, fuel, water by consumers.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

a. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, the Company at working level focus on sustainable resourcing. Company's plants are strategically located near to its customers and suppliers which results in easy accessibility of material to customer and also reduction in freight movement on longer routes.

b. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company continuously identifies local and small producers in nearby locations of plants. The Company encourage local sourcing which confirm to desirable parameters and product samples after quality test. The Company periodically does review of its suppliers for their continuous improvement. Improvement points are also communicated to the supplier in the diligence activities.

4. Does the company have a mechanism to recycle products and waste ? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company always ensure and take efforts for natural resource conservation, reuse, recycle, waste minimization.

Principle 3

1. **Please indicate the Total number of employees.**

   2,016 (Including contract workers & Apprentices)

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

   (Contractual workers -1,115)

3. **Please indicate the Number of permanent women employees.**

   Employees - 6

4. **Please indicate the Number of permanent employees with disabilities**

   Employees - 3

5. **Do you have an employee association that is recognized by Management.**

   - Munjal Auto Group Majdoor Union Bawal (HR) affiliated with (CITU)
   - Munjal Kamdar Union – Waghodia, Vadodara Plant

6. **What percentage of your permanent employees is members of this recognized employee association?**

   96%

7. **Please indicate the Number of complaints relating to child labor, forced labor, involuntary labor, sexual harassment in the last financial year**

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labor/forced labor/involuntary labor	-	-
2.	Sexual harassment	-	-
3.	Discriminatory employment	-	-

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

   A formal training program is in place for all categories of employees. The focus on training includes safety and skill development besides other aspect. All employees irrespective of any category are given training as per requirement.

   (a) Permanent Employees : 85%

   (b) Permanent women Employees : 95%

   (c) Casual/ Temporary/ Contractual Employees : 81%

   (d) Employee with disability : 100%

Principle 4

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, the Company has identified disadvantaged, vulnerable & marginalized stakeholders from the local community and the work force. The Company has also engaged them for their socio-economic development through various CSR initiatives. The social development among disadvantaged, vulnerable & marginalized people are being ensured through awareness and sensitization programs, skill development programs, educational help, medical aid etc.

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.**

   The programs under the CSR initiatives undertaken by the Company are focused primarily on those sections of the communities which are poor, needy, disadvantaged, vulnerable and marginalized.

Principle 5

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 HR Policy through which it endeavors to protect Human Rights at workplace. The Company's procedures and practices always strive to protect Human Rights even within the organization and all activities undertaken through Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No complaint has been received in the past financial year.

Principle 6

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/others.**

   The Environment, Health and Safety Policy covers only the Company. However, the Company always ensure environment friendly and safe business practices while working within the organization and with every actions taken through Group/Suppliers/NGOs/others.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

   As a responsible corporate citizen, the Company always ensures environmental protection. The Company continuously strives to minimize the environmental impact for reducing its own operational environmental footprint. The CSR initiatives taken by the Company forms the integral part of the annual report also available on the website of the Company at www.munjalauto.com.

3. **Does the Company identify and assess potential environmental risks?**

   Yes, potential environmental risks are identified in conformity with all applicable environmental laws. All necessary steps are being ensured for mitigating risk.Your Company has been certified for Occupation, Health and Safety (OHSAS) ISO 45001:2018 from Bureau Veritas during FY 2021-22, which is valid upto 01st May, 2025.

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?**

   Currently the Company does not have any Clean Development Mechanism (CDM) project.

5. **Has the Company undertaken any other initiatives on–clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   The Company always works on resource optimization, water and electricity conservation and waste reduction to reduce its environmental footprints. The Company has undertaken initiatives for usage of solar power through solar panels, solar lights towards energy efficiency.

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 showcause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   No show cause/ legal unresolved notices from CPCB/ SPCB are pending as on March 31, 2022.

Principle 7

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 names of major associations are as follows:

   - Confederation of Indian Industry
   - Automotive Component Manufacturers Association of India (ACMA)
   - Federation of Gujarat Industries (FGI)

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas.**

   No

Principle 8

1. **Does the Company have specified programs/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   The Company has a Corporate Social Responsibility (CSR) policy in place which drives its efforts in the areas which strives towards social and economic development.

2. **Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?**

   The Company collaborates with various foundations, NGOs, Local Administrations etc. on project basis for undertaking the CSRactivities.

3. **Have you done any impact assessment of your initiative?**

   Yes. The Company undertakes actions and incurs expenditure towards corporate social responsibility initiatives after doing initial assessment and case studies. Before undertaking a project or program, meeting with local administrations and other bodies are held for making the pilot project and analysis of the initiatives for knowing the impact. The CSR team does base line survey and where feasible also takes feedback from the beneficiaries for the CSR initiatives taken.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   The Complete details of Company's contribution towards the community development has been specified under the Annexure pertaining to CSR details as annexed in the Board's Report of the Company's Annual Report.

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.**

   The CSR Committee of the Company does all the required assessment for analyzing the key areas for undertaking CSR initiatives and their impact thereto. A programme or project is developed and implemented for creating sense of belongingness and adoption by the community at large. The Community development initiatives are analyzed by baseline surveys and taking the feedback from the beneficiaries. The Company proactively engages beneficiaries with the project and programme on continuous basis for achieving sustainability of the project or program. Required necessary support is also provided to the project or program after the development which will be beneficial for the community.

Principle 9

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   The Company promptly resolves the customers' complaint as and when received within stipulated time frame.

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)**

   The information which are statutorily required are displayed.

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 case has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertisement and/or anti-competitive behaviour during thelast five years and pending as on the end of the financial year.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

   The Company regularly engages with customers to get their feedback on the product and always ensures necessary actions to increase their satisfaction level. The Company has quality service team for redressing the customer's concerns pertaining to the Company's product. Customer concerns are being taken for immediate redressals for achieving the customer's satisfaction.

CORPORATE GOVERNANCE REPORT

(1) Company's philosophy on Corporate Governance

Corporate Governance is the application of best management practices, compliance with the law and adherence to ethical standards to achieve the Company's objectives aimed at enhancing the shareholders' value and discharging social responsibilities. Our Governance process should ensure optimum utilisation of resources to meet the aspirations of our stakeholders' aspirations and expectations of our society.

We remained resolute in our commitment to conduct business in accordance with the highest ethical standards and the soundest corporate governance practices. The Company strongly believes in achieving the objectives of enhanced shareholder's value and increased stakeholders' interest through good corporate governance.

A Report on compliance with the Code of Corporate Governance as prescribed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('The Listing Regulations') is given below:

(2) Board of Directors

We believe that a diversified, active and well-informed Board is necessary to ensure highest standards of corporate governance.The Board of Directors ('Board') of your Company has an optimum combination of Executive and Non-Executive Directors, representing a blend of professionalism, knowledge, experience and business acumen. The composition of the Board of your Company is in conformity with Regulation 17(1) of The Listing Regulations. The Executive Chairman of the Company is a Promoter and the number of Non-Executive Independent Directors including one independent women director is more than one-half of the total number of Directors. The Board reviews and approves strategy; oversees the actions and results of management to ensure that the long-term objectives of enhancing stakeholders' value and other stakeholder's interest are met.

The Chairman & Managing Director and two Whole Time Directors are the Executive Directors of the Company looking after the day-to-day management of your Company, belonging to the Company's promoter group. The remaining Non-Executive Directors comprising of seven Independent Directors, possess requisite qualifications and experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors.

Apart from reimbursement of expenses incurred in the discharge of their duties and the remuneration (sitting fees) that Directors would be entitled under the Companies Act, 2013 ('the Act') as Non-Executive Directors, none of these Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries and Associates which in their judgment would affect their independence. None of the Directors, other than those belonging to the promoter group of the Company, are inter-se related to each other.

The Senior Management of the Company have made disclosures to the Board confirming that there were no material financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

a. Composition of the Board

The Board comprises of 10 Directors as on March 31, 2022. The names and categories of Directors, the number of Directorships and Committee positions held by them in other companies are given below. None of the Executive Directors is an Independent Director in more than 3 listed companies and none of Non-Executive Directors is Director in more than 7 listed companies [Regulation 17A of the Listing Regulations]. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees [Regulation 26(1) of the Listing Regulations], across all the listed entities.

b. Board Procedure

A detailed agenda folder containing items of business to be transacted is sent to each Director in advance of the Board Meeting and to the Director concerned in advance of the committee meetings. In order, to enable the Board to discharge its responsibilities effectively, the Chairman & Managing Director apprises the Board at every meeting of the overall performance of the Company, followed by itemized presentations as may be necessary. The Board also inter alia reviews strategy and business plans, annual operating and capital expenditure budgets, investment and exposure limits, compliance status of all laws applicable to the Company as well as steps taken by your Company to rectify instances of non-compliances, if any, review of major legal issues, significant labour issues, transactions pertaining to purchase/disposal of property(ies), major accounting provisions and major write backs/ impairment etc. and approves quarterly/half yearly/ annual results. Minutes of meetings of the Audit and other Committees of the Board contain information on recruitment and leaving of officers just below the Board level including the Company Secretary and Compliance officer.

c. **Number of Board Meetings, Attendance of Directors at Meetings of the Board and at the Annual General Meeting**

During FY 2021-22, the Board met four times viz. on June 09, 2021, August 14, 2021, November 10, 2021 & February 14, 2022. Pursuant to Ministry of Corporate Affairs (MCA) general circular no. 11/2020 dated March 24, 2020, issued in view of Covid-19 outbreak, the mandatory requirement of holding Board meeting within the interval of one hundred and twenty (120) days provided in Section 173 of the Companies Act, 2013 was relaxed and extended by a period of sixty (60) days for the companies.

In view of the above relaxation, the first Board Meeting for FY 2021-22 was conducted on June 09, 2021 which was as per the revised timelines of the MCA circular.

The composition and attendance record of members of the Board is given below:

Name of Directors	Number of Board Meetings held during the year 2021-22		Attendance at last AGM held on September 14, 2021 (Yes/No)	No. of Directorships Held in Listed Companies	No. of Committee Memberships held*	Number of Committee Chairmanships held*
	Held	Attended			(excluding Private, Foreign and Section 8 Companies)	
Executive Directors (Promoters)						
Mr. Sudhir Kumar Munjal	4	4	Yes	1	1	-
Mrs. Anju Munjal	4	4	Yes	1	-	-
Mr. Anuj Munjal	4	4	Yes	1	1	-
Non Executive and Independent Directors						
Mr. Vikram Shah	4	4	Yes	1	1	1
Mr. Naresh Kumar Chawla	4	4	Yes	1	2	1
Mr. Mahendra Sanghvi	4	3	Yes	3	3	1
Mr. Ramkisan Devidayal	4	4	Yes	3	7	5
Mr. Sudesh Kumar Duggal	4	4	Yes	1	2	-
Mr. Jal Ratanshaw Patel	4	4	Yes	3	5	3
Ms. Avi Sabavala	4	4	Yes	2	1	-

* As required by Regulation 26 of the Listing Regulations, this disclosure Includes memberships/chairmanships of Audit Committee and Stakeholders' Relationship Committee only.

* Except Executive Directors, no other Directors are related inter se.

Directorship in other Listed Companies:

Sr. No.	Name of Directors	Name of Company(ies)	Category of Directorships
1	Mr. Sudhir Kumar Munjal	-	-
2	Mrs. Anju Munjal	-	-
3	Mr. Anuj Munjal	-	-
4	Mr. Vikram Shah	-	-
5	Mr. Naresh Kumar Chawla	-	-
6	Mr. Sudesh Kumar Duggal	-	-
7	Mr. Mahendra Sanghvi	Integra Engineering India Limited Shaily Engineering Plastics Limited	Non-Executive - Independent Director Executive Director-Chairman
8	Mr. Ramkisan Devidayal	Banco Products (India) Limited 20 Microns Limited	Non-Executive - Independent Director
9	Mr. Jal Ratanshaw Patel	Elecon Engineering Company Limited Gujarat Gas Limited	Non-Executive - Independent Director
10	Ms. Avi Sabavala	Neogen Chemicals Limited	Non-Executive - Independent Director

d. List of core skills/expertise/competencies as identified by the Board of Directors of the Company as required in the context of Company's business and sector for it to function effectively and those actually available with the Board

Name of Directors	Mr. Sudhir Kumar Munjal	Mrs. Anju Munjal	Mr. Anuj Munjal	Mr. Vikram Shah	Mr. Naresh Kumar Chawla	Mr. Ramkisan Devidayal	Mr. Mahendra Sanghvi	Mr. Sudesh Kumar Duggal	Mr. Jal Ratanshaw Patel	Ms. Avi Sabavala
Skills/Expertise/Competencies Whether available with the Board or not?										
INDUSTRY KNOWLEDGE/ EXPERIENCE										
Experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Industry knowledge	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Understanding of relevant laws, rules, regulation and policy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓		✓		✓			
TECHNICAL SKILLS/ EXPERIENCE										
Accounting and Finance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Business Development and Strategy	✓	✓	✓				✓			
Information Technology	✓	✓	✓	✓	✓		✓			
Leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
BEHAVIORAL COMPETENCIES										
Integrity and ethical standards	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mentoring abilities	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Interpersonal relations	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

e. Annual Evaluation of the Board, its Committees and Individual Directors

A formal evaluation of the performance of the Board, its Committees, the Chairman and the individual Directors was carried out for FY 2021-22.

As part of the evaluation process, the performance of Non-Independent Directors, the Chairman and the Board was conducted by the Independent Directors. 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.

f. Director seeking re-appointment

In accordance with the Section 152 of Companies Act, 2013, one-third of the Retiring (Executive Directors) Directors retires by rotation and, if eligible, offers for re-election at the Annual General Meeting of shareholders. Accordingly, Mrs. Anju Munjal retires in the ensuing Annual General Meeting and being eligible offers herself for re-appointment. Nomination & Remuneration committee as well as the Board have recommended her appointment as director liable to retire by rotation at the 37th Annual General meeting.

g. Compliance Certificate

In terms of Regulation 17(8) of Listing Regulations, Chairman & Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended March 31, 2022 forming part of this Report as **Annexure I.**

h. Code of Conduct for the Board and Senior Management Personnel

The Company has formulated comprehensive Code of Conduct ('Code') for Board and Senior Management Personnel of the Company. The Company has received affirmations from the Board and Senior Management Personnel confirming their compliance with the said Code for FY 2021-22. An annual declaration signed by the Chairman & Managing Director to this effect forms part of this Report as **Annexure II.**

i. Familiarisation Programme for Board Members

The Company regularly provides orientation and business overview to its Directors by way of detailed presentations by the various business & functional heads at Board meetings and through other interactive programmes. Such meetings/ programmes include briefings on the culture, values, business model, domestic business of the Company, the roles and responsibilities of Directors and senior executives. Besides these, the Directors are regularly updated about Company's new projects, R&D initiatives, changes in regulatory environment and strategic direction.

The Board members are also provided relevant documents, reports and internal policies to facilitate familiarisation with the Company's procedures and practices, from time to time.

3. Remuneration to Directors

a. Remuneration Policy

As per the remuneration policy, the remuneration paid to Executive Directors is recommended by the NRC and approved by the Board, subject to subsequent approval by shareholders at the general meeting and such other authorities, as the case may be. The terms and conditions of the employment of Executive Directors are governed by the shareholders' approval taken in that regard, wherein all the details are provided in the explanatory statement. The remuneration is arrived at after considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry and the financial position of the Company.

The remuneration paid to Executive Directors is commensurate to their respective roles and responsibilities. Remuneration paid to Executive Directors, subject to limits prescribed under Part II of Schedule V to the Companies Act, 2013, generally consists of fixed salary, perquisites, allowances and retiral benefits as decided by the NRC and such other benefits in accordance with market practices.

The Non-Executive Directors of the Company are paid sitting fees for attending each meeting of the Board, Committees thereof and any other meetings of the Directors. While deciding the remuneration, various factors such as Director's participation in Board and Committee meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, etc. are taken into consideration.

Non-Executive Directors do not have any other pecuniary relationship with the Company except as stated above.

b. Remuneration paid/payable to Executive Directors and Sitting Fees paid to Non-Executive Directors for the year ended March 31, 2022

The remuneration paid/payable to the Executive Directors and Non-Executive Directors of the Company during the year ended March 31, 2022 is as follows:

(Amount ₹ In Lakhs)

Sr. No.	Name of Directors	Basic Salary	Perquisites, Allowances & Retirals	Sitting Fee	Total compen-sation
1.	Mr. Sudhir Kumar Munjal	150.00	190.21	-	340.21
2.	Mrs. Anju Munjal	131.25	166.44	-	297.69
3.	Mr. Anuj Munjal	131.25	166.44	-	297.69
4.	Mr. Vikram Shah	-	-	3.24	3.24
5.	Mr. Naresh Kumar Chawla	-	-	4.00	4.00
6.	Mr. Mahendra Sanghvi	-	-	2.20	2.20
7.	Mr. Ramkisan Devidayal	-	-	2.80	2.80
8.	Mr. Sudesh Kumar Duggal	-	-	3.40	3.40
9.	Mr. Jal Ratanshaw Patel	-	-	2.80	2.80
10.	Ms. Avi Sabavala	-	-	1.80	1.80

* Notice period in case of Mr. Sudhir Kumar Munjal, Chairman & Managing Director, Mrs. Anju Munjal and Mr. Anuj Munjal, Whole Time Directors is 180 days.

(4) Risk Management

Your Company has a well-defined risk management framework in place. Further, your Company has established procedures to periodically place before the Board, the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate these risks. Moreover, in terms of Regulation 21 of the Listing Regulations, Risk Management also in place.

(5) Committees of the Board

a. Audit Committee

The Audit Committee of the Company is constituted in line with Regulation 18 of the Listing Regulations read with Section 177 of the Act & Rules mentioned thereunder. All members of the Audit Committee are financially literate and have accounting or related financial management expertise as mandated by the Listing Regulations.

The Company's Audit Committee functions under the Chairmanship of Mr. Vikram Shah. Four Audit Committee meetings were held on June 09, 2021, August 14, 2021, November 10, 2021 & February 14, 2022 during F.Y. 2021-22 in due compliance with the stipulated provisions. The composition and attendance record of members of the Audit Committee is given below: -

Sr. No.	Name of Committee Members	Position held	No. of Meetings during FY 2021-22	
			Held	Attended
1.	Mr. Vikram Shah	Chairman	4	4
2.	Mr. Naresh Kumar Chawla	Member	4	4
3.	Mr. Sudhir Kumar Munjal	Member	4	4
4.	Mr. Sudesh Kumar Duggal	Member	4	4
5.	Mr. Jal Ratanshaw Patel	Member	4	4

Mr. Vikram Shah, the Chairman of the Committee is a Chartered Accountant. The role and terms of reference of the Committee covers the matters specified under Regulation 18 read with Part C of Schedule II of the Listing Regulations and Section 177 of the Act. Besides having access to all the required information from the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and the Internal Auditors and the Board of Directors of the Company. It is authorized to select and establish accounting policies, review reports of the Statutory and the Internal Auditors and meet with them to discuss their findings, suggestions and other related matters.

Mr. Rakesh Johari the Company Secretary and Compliance Officer of the Company acts as a Secretary of the Committees.

b. Nomination & Remuneration Committee

The Company has a duly constituted Nomination and Remuneration Committee which, inter alia, identifies and recommends persons who are qualified to become directors or appointed as part of senior management and reviews and recommends payment of annual salaries to the Executive Directors of the Company besides finalizing their service agreements and other employment terms and conditions. The NRC takes into consideration the best remuneration practices being followed in the industry while fixing appropriate remuneration packages.

The nomenclature, constitution and terms of reference of the Committee are in consonance with the provisions of Section 178 of the Act and Regulation 19(4) read with Paragraph A of Part D of Schedule II to the Listing Regulations.

One meeting of Nomination & Remuneration Committee was held on June 09, 2021 during F.Y. 2021-22. The composition and attendance record of the Nomination & Remuneration Committee is given below:

Sr. No.	Name of Committee Members	Position held	No. of Meetings during FY 2021-22	
			Held	Attended
1.	Mr. Mahendra Sanghvi	Chairman	1	1
2.	Mr. Vikram Shah	Member	1	1
3.	Mr. Sudhir Kumar Munjal	Member	1	1
4.	Mr. Ramkisan Devidayal	Member	1	1
5.	Mr. Jal Ratanshaw Patel	Member	1	1

The Company does not have any stock option scheme. None of the Directors hold any shares in the Company except Mr. Naresh Kumar Chawla who holds 500 shares & Mrs. Anju Munjal holds 622 shares as on March 31, 2022.

c. **Stakeholder's Relationship Committee**

This Committee looks into investors' grievances arising out of issues regarding share transfers, dividends, dematerialisation and related matters, evaluating performance and service standards of the Registrar and Share Transfer Agent and takes requisite action(s) to redress the same.

The role and terms of reference of the Committee cover the areas as contemplated under Regulation 20 read with Paragraph B of Part D of Schedule II to the Listing Regulations and Section 178 of the Act, as applicable.

The Stakeholder's Relationship Committee functions under the Chairmanship of Mr. Naresh Kumar Chawla. Four Stakeholders Relationship Committee meetings were held on June 09, 2021, August 14, 2021, November 10, 2021 & February 14, 2022 during F.Y. 2021-22. The composition and attendance record of members of the Stakeholder's Relationship Committee are given below:

Sr. No.	Name of Committee Members	Position held	No. of Meetings during FY 2021-22	
			Held	Attended
1.	Mr. Naresh Kumar Chawla	Chairman	4	4
2.	Mr. Mahendra Sanghvi	Member	4	3
3.	Mr. Ramkisan Devidayal	Member	4	4
4.	Mr. Anuj Munjal	Member	4	4
5.	Mr. Sudesh Kumar Duggal	Member	4	4

The Company confirms that there were no share transfers lying pending as on date which were received up to March 31, 2022 and all requests for dematerialization and re-materialization of shares as on that date were confirmed into the NSDL / CDSL system.

d. **Share Transfer Committee**

The role of the Share Transfer Committee(STC) is to attend to the requests pertaining to share transfers, transmissions, name deletions, issue of duplicate share certificates and dematerialization or rematerialization of shares etc. Mr. Vikram Shah is the Chairman and Mr. Sudhir Kumar Munjal is member of the Committee. The meetings of Share Transfer Committee are held every fortnight, if required.

During the reporting financial year, 3 meetings of Share Transfer Committees were held.

Name & designation of Compliance Officer

Mr. Rakesh Johari, Company Secretary

e. **Corporate Social Responsibility ('CSR') Committee**

The Committee formulates and recommends to the Board, a Corporate Social Responsibility Policy and monitors as well as reviews the same and determines its implementation process / execution of CSR policy. It also recommends the amount of expenses to be incurred on CSR activities and closely and effectively monitors the implementation of the policy. It also formulates and recommends Annual Action Plan to the Board.

Disclosures of contents of Corporate Social Responsibility as required under The Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as a separate annexure to the Board's report.

During the year, one meeting was held on June 09, 2021. The composition and attendance record of members of the CSR Committee is given below: -

Sr. No.	Name of Committee Members	Position held	No. of Meetings during FY 2021-22	
			Held	Attended
1.	Mr. Vikram Shah	Chairman	1	1
2.	Mr. Naresh Kumar Chawla	Member	1	1
3.	Mr. Sudhir Kumar Munjal	Member	1	1
4.	Mrs. Anju Munjal	Member	1	1
5.	Mr. Anuj Munjal	Member	1	1

f. **Independent Directors Meeting**

Independent Directors of the Company met once during FY 2021-22 i.e. on March 19, 2022. All Independent Directors were present throughout the meeting.

g. **Risk Management Committee ("RMC')**

In terms of amended Regulation 21 of the Listing Regulations, the Board of Directors of the Company constituted Risk Management Committee at its meeting held on August 14, 2021 comprising of Mr. Sudhir Kumar Munjal as a Chairman along with other members viz. Mr. Anuj Munjal, Member and Mr. Naresh Kumar Chawla.

During the year, two meetings were held on February 14, 2022 and March 28, 2022. The composition and attendance record of members of the RMC Committee is given below: -

Sr. No.	Name of Committee Members	Position held	No. of Meetings during FY 2021-22	
			Held	Attended
1.	Mr. Sudhir Kumar Munjal	Chairman	2	2
2.	Mr. Naresh Kumar Chawla	Member	2	2
3.	Mr. Anuj Munjal	Member	2	2

(6) Disclosure

a. **Disclosure of transactions with Related Parties**

The Company follows the following policy in regard to disclosure of the related party transactions to the Audit Committee:

(i) A statement in the summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee.

(ii) All related party transactions are in the ordinary course of business and on arm's length basis.

(iii) During the financial year 2021-22, there were no materially significant transactions entered into between the Company and its Promoter, Directors or the Management, Subsidiary or relatives etc. that might have potential conflict with the interests of the Company at large.

The policy on materiality of related party transactions and on dealing with related party transactions of related party is placed on the website of the Company i.e. www.munjalauto.com.

b. **Disclosure of Accounting Treatment in preparation of Financial Statements**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015.

c. **Code for Prevention of Insider Trading Practices**

The Company has formulated a comprehensive Code of Conduct for Prevention of Insider Trading for its designated employees, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company and cautioning them of the consequences of violations.

d. **Whistle Blower Policy:**

The Company has a Vigil Mechanism (Whistle Blower policy) already in place and is posted on the Company's website at the following weblink: https://munjalauto.com/finance/key-policies/

e. **Disclosure of policy on material subsidiaries**

The policy for determining material subsidiaries is available on the Company's website at the following weblink: https://munjalauto.com/finance/key-policies/

f. **Fees paid to Statutory Auditors**

The details of fees for all services paid by the Company and its subsidiaries (excluding taxes), on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which statutory auditors are part of, are given in the table below:

Sr. No.	Name of the Entity	Relationship with Munjal Auto Industries Limited	Detail of Services	Amount (₹ In Lakhs)
1.	Munjal Auto Industries Ltd.	-	Audit Fess	15.50
2.	Munjal Auto Industries Ltd.	-	Tax Audit Fees	2.50
3.	Munjal Auto Industries Ltd.	-	Certifications	0.25
4.	Munjal Auto Industries Ltd.	-	Other services	4.97
5.	Indutch Composites Technology Pvt. Ltd.	Subsidiary Company	Audit Fees	6.60
6.	Indutch Composites Technology Pvt. Ltd.	Subsidiary Company	Tax Audit Fees	1.05
7.	Indutch Composites Technology Pvt. Ltd.	Subsidiary Company	Other services	2.45

g. **General Shareholder's Information**

1. **Annual General Meeting**

Date	September 16, 2022
Day	Friday
Time	11:00 A.M.
Venue	Pursuant to the MCA General Circular no. 20/2020 dated May 5, 2020; General Circular no. 02/2021 dated January 13, 2021 and General Circular no. 2/2022 dated May 05, 2022, the Company will conduct its AGM through VC/OAVM. Other relevant details have been provided in the notice of AGM.

2. **Dates of Book Closure**

The dates of book closure shall be from Saturday, September 10, 2022 to Friday, September 16, 2022 (both days inclusive).

3. **Date of Dividend Payment**

The Board has recommended a final dividend @ 50% i.e. ₹ 1 per equity share FY 2021-22. The dividend recommended by the Directors for the year ended March 31, 2022, if declared at the ensuing annual general meeting, will be paid by Saturday, October 15, 2022 to those members, whose names appear in the register of members/depository records as on Friday, September 09, 2022.

4. **Financial Year of the Company**

Financial year of the Company begins from 1st April every year and ends on 31st March of every subsequent year:

Tentative Financial reporting for the quarter ending	
June 30, 2022	On or before Aug 14, 2022
September 30, 2022	On or before Nov 14, 2022
December 31, 2022	On or before Feb 14, 2023
Mar 31, 2023	On or before May 30, 2023

5. **Registered Office & Corporate Office**

Registered Office
187, GIDC Industrial Estate,
Waghodia 391 760,
District : Vadodara, Gujarat, India.
Tel: +91 2668 262421-22,
Fax: +91 2668 262427

Corporate Office
Unitech Business Zone, 2nd Floor,
Tower C, Nirvana Country, South City- 2,
Sector-50, Gurugram, Haryana – 122011.
Tel: (0124)4057891/4057892,
Fax: (0124) 4369506

Email: cs@munjalauto.com; Website: www.munjalauto.com

6. **Listing of Equity Shares on Stock Exchange**

Listing Fees

Listing fees for the financial year 2022-23 has been paid to the Stock Exchanges, wherein the equity shares of the Company are listed (i.e. BSE & NSE) within stipulated time.

Listing on Stock Exchanges

Equity shares of the Company are presently listed on following stock exchanges:

Name of Stock Exchange	Address
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
National Stock Exchange of India Limited (NSE)	'Exchange Plaza', Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051

7. **Stock Code**

The Company's stock code on the above stock exchanges are:

BSE Limited (BSE)	520059
National Stock Exchange of India Limited (NSE)	MUNJALAU
The ISIN of the Company is INE 672B01032.	

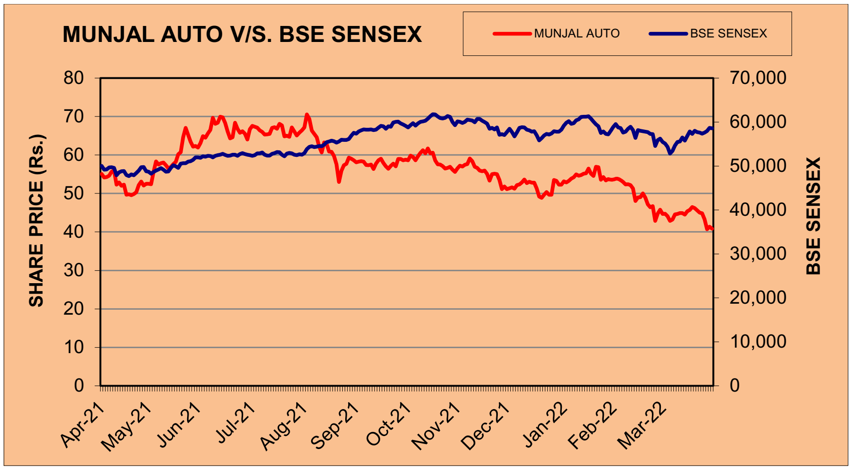
8. **Stock Performance**

Monthly high and low stock quotations and volumes during the financial year 2021-22 on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are given below**:**

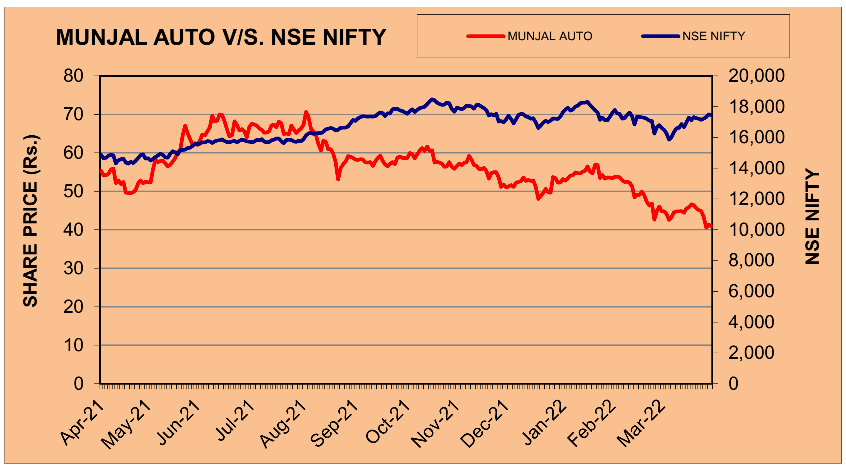
SHARE PRICE DATA (NSE & BSE)

	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
Month	**High (₹)**	**Low (₹)**	**Volume (Nos.)**	**High (₹)**	**Low (₹)**	**Volume (Nos.)**
April, 2021	56.50	47.60	2,57,747	56.50	48.60	17,81,781
May, 2021	69.20	51.00	12,59,786	69.25	51.25	1,61,76,074
June, 2021	72.80	61.40	17,31,134	72.75	61.35	1,91,91,843
July, 2021	69.80	64.15	11,46,845	70.00	63.80	79,19,031
August, 2021	72.65	51.50	9,14,859	72.80	51.45	84,08,451
September, 2021	60.00	55.50	3,23,346	60.05	55.60	24,75,055
October, 2021	63.35	55.05	3,28,764	62.85	52.55	33,66,879
November, 2021	60.45	50.00	2,40,039	60.60	50.00	20,47,200
December, 2021	56.50	47.65	4,93,465	56.20	47.10	32,33,079
January, 2022	58.40	52.00	4,89,428	59.90	52.00	32,91,540
February, 2022	54.80	41.05	3,05,099	55.00	42.05	18,60,029
March, 2022	47.50	40.00	3,51,629	47.50	40.05	24,01,954

COMPANY'S SHARE PRICE MOVEMENT VIS A VIS BSE SENSEX



COMPANY'S SHARE PRICE MOVEMENT VIS A VIS NSE NIFTY



9. Registrar and Transfer Agent ('RTA')

All work related to share registry, both in physical form and electronic form, is handled by the Company's RTA, MCS Share Transfer Agent Limited. The communication address of the RTA is given hereunder:

MCS Share Transfer Agent Limited
Address:-1st Floor, Neelam Apartments,
88- Sampatrao Colony, Above Chappanbhog Sweets,
Alkapuri, Vadodara - 390 007 (Gujarat)
Tel.: +91 265 2350490/ 2314757, Fax: +91 265 2341639
E-mail: **mcsltdbaroda@gmail.com**

10. Share Transfer System

All share transfer and other communications regarding share certificates, change of address, transmission, etc. should be addressed to the Company's RTA.

In terms of Regulation 40(1) of the Listing Regulations, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorised by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

The total number of shares transmitted during the year 2021-22 was 89,110 shares.

11. **Distribution of Shareholding as on March 31, 2022**

Distribution of Shareholding by number of shares held & Shareholding Pattern in percentage pursuant to Regulation 31(1)(b) of the Listing Regulations as on March 31, 2022 are given below:

No. of Equity Shares held	No. of Shareholders	%	No. of Shares	%
Up to 500	32,748	81.42	50,59,330	5.06
501 – 1000	3,760	9.35	31,92,660	3.19
1001 – 2000	1,806	4.49	28,48,277	2.85
2001 – 3000	758	1.88	19,60,672	1.96
3001 – 4000	284	0.71	10,29,984	1.03
4001 – 5000	337	0.84	16,30,048	1.63
5001 – 10000	320	0.80	24,36,740	2.44
10001 – 50000	186	0.46	36,17,169	3.62
50001 – 100000	12	0.03	8,70,799	0.87
100001 & above	10	0.02	7,73,54,321	77.35
Total	**40,221**	**100**	**10,00,00,000**	**100**

12. **Shareholding Pattern as on March 31, 2022**

Category	Holders (No.)	No. of Equity Shares held	Percentage of holding
PROMOTER HOLDING			
Indian promoters	1	7,48,06,450	74.81
Total of promoter holding	**1**	**7,48,06,450**	**74.81**
NON-PROMOTER HOLDING			
- Banks / Financial Institutions	4	8,000	0.01
- Mutual funds	3	20,000	0.02
- Foreign Portfolio Investors	1	69,540	0.07
OTHERS			
- Private Corporate bodies	234	10,35,920	1.04
- Indian public	38,670	2,14,26,187	21.42
- NRIs / OCBs	410	7,31,996	0.73
- Co-op Banks, Co-op. Societies, Trust	2	3,152	0.00*
- HUF	895	9,83,026	0.98
- IEPF	1	9,15,729	0.92
Total of non promoter holding	**40,220**	**2,51,93,550**	**25.19**
Grand total	**40,221**	**10,00,00,000**	**100.00**

*Negligible

13. **Category of Share Holding as on March 31, 2022**

Sr. No.	Category	No. of Shareholders	% of Total Shareholders	Total Shares	% to Equity
1.	Physical	965	2.40	12,66,875	1.27
2.	NSDL	17,189	42.74	8,83,81,577	88.38
3.	CDSL	22,067	54.86	1,03,51,548	10.35
	TOTAL	**40,221**	**100**	**10,00,00,000**	**100**

14. **Outstanding GDRs/ADRs/Warrant or any Convertible Instruments, Conversion date and likely impact on equity**

Not applicable

15. Plant Locations

Regd. Office & Unit I	Unit II	Unit III	Unit IV
187, GIDC Industrial Estate, Waghodia-391 760 Dist. Vadodara, Gujarat, India Tel: +91 2668 262421/22 Fax: +91 2668 262427	Plot No.37,Sector 5 Phase II, Growth Centre Bawal-123 501 Dist. Rewari, State : Haryana Tel: (01284) 264435/36 Fax: (01284) 264434	Plot No.11, Industrial Park -2 Village :Salempur, Mehdood Haridwar-249 402 Dist. Haridwar, Uttarakhand Tel:(01334)235530/32 Fax: +91 (1334) 235533	Plot No.32A, Industrial Area, Phase II, Dharuhera-122106 Dist. Haryana, State : Haryana Tel:(01274)243010/11/12/13/14

16. Address for Correspondence

For queries relating to

Shares and Dividend

Mr. Rakesh Johari
Company Secretary
Munjal Auto Industries Limited,
187, GIDC Industrial Estate, Waghodia 391 760.
Dist. Vadodara (Gujarat)
Tel: +91 2668 262421-22 Fax: +91 2668 262427
E-mail: cs@munjalauto.com

Financial Statements

Mr. Brham Prakash Yadav
Chief Financial Officer
Munjal Auto Industries Limited
Unitech Business Zone, 2nd Floor, Tower C, Nirvana Country,
South City-2, Sector-50, Gurugram-122018
Tel: (0124)4057891/92 Fax: (0124) 4369506
E-mail: brhamprakash@munjalauto.com

17. Credit Rating

ICRA, the rating agency has reaffirmed AA- with stable outlook for the long-term bank facilities and A1+ for short term bank facilities and commercial paper of your Company vide letter dated October 04, 2021 during the year under review. The aforesaid rating is valid till June 30, 2022.

6. Other Disclosures

a. Details of Annual General Meetings and Summary of Special Resolutions passed

Financial year (ended)	Date	Time	Venue	Summary of Special Resolution(s) passed for
March 31, 2021	September 14, 2021	3:00 p.m.	The meeting was convened through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	No special resolution was passed at the meeting
March 31, 2020	September 12, 2020	12:00 Noon	The meeting was convened through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	No special resolution was passed at the meeting
March 31, 2019	August 31, 2019	3.00 p.m	Registered Office at 187, GIDC Industrial Estate, Waghodia 391 760, Dist. Vadodara, Gujarat. India	Special Resolution pertaining to:· - Reappointment of Mrs. Anju Munjal and Mr. Anuj Munjal and revision in remuneration of Mr. Sudhir Kumar Munjal, CMD, Mrs. Anju Munjal and Mr Anuj Munjal, WTD(s). - Re-appointment of Mr. Vikram Shah, Mr. Mahendra Sanghvi, Mr. Ramkisan Devidayal, Mr. Naresh Kumar Chawla, Mr. Sudesh Kumar Duggal and Mr. Jal Ratanshaw Patel as non-executive independent directors for their second term.

b. Resolution passed through circulation

A resolution was passed by circulation by the members of Audit Committee and Board of Directors on March 28, 2022 for the adoption of Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions.

c. Details of non compliance etc.

There has neither been any non-compliance of any legal provision of applicable law, nor any penalty, structure imposed by the stock exchanges or SEBI or any other authorities, on any matter relating to capital market during the last three years.

d. Means of Communication

The Company has been regularly uploading on online platform of Stock Exchanges within 30 minutes of closure of the Board Meeting, Annual Audited as well as quarterly un-audited results to both the Stock Exchanges, BSE & NSE, after they are approved by the Board of Directors. All information is submitted to NEAPS and BSE Listing Centre.

Quarterly, half-yearly and annual results are published in prominent daily newspapers such as the Business Standard & local newspaper i.e. Loksatta - Jansatta. The Company also informs Stock Exchanges in a prompt manner, all price sensitive information or such other matters, which in its opinion are material & relevant for the shareholders and subsequently issues a press release on the said matters.

The Company's website www.munjalauto.com contains information on the Company and its performance. Presentations to analysts, as and when made, are immediately posted on the website for the benefit of the shareholders and the public at large.

NSE Electronic Application Processing System ('NEAPS')

NEAPS is a web-based application designed by the National Stock Exchange of India Ltd. (NSE) for corporate filings. All periodical compliance related filings, like shareholding pattern, corporate governance report, media releases and corporate actions are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre ('Listing Centre')

The Listing Centre of BSE Ltd., is a web-based application designed for corporate filings. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre.

e. Compliance with Mandatory requirements

No penalties have been imposed or strictures passed against the Company by the stock exchanges, the Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three years.

Securities of the Company have not been suspended for trading at any point of time during the year and the Company has duly complied with Corporate Governance requirements as specified under Regulation 17 to 27, Regulation 46 (2) clause (b) to (i) and para C, D and E of Schedule V of the Listing Regulations.

f. Postal Ballot

During the year ended March 31, 2022, no resolution was passed by postal ballot. Hence, disclosure under this section is not applicable.

ANNEXURE – I OF CORPORATE GOVERNANCE REPORT

COMPLIANCE CERTIFICATE

To,
The Board of Directors,
Munjal Auto Industries Limited
187, GIDC Industrial Estate, Waghodia
Vadodara, Gujarat- 391760

Sub: Compliance Certificate in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

A. This is to certify that we have reviewed the financial statements and cash flow statement for the financial year ended 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 are in compliance with 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 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, if any;

   (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; 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.

For Munjal Auto Industries Limited

Date : May 18, 2022	Sudhir Kumar Munjal	Brham Prakash Yadav
Place : Gurugram	Chairman & Managing Director	Chief Financial Officer
	DIN - 00084080	

DECLARATION BY CHAIRMAN & MANAGING DIRECTOR

[Regulation 34(3), read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Sudhir Kumar Munjal, Chairman & Managing Director of Munjal Auto Industries Limited, hereby declare that all the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the financial year 2021-22.

For Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN: 00084080

Date : May18, 2022
Place : Gurugram

ANNEXURE - II OF CORPORATE GOVERNANCE REPORT

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
MUNJAL AUTO INDUSTRIES LIMITED
187,GIDC Industrial Estate, Waghodia
Dist. Vadodara, Gujarat-391760

We have examined the compliance of conditions of Corporate Governance of MUNJAL AUTO INDUSTRIES LIMITED ("the Company") for the year ended March 31, 2022, as stipulated in Regulation 15 and other relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

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

In our opinion and to the best of our information and according to our examination of the relevant records asaforesaid and the explanations given to us and there presentations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 15 and other relevant regulations of the Listing Regulations above, during the year ended March 31, 2022 as applicable.

We 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 Devesh Pathak & Associates
Practising Company Secretaries
Devesh A. Pathak
Sole Proprietor
Membership No.: FCS 4559
CoP No. : 2306
UDIN:F004559D000372619

Place : Vadodara
Date : May 27, 2022

ANNEXURE – III OF CORPORATE GOVERNANCE REPORT

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
Munjal Auto Industries Limited
187, GIDC Industrial Estate,
Waghodia Dist.
Vadodara - 391760

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **MUNJAL AUTO INDUSTRIES LIMITED** having CIN L34100GJ1985PLC007958 and having registered office at 187, GIDC Industrial Estate, Waghodia, Distt Baroda, Gujarat -391760, (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status 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 Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of the company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Naresh Kumar Chawla	00007842	30/08/2001
2.	Mrs. Anju Sudhir Munjal	00007867	30/09/1999
3.	Mr. Vikram Chinubhai Shah	00007914	02/09/1996
4.	Mr. Jal Ratanshaw Patel	00065021	30/03/2009
5.	Mr. Sudhir Kumar Munjal	00084080	01/08/1991
6.	Mr. Mahendra Bhogilal Sanghvi	00084162	30/08/2001
7.	Mr. Ramkisan Amirchand Devidayal	00238853	26/07/2008
8.	Mr. Sudesh Kumar Duggal	00566943	25/10/2008
9.	Mr. Anuj Munjal	02714266	01/06/2010
10.	Ms. Avi Sabavala	08246256	01/04/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Devesh Pathak & Associates
Practising Company Secretaries
Devesh A. Pathak
Sole Proprietor
Membership No.: FCS 4559
CoP No. : 2306
UDIN:F004559D000372520

Place : Vadodara
Date : May 27, 2022

INDEPENDENT AUDITORS' REPORT

To
THE MEMBERS OF
MUNJAL AUTO INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Munjal Auto Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31,2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Standalone Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matters
1.	**Recording of price adjustments and their impact on revenue recognition:** (Refer to note 37 to the Standalone Financial Statements) Revenue is measured by the Company at the transaction price i.e. amount of consideration received/receivable from its customers. In determining the transaction price for the sale of products, the Company considers the effects of price adjustments: - to be passed on to the customers, or; - to be recovered from the customers, based on various parameters like negotiations, savings/escalations on/of cost of input materials etc. for the sales made by the Company. The Company computes the impact of such price adjustments to be recovered from/passed on to the customers based on agreed terms, negotiations undertaken, commercial considerations and other factors.	**<u>Principal Audit Procedures</u>** Our audit procedures included the following: • Assessed the Company's accounting policy for revenue recognition including the policy for recording price adjustments in terms of Ind AS 115; • Obtained understanding of the revenue process, and the assumptions used by the management in the process of calculation of price adjustments as per customer contracts, including design and implementation of controls, testing of management review controls and tested the operating effectiveness of these controls; • Evaluated management's methodology and assumptions used in the calculations of price adjustments as per customer contracts; • Tested completeness, arithmetical accuracy and validity of the data used in the computation of price adjustments as per customer contracts;

	The estimated assets and liabilities on this account at the year-end is shown as Contract Assets under note 54 and Contract Liabilities under note 54, respectively, to the Standalone Financial Statements and with its consequentially impacts the revenue appearing in note 54 to the Standalone Financial Statements. We have considered this as a key audit matter on account of the significant judgement and estimate involved in calculation of price adjustments to be recorded as at the year end.	**Conclusion:** Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation, and disclosure of the subject matter in Standalone Financial Statements.
2.	**Recognition and Measurement of Deferred Taxes including Minimum Alternate Tax (MAT) credit:** (*Refer to note 4 (xiv), 13, 46 to the Standalone Financial Statements)* The recognition and measurement of deferred tax items requires, at the level of the tax entity, the complete determination of all differences between the recognition and the measurement of tax base of assets and liabilities. This requires significant calculations on account of the tax regulations, most of which are complex. The effects and the measurement of deferred tax assets and liabilities require detailed knowledge of the applicable tax law. We have considered the recognition and measurement of deferred tax assets including MAT credit as Key Audit Matter as recognition of these assets involves judgement by management as to the likelihood of the realization of these deferred tax assets, which is based on a number of factors including whether there will be sufficient taxable profits in future periods to support recognition.	**Principal Audit Procedures** Our audit procedures included the following: - Evaluating management's assessment on the sufficiency of future taxable profits in support of the recognition of deferred tax asset by comparing management's forecasts of future profits to historical results and evaluating the assumptions used in those forecasts. - Inquiry and critical analysis of the management judgement on recognition of deferred tax asset. - Assessing the adequacy of the deferred tax disclosures to the Standalone Financial Statements. **Conclusion:** Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation, and disclosure of the subject matter in Standalone Financial Statements.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance Report and Shareholder's Information but does not include the Standalone Financial Statements and our auditors' report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows 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.

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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone 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 auditors' report to the related disclosures in the Standalone 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   d. in our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act;

   e. on the basis of the written representations received from the directors as on March 31,2022, taken on record by the Board of

Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act;

f. with respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure “B”;

g. with respect to the other matters to be included in the Auditors’ Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. the Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – refer note 47 to the Standalone Financial Statements;

ii. the Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses as at March 31, 2022;

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) the management has represented that, to the best of it’s knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) the management has represented, that, to the best of it’s knowledge and belief, other than as disclosed in the notes to the accounts, 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 the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in note 61 to the standalone financial statements, the Board of Directors of the Company has 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 K. C. Mehta & Co.
Chartered Accountants
Firm’s Registration No. 106237W

Pritesh Amin
Partner
Membership No.105926
UDIN: 22105926AJYELN3405

Place : Vadodara
Date : May 27, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in our Independent Auditors' Report to the members of **Munjal Auto Industries Limited** ("the Company") on the Standalone Financial Statements for the year ended March 31, 2022, we report that:

i. a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ("PPE");

(B) The Company has maintained proper records showing full particulars, including quantitative details of Intangible Assets;

b) As explained to us, the Company has a regular program of physical verification of PPE which, in our opinion is reasonable. The PPE which were to be covered as per the said program have been physically verified by the management during the year. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such verification;

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties other than self-constructed properties are held in the name of the Company;

d) The Company has not revalued its PPE (including Right of Use Assets) or intangible assets or both during the year, and therefore reporting under this clause of the Order is not applicable to the Company;

e) According to the information and explanations given to us no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules thereunder, therefore disclosure in its Standalone Financial Statements is not required.

ii. a) The Inventories except for goods-in-transit and inventories lying with third parties, have been physically verified by the management during the year and in our opinion, the coverage and procedure of such verification by the management is appropriate. On a few occasions, there were discrepancies of 10% or more in aggregate for Stores & Spares class on physical verification as compared to the book records, and those have been properly dealt with in the books of account;

b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. We have been informed that the quarterly returns or statements filed by the Company with such banks or financial institutions are in accordance with the books of account as on the date of submission. However, we have not been provided reconciliation of these quarterly returns or statements with the reviewed quarterly financial results, submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

iii. The Company has not made any investments, provided any guarantee or security, or granted any loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties during the year, and therefore, reporting under this clause of the Order is not applicable to the Company.

iv. The Company has not given any loans, investments, guarantees or security covered under Section 185 of the Act. In respect of the investments made, in our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act.

v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year from the public and consequently, the directives issued by Reserve Bank of India, the provisions of sections 73 to 76 of the Act and rules framed there under are not applicable to the Company.

vi. In our opinion and according to the information and explanations given to us, in view of Rule 3 of the Companies (Cost Records and Audit) Amendments Rules 2014 the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company and therefore, reporting under clause (vi) of the Order is not applicable to the Company.

vii. a) According to the information and explanations given to us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues, including Goods and Services Tax, provident fund, employee's state insurance, income tax, duty of customs, cess and other material statutory dues applicable to it. Further, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employee's state insurance, income tax, duty of customs, cess and any other material statutory dues were in arrears, as at March 31, 2022, for a period of more than six months from the date they become payable.

b) According to the information and explanations given to us, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the statute	Nature of disputed dues	Amount ₹ in Lakhs	Period to which the amount relates	Forum where pending
The Gujarat Sales Tax Act, 1969	Sales Tax	25.50	FY 2002-2003	Commissioner of Commercial Tax (Appeals)
The Central Excise Act, 1944	Duty of Excise	58.76	June, 2008 to March, 2009	Commissioner of Customs, Excise and Service Tax (Appeals)
The Income Tax Act, 1961	Income Tax	17.91	AY 2018-19	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	57.00	AY 2017-18	Commissioner of Income Tax (Appeals)

viii. According to the information and explanations given to us, no unrecorded transactions in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or other lenders.

c) In our opinion and according to information and explanation given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.

d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.

e) According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

f) According to the information and explanations given to us and the procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiary.

x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) during the year and therefore, reporting under this clause of the Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore, reporting under this clause of the Order is not applicable to the Company.

xi. a) To the best of our knowledge and according to information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year;

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report;

c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year.

xii. The Company is not a Nidhi company and therefore, reporting under clause (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.

xiv. a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business;

b) The reports of internal auditors for the period under audit have been considered by us;

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors and therefore, reporting under clause (xv) of the Order is not applicable to the Company.

xvi. In our opinion and according to the information and explanations given to us:

a) the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

b) the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as covered under the requirements the Reserve Bank of India Act, 1934.

c) the Company is a not a Core Investment Company as defined in the regulations made by Reserve Bank of India.

d) the Company does not have more than one Core Investment Companies which are part of the Group;

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year;

xviii. There has been no resignation of the statutory auditors during the year and therefore, reporting under this clause of the Order is not applicable to the Company;

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone 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. According to the information and explanations given to us,

a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under this clause of the Order is not applicable to the Company;

b) There are no unspent amounts towards Corporate Social Responsibility (CSR) pursuant to any ongoing project, and therefore, reporting under this clause of the Order is not applicable to the Company.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Pritesh Amin
Partner
Membership No.105926
UDIN: 22105926AJYELN3405

Place : Vadodara
Date : May 27, 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Munjal Auto Industries Limited** on the Standalone Financial Statements of even date)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause(i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to Standalone Financial Statements of **Munjal Auto Industries Limited** ("the Company") as of March 31, 2022, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 Standalone Financial Statements were 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 Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may be come 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, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Pritesh Amin
Partner
Membership No.105926
UDIN: 22105926AJYELN3405

Place : Vadodara
Date : May 27, 2022

STANDALONE BALANCE SHEET AS AT MARCH 31, 2022

(Amount ₹ in Lakhs)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Non-Current Assets			
(a) Property, plant and equipment	6	**18,760.08**	19,827.16
(b) Capital work-in-progress	7	**52.01**	115.59
(c) Investment property	8	**2,542.85**	2,632.07
(d) Other intangible assets	9	**116.38**	148.10
(e) Right of use assets	10	**1,107.56**	2,516.28
(f) Financial assets			
(i) Investments	11	**3,001.93**	3,001.93
(ii) Deposits	12	**218.61**	220.61
(g) Deferred tax assets (net)	13	**268.50**	659.26
(h) Other non-current assets	14	**55.73**	36.93
Total Non-Current Assets		**26,123.65**	29,157.93
(2) Current Assets			
(a) Inventories	15	**4,111.23**	5,599.67
(b) Financial assets			
(i) Investments	16	**11,762.35**	2,632.63
(ii) Trade receivables	17	**32,941.92**	33,917.37
(iii) Cash and cash equivalents	18	**236.22**	1,519.61
(iv) Other bank balances	19	**83.69**	96.00
(v) Deposits	20	**39.00**	39.00
(vi) Other financial assets	21	**25.55**	24.96
(c) Current tax assets (net)	22	**285.39**	280.89
(d) Other current assets	23	**284.98**	268.25
(e) Non-current assets held for sale	24	**1,353.82**	689.64
Total Current Assets		**51,124.15**	45,068.02
Total Assets		**77,247.80**	74,225.95
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	25	**2,000.00**	2,000.00
(b) Other equity	26	**31,633.10**	29,535.87
Total Equity		**33,633.10**	31,535.87
Liabilities			
(1) Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	27	**3,095.94**	5,355.21
(ii) Lease liabilities	28	**841.12**	921.47
(iii) Other financial liabilities	29	**83.33**	83.33
(b) Provisions	30	**507.83**	527.13
Total Non-Current Liabilities		**4,528.22**	6,887.14
(2) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	31	**1,667.20**	1,515.10
(ii) Lease liabilities	32	**85.12**	105.90
(iii) Trade payables	33		
(A) Total outstanding dues of micro and small enterprises		**2,424.07**	3,228.20
(B) Total outstanding dues of creditors other than micro and small enterprises		**15,730.97**	20,447.75
(iv) Other financial liabilities	34	**1,254.38**	1,519.65
(b) Current tax liabilities (net)	35	**43.71**	111.36
(c) Other current liabilities	36	**4,877.46**	2,894.46
(d) Provisions	37	**13,003.57**	5,980.52
Total Current Liabilities		**39,086.48**	35,802.94
Total Equity and Liabilities		**77,247.80**	74,225.95
Significant accounting policies and notes to standalone financial statements	1-64		

As per our report of even date attached
For K. C. Mehta & Co.
Chartered Accountants

Pritesh Amin
Partner
Membership No. 105926

Place : Vadodara
Date : May 27, 2022

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Vikram Shah
Chairman Audit Committee
DIN - 00007914

Rakesh Johari
Company Secretary

Brham Prakash Yadav
Chief Financial Officer

Place : Vadodara
Date : May 27, 2022

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Amount ₹ in Lakhs)

	Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**INCOME**			
	Revenue from operations	38	**1,70,655.10**	1,98,196.13
	Other income	39	**914.49**	957.44
	Total Income		**1,71,569.59**	1,99,153.57
II	**EXPENSES**			
	Cost of raw materials consumed	40	**1,50,047.60**	1,77,794.96
	Changes in inventories of finished goods and work-in-progress	41	**803.85**	(730.09)
	Employee benefits expenses	42	**5,826.91**	6,061.54
	Finance costs	43	**488.37**	867.18
	Depreciation and amortization expense	44	**2,098.97**	2,247.92
	Other expenses	45	**9,299.68**	9,637.27
	Total Expenses		**1,68,565.38**	1,95,878.78
III	**Profit before tax (I-II)**		**3,004.21**	3,274.79
IV	**Tax expenses**	46		
	(a) Current tax relating to:			
	- current year		**929.17**	923.72
	- earlier years		**(13.96)**	6.46
	(b) Deferred tax		**8.46**	241.99
V	**Profit for the year (III-IV)**		**2,080.54**	2,102.62
VI	**Other Comprehensive Income (OCI)**			
	Items that will not be reclassified to profit or loss			
	- Re-measurement of the defined benefit plans		**25.66**	91.60
	- Income tax relating to above item	46	**(8.97)**	(32.01)
	Net other comprehensive income not to be reclassified to profit or loss		**16.69**	59.59
VII	**Total Comprehensive Income for the year (V+VI)**		**2,097.23**	2,162.21
	Earnings per equity share			
	Basic and diluted (in ₹)	48	**2.08**	2.10
	Significant accounting policies and Notes to standalone financial statements	1-64		

As per our report of even date attached
For K. C. Mehta & Co.
Chartered Accountants

Pritesh Amin
Partner
Membership No. 105926

Place : Vadodara
Date : May 27, 2022

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal Chairman & Managing Director DIN - 00084080	Anju Munjal Whole Time Director DIN - 00007867	Vikram Shah Chairman Audit Committee DIN - 00007914
Rakesh Johari Company Secretary	Brham Prakash Yadav Chief Financial Officer	

Place : Vadodara
Date : May 27, 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2022

A. EQUITY SHARE CAPITAL

(Amount ₹ in Lakhs)

Particulars	
Balance as on March 31, 2020	2,000.00
Change in equity share capital during the year	-
Balance as on March 31, 2021	2,000.00
Change in equity share capital during the year	-
Balance as on March 31, 2022	**2,000.00**

B. OTHER EQUITY

(Amount ₹ in Lakhs)

Particulars	Reserves and Surplus			Other comprehensive income	Total
	Capital reserve	General reserve	Retained earnings	Re-measurement of defined benefit plans	
Balance as at March 31, 2020	2.09	1,848.73	25,596.36	(73.52)	27,373.66
Profit for the year	-	-	2,102.62	-	2,102.62
Re-measurement of defined benefit plans (net of tax)	-	-	-	59.59	59.59
Total comprehensive income for the year	**-**	**-**	**2,102.62**	**59.59**	**2,162.21**
Balance as at March 31, 2021	2.09	1,848.73	27,698.98	(13.93)	29,535.87
Profit for the year	-	-	**2,080.54**	**-**	**2,080.54**
Re-measurement of defined benefit plans (net of tax)	-	-	-	16.69	16.69
Total comprehensive income for the year	**-**	**-**	**2,080.54**	**16.69**	**2,097.22**
Balance as at March 31, 2022	**2.09**	**1,848.73**	**29,779.52**	**2.76**	**31,633.10**

As per our report of even date attached
For K. C. Mehta & Co.
Chartered Accountants

Pritesh Amin
Partner
Membership No. 105926

Place : Vadodara
Date : May 27, 2022

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Vikram Shah
Chairman Audit Committee
DIN - 00007914

Rakesh Johari
Company Secretary

Brham Prakash Yadav
Chief Financial Officer

Place : Vadodara
Date : May 27, 2022

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2022

(Amount ₹ in Lakhs)

		For the year ended March 31, 2022	For the year ended March 31, 2021
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	**3,004.21**	3,274.78
	Adjustments for:		
	Depreciation and amortisation expense	**2,098.97**	2,247.92
	Finance cost	**397.27**	767.46
	(Profit)/loss on sale/discard of property, plant and equipment (net)	**(38.14)**	52.59
	Unwinding of discount	**5.40**	5.31
	Interest on lease liabilities	**85.71**	94.41
	Interest income	**(5.45)**	(15.52)
	Dividend received	**-**	(3.86)
	Net profit on sale of current investments	**(195.55)**	(82.50)
	Net gain on investments carried at fair value through profit or loss	**(87.72)**	(3.94)
	Sundry balances written back (net)	**1.78**	(10.38)
	Provision for capital advances	**-**	29.00
	Unrealised foreign exchange (gain)/loss (net)	**(1.29)**	2.79
	Re-measurement of defined benefit plans	**25.66**	91.60
	Modification (gain)/loss on lease assets/liabilities	**(2.83)**	-
	Operating profit before working capital changes	**5,288.02**	6,449.66
	Adjustment for (increase)/decrease in operating assets		
	Inventories	**1,488.44**	831.12
	Trade receivables	**975.66**	(8,471.18)
	Other financial assets	**1.41**	(32.44)
	Other assets	**(16.73)**	521.09
	Adjustment for increase/(decrease) in operating liabilities		
	Trade payables	**(5,521.59)**	(2,349.97)
	Provisions	**6,998.35**	5,290.20
	Other liabilities	**1,953.62**	1,754.72
	Cash flow from operations after changes in working capital	**11,167.18**	3,993.20
	Net direct taxes (paid)/refunded	**(628.30)**	(498.72)
	Net cash flow from/(used in) operating activities	**10,538.88**	3,494.48
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment, investment property including capital advances & CWIP	**(869.00)**	(676.70)
	Proceeds from sale of property, plant and equipment	**782.37**	648.68
	Purchase of investments	**(1,62,912.80)**	(1,09,102.91)
	Sale of investments	**1,54,066.35**	1,08,444.74
	Interest income	**5.45**	57.19
	Dividend income	**-**	3.86
	Bank balances not considered as cash and cash equivalents	**12.32**	12.64
	Net cash flow from/(used in) investing activities	**(8,915.31)**	(612.49)

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2022 (Continued)

(Amount ₹ in Lakhs)

		For the year ended March 31, 2022	For the year ended March 31, 2021
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from borrowings	**-**	-
	Repayment of borrowings	**(2,107.17)**	(1,150.11)
	Payment of lease liabilities	**(191.66)**	(177.29)
	Net increase/(decrease) in working capital borrowings	**-**	(1,000.00)
	Finance cost	**(608.12)**	(590.54)
	Net cash flow from/(used) in financing activities	**(2,906.95)**	(2,917.94)
D.	**Net increase/ (decrease) in cash and cash equivalents (A+B+C)**	**(1,283.38)**	(35.96)
	Cash & cash equivalents at beginning of year (see note 1)	**1,519.60**	1,555.56
	Cash and cash equivalents at end of year (see note 1)	**236.22**	1,519.60

Notes:

1	**Cash and cash equivalents comprise of:**		
	Cash on hands	**7.96**	9.00
	Balance with banks		
	In current accounts	**204.79**	1,510.39
	In Cash credit accounts	**23.47**	0.21
	Cash and cash equivalents as restated	**236.22**	1,519.60

2 Figures of the previous year have been regrouped / reclassified wherever necessary.

3. Reconciliation of liabilities from financial activities:

(Amount ₹ in Lakhs)

Particulars	Lease liabilities	Long-term borrowings	Short-term borrowings
Opening Balance (21-22)	**1,027.37**	**6,870.31**	**-**
Opening Balance (20-21)	1,110.24	8,020.42	1,000.00
Cash inflow / (outflow) (21-22)	**(105.95)**	**(2,107.17)**	**-**
Cash inflow / (outflow) (20-21)	(82.87)	(1,150.11)	(1,000.00)
Non Cash Changes (21-22)	**12.55**	**-**	**-**
Non Cash Changes (20-21)	-	-	-
Closing Balance (21-22)	**933.97**	**4,763.14**	**-**
Closing Balance (20-21)	1,027.37	6,870.31	-

As per our report of even date attached
For K. C. Mehta & Co.
Chartered Accountants

Pritesh Amin
Partner
Membership No. 105926

Place : Vadodara
Date : May 27, 2022

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Vikram Shah
Chairman Audit Committee
DIN - 00007914

Rakesh Johari
Company Secretary

Brham Prakash Yadav
Chief Financial Officer

Place : Vadodara
Date : May 27, 2022

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

Munjal Auto Industries Limited ('the Company') is a public limited company domiciled and incorporated in India having its registered office at 187, GIDC Industrial Estate, Waghodia, District: Vadodara- 391760. The shares of the Company are listed on two stock exchanges in India i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company is engaged in manufacturing and selling of Auto components. As at March 31, 2022, Thakur Devi Investments Private Limited, the holding company owned 74.81% of the Company's equity share capital.

2 APPLICATION OF NEW INDIAN ACCOUNTING STANDARDS

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparing these financial statements.

Recent accounting pronouncements:

On March 23, 2022, the Ministry of Corporate Affairs (MCA) notified Companies (Indian Accounting Standards) Amendment Rules, 2022 to further amend the Companies (Indian Accounting Standards) Rules, 2015 by making amendments to Ind AS 101 - First-time adoption of Indian Accounting Standards, Ind AS 103 - Business Combinations, Ind AS 109 – Financial Instruments, Ind AS 16 – Property, Plant and Equipment, Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets & Ind AS 41 – Agriculture; effective from 1 April 2022. Key amendments are as follows:-

1. Amendments to Ind AS 109, Financial instruments: Paragraph B3.3.6 has been amended by adding an important clarification and shifting some portion to new paragraph B3.3.6A. New paragraph 7.2.35 contains transitional provision. As per pre-amended paragraph B.3.3.6, in the case of exchange of debt instruments between an existing borrower and lender mentioned in paragraph 3.3.2, the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. The amendment now clarifies that in determining those fees paid net of fees received, a borrower includes only fees 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.
2. Amendments to Ind AS 16, Property, plant and equipment: Sub-item (e) of paragraph 17 has been amended. The amendment now clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.
3. Amendments to Ind AS 37, provisions, contingent liabilities and contingent assets: Paragraph 68A has been newly added and paragraph 69 has been amended. New paragraph 94A contains transitional provision. New paragraph 68A states that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both:
    - the incremental costs of fulfilling that contract - for example, direct labour and materials; and
    - an allocation of other costs that relate directly to fulfilling contracts - for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others.

    As per pre-amended paragraph 69 of Ind AS 37, before a separate provision for an onerous contract is established, an entity recognises any impairment loss (under Ind AS 36, 'impairment of assets') that has occurred on assets dedicated to that contract. As per amended paragraph 69 of Ind AS 37, before a separate provision for an onerous contract is established, an entity recognises any impairment loss (under Ind AS 36) that has occurred on assets used in fulfilling the contract.

    The amendment also provides transitional provisions.

    The amendments are not significant; hence they are not expected to have a material impact on the financial statements of the Company.

3 BASIS OF PREPARATION AND PRESENTATION

i. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

ii. **Basis of preparation:**

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

iii. **Operating Cycle**

Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

4 **SIGNIFICANT ACCOUNTING POLICIES**

i. **Property, plant and equipment**

Property, plant and equipment (including furniture, fixtures, vehicles, etc.) held for use in the production or supply of goods or services or for administrative purposes are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes items directly attributable to the construction or acquisition of the item of property, plant and equipment and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as-other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is charged on a pro-rata basis at the straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Schedule II to the Act. Estimated useful lives of these assets are as under:

Description	**Years**
Building	30-60
Leasehold Improvements	over the lease period
Plant & machinery	15
Furniture and Fixtures	10
Vehicles	8
Office Equipment	5
Computers	3

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

ii. **Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over a period of 3 to 10 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in the Statement of Profit and Loss when the asset is derecognised.

iii. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs of disposal and value in use.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

iv. Non-current assets held for sale

The Company classifies Non-Current Assets as held for sale/disposal if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

v. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured inaccordance with Ind AS 16’s requirements for cost model. The cost of Investment property includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit and Loss in the period in which the property is derecognised.

vi. Investment in subsidiary

The Company records the investment in subsidiary at cost less impairment loss, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and written down immediately to its recoverable amount. On disposal of investment in subsidiary, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

vii. Inventories

Inventories other than scrap are stated at the lower of cost and net realisable value. Costs of inventories are determined on a moving weighted average. Finished goods and work-in-progress (along with Stock in transit) include appropriate proportion of overheads. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Scrap is valued at estimated net realisable value.

Inventory of stores and spare parts is valued at weighted average cost or net realisable value, whichever is lower.

Provisions are made for obsolete and non-moving inventories.

viii. Revenue recognition

The Company earns revenue primarily from sale of products.

(a) Sale of products

Revenues are recognized when the Company satisfies the performance obligation by transferring a promised products to a customer. A product is transferred when the customer obtains control of that product, which is at the point of transfer of custody to customers where usually the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration and represents amounts receivable for products and services provided in the normal course of business, net off Goods and Services Tax (GST), etc. Any retrospective revision in prices is accounted for in the respective year to which such revision belongs.

(b) Dividend and interest income

Dividend income from investments is recognised when the right to receive payment has been established.

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(c) Other income

Other income is recognized on accrual basis except when realisation of such income is uncertain.

ix. Government grants

Government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Government grants related to revenue are recognized on a systematic basis in the statement of profit or loss over the periods necessary to match them with the related costs which they are intended to compensate.

x. Leases

As a lessee

The Company's lease assets primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases and corresponding Right-of-use Asset . For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The Right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability.

Right-of-use assets are depreciated on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

As a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight line basis over the lease term. The Company has leased out its Investment Property classifying such lease as an Operating Lease, because it does not transfer substantially all of the risks and rewards incidental to the ownership of such Investment Property. Note 4 (v) sets out the information about the said Investment Property.

xi. Foreign currency transactions

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items (which includes advance received/paid) that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

xii. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

xiii. Employee benefits

(a) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

(b) Post-employment benefits

(1) Defined contribution plan

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions. The eligible employees of the Company are entitled to receive benefits in respect of provident fund, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

(2) Defined benefit plan

Defined retirement benefit plans comprising of gratuity are recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Net interest on the net defined liability is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised in the Statement of Profit and Loss except those included in cost of assets as permitted.

Remeasurement of defined retirement benefit plans comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognised in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to the Statement of Profit and Loss.

The retirement benefit obligation recognised in the Financial Statements represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

(c) Other long term employee benefits

The obligation for long term employee benefits such as long term compensated absences is measured at present value of estimated future cash flows expected to be made by the company and is recognised in a similar manner as in the case of defined benefit plans vide (b)(2) supra.

Long term employee benefit costs comprising current service cost, interest cost implicit in long term employee benefit cost and gains or losses on curtailments and settlements, re-measurement including actuarial gains and losses are recognised in the Statement of Profit and Loss as employee benefit expenses.

xiv. Income taxes

Income tax expense represents the sum of the current tax and deferred tax.

(a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

(b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

(c) Current and deferred tax for the year

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

xv. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Product warranty expenses

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences based on actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically up to five years.

xvi. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the Statement of Profit and Loss are recognised immediately in the Statement of Profit and Loss.

xvii. Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(a) Financial assets at amortised cost

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.

(b) Equity investments at fair value through other comprehensive income:

Financial assets are measured at fair value through other comprehensive income (FVTOCI) if these financial assets are held within a business 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 on the principal amount outstanding. These include financial assets that are equity instruments and are irrevocably designated as such upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognized directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognized in the Statement of Profit and Loss when the right to receive payment has been established.

When the equity investment is derecognized, the cumulative gain or loss in equity is transferred to retained earnings.

(c) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through Profit or Loss (FVTPL) unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through Profit or Loss are immediately recognised in the Statement of Profit and Loss.

(d) Impairment of financial assets

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

(e) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

xviii. Financial liabilities and equity instruments

Debt and equity instruments issued by Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(a) Financial liabilities

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs'.

(b) Equity instruments

An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(c) Derecognition of financial liabilities

The Company derecognises financial liabilities when and only when the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

xix. Research and development expenditure

Expenditure of capital nature are capitalised and expenses of revenue nature are charged to the Statement of Profit and Loss, as and when incurred.

xx. Statement of cash flows:

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

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company accounting policies, which are described in note no. 4, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgments in applying accounting policies

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the standalone financial statements:-

(a) Evaluation of indicators for impairment of property, plant and equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset or poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

(ii) Assumptions and key sources of estimation uncertainty

(a) Assets and obligations relating to employee benefits

The employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ (income) include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of employment benefit obligations.

(b) Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting period. As at March 31, 2022 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

(c) Estimation of provision for warranty

Management estimates the related provision for future warranty claims based on certain percentages of revenue. The provision is based on historical information on the nature, frequency and average cost of warranty claims. Management also estimates regarding possible future outflow on servicing the customers for any corrective action in respect of product failure which is generally expected to be settled within a period of 1 to 5 years.The assumptions made in relation to the current period are consistent with those in the prior year. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives.

(d) Provision for price differences

The company recognises price difference payable to parties, where settlement is pending for final negotiation. It is provided on the basis of best estimate and management assessments, considering the past trades and various other factors. This provisions are reviewed on regular basis and adjusted with respective elements with statement of profit and loss from the adequacy and reasonability point of view.

(e) Provision for slow moving and obsolete items in Inventory valuation

Inventories are measured at the lower of cost and net realizable value. Write-down of inventories are calculated based on an analysis of foreseeable changes in demand, technology or market conditions to determine obsolete or excess inventories.

(f) Identification of leases, duration and value

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease and to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is rate of interest that the Company would have to pay to borrow over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT

(Amount ₹ in Lakhs)

Particulars	Tangible assets								Total
	Freehold land	Building	Plant & equipment	Lease hold improve-ments	Furniture & fixtures	Vehicles	Office equipment	Computers	
Gross block									
At April 1, 2020	1,796.86	6,459.38	18,837.03	354.59	505.30	798.98	149.44	89.72	28,991.30
Additions	-	10.37	443.95	-	1.25	16.23	7.72	1.88	481.40
Deduction/adjustments	-	-	747.19	-	1.16	45.85	-	-	794.20
At March 31, 2021	1,796.86	6,469.75	18,533.79	354.59	505.39	769.36	157.16	91.60	28,678.50
Additions	-	3.08	680.60	-	8.31	22.72	17.73	65.47	797.91
Deduction/adjustments	-	-	94.99	-	0.36	-	0.21	-	95.56
At March 31, 2022	**1,796.86**	**6,472.83**	**19,119.40**	**354.59**	**513.34**	**792.08**	**174.68**	**157.07**	**29,380.85**
Accumulated depreciation									
At April 1, 2020	-	831.23	5,587.76	64.06	68.43	293.67	95.02	70.11	7,010.28
Charge for the year	-	222.62	1,493.04	38.46	33.63	105.18	20.45	20.62	1,934.00
Deduction/adjustments	-	-	56.28	-	-	36.65	-	-	92.93
At March 31, 2021	-	1,053.85	7,024.52	102.52	102.06	362.20	115.47	90.73	8,851.35
Charge for the year	-	219.46	1,381.96	38.46	29.62	101.93	18.28	20.70	1,810.41
Deduction/adjustments	-	-	40.42	-	0.36	-	0.20	-	40.98
At March 31, 2022	**-**	**1,273.31**	**8,366.06**	**140.98**	**131.32**	**464.13**	**133.55**	**111.43**	**10,620.78**
Net block									
At March 31, 2021	1,796.86	5,415.89	11,509.27	252.07	403.33	407.16	41.69	0.88	19,827.16
At March 31, 2022	**1,796.86**	**5,199.52**	**10,753.34**	**213.63**	**382.02**	**327.95**	**41.13**	**45.64**	**18,760.08**

Notes:

(i) The Company has elected to continue with the carrying value of its property plant & equipment (PPE) recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

(ii) For details of property, plant and equipment pledged as security to lenders, refer to note 27

(iii) The aggregate depreciation charge for the year has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

(iv) Contractual obligations: Refer to note 47 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

(Amount ₹ in Lakhs)

7 CAPITAL WORK-IN-PROGRESS

Particulars	Total
At April 01, 2020	165.65
Additions	94.20
Transfer to proprety, plant and equipment	144.27
At March 31, 2021	**115.59**
Additions	**54.41**
Transfer to proprety, plant and equipment	**21.58**
Transfer to assets held for sale	**96.41**
At March 31, 2022	**52.01**

CWIP ageing schedules

CWIP	Amount in CWIP for a period of		Total
	Less than 1 year	1-2 years	As at March 31, 2022
Projects in progress			
HMCL assessories line	8.80	3.50	12.30
MHML - 200 CC AANL line	34.20	-	34.20
MHBSD line	1.51	-	1.51
Others	4.00	-	4.00
Total	**48.51**	**3.50**	**52.01**

CWIP	Amount in CWIP for a period of		Total
	Less than 1 year	1-2 years	As at March 31, 2021
Projects in progress			
HMCL assessories line	3.69	0.49	4.18
Surface grinder	-	20.90	20.90
Pune building project	90.51	-	90.51
Total	**94.20**	**21.39**	**115.59**

The Company has no such projects whose completion is overdue or where costs have exceeded as compared to the original plan.

8 INVESTMENT PROPERTY

Particulars	Total
At April 1, 2020	2,645.70
Additions	73.86
Depreciation	87.49
At March 31, 2021	2,632.07
Depreciation	89.22
At March 31, 2022	**2,542.85**

(i) Investment property includes factory building situated at Waghodia, Gujarat, which is owned to earn rentals and for capital appreciation. The said property is leased out to the company's subsidiary for its operations.

(ii) The said investment property is pledged as security for a related borrowing. The fair value of the property measured by a registered valuer is ₹ 2274.51 Lakhs (PY - ₹ 2372.33 Lakhs).

(iii) Rental income of ₹ 535.60 Lakhs (PY - ₹ 515.03 Lakhs) is shown within other income and finance expenses of ₹ 116.54 Lakhs (PY - ₹ 164.13 Lakhs) are reported within finance costs and and subletting charges of ₹ 39.14 Lakhs (PY-Nil) are reported under Rates & Taxes.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

9 OTHER INTANGIBLE ASSETS

Particulars	Computer software	Total
Gross block		
At April 1, 2020	406.27	406.27
Additions	5.75	5.75
At March 31, 2021	412.02	412.02
Additions	8.65	8.65
At March 31, 2022	**420.67**	**420.67**
Accumulated amortisation		
At April 1, 2020	204.99	204.99
Charge for the year	58.92	58.92
At March 31, 2021	263.91	263.91
Charge for the year	40.38	40.38
At March 31, 2022	**304.29**	**304.29**
Net block		
At March 31, 2021	148.10	148.10
At March 31, 2022	**116.38**	**116.38**

1 The Company has elected to continue with the carrying value of its Intangible assets recognised as of April 01, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

2 The aggregate amortisation charge for the year has been included under depreciation and amortisation expense in the statement of profit and loss.

10 RIGHT OF USE ASSETS

Particulars	Right of use assets			Total
	Land	Building	Plant & equipment	
At April 1, 2020	2,317.63	1,013.56	42.24	3,373.43
Less : Non-current assets held for sale*	689.64	-	-	689.64
Less : Depreciation	28.64	125.39	13.49	167.52
As at March 31, 2021	1,599.35	888.17	28.75	2,516.27
Add : Addition of new assets	**-**	**-**	12.55	12.55
Less : Modification / re-measurment	**-**	**-**	4.90	4.90
Less : Non-current assets held for sale#	1,257.41	-	-	1,257.41
Less : Depreciation	21.22	125.39	12.35	158.96
As at March 31, 2022	**320.72**	**762.78**	**24.06**	**1,107.56**

*The Company had entered into an agreement to transfer the Right of use of asset of pertaining to land located at Neemrana, Rajasthan. The transaction was completed during the year. It had also received non-refundable advance of ₹ 50 Lakhs for the same (refer note 36). The net book value of the assets to be transferred as per the agreement had been shown as Non-current assets held for disposal in the balance sheet.

#The Company has entered into an agreement to transfer the Right of use of asset pertaining to land located at GIDC, Waghodia, Gujarat & MIDC, Pune, Maharashtra. The transactions are set to be completed by April, 2022 and October, 2022 respectively. It has also received non-refundable advance for MIDC, Pune land of ₹ 117.35 Lakhs for the same (refer note 36). The net book value of the assets to be transferred as per the agreement has been shown as Non-current assets held for disposal in the balance sheet.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
11	**INVESTMENTS**		
	Investments in equity Instruments		
	Investments in subsidiary (at cost)		
	Indutch Composites Technology Private Limited	3,001.93	3,001.93
	(Unquoted, fully paid up 28,66,536 equity shares, face value ₹ 10 per share)		
	Total	**3,001.93**	**3,001.93**
	Aggregate carrying value of unquoted investments	3,001.93	3,001.93
	Aggregate amount of impairment in value of investments	-	-

(ii) **Details of Subsidiary:**

Name of subsidiary	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Company As at March 31, 2022	As at March 31, 2021
Indutch Composites Technology Private Limited	Designing, developing, testing and production of different types of composites moulds and products for different industries	**Place of incorporation:** Vadodara, Gujarat **Principal place of business:** Vadodara and Chennai	68.00%	68.00%

(iii) Refer note 4 (vi) for method followed for accounting of investments in subsidiaries.

	Particulars	As at March 31, 2022	As at March 31, 2021
12	**DEPOSITS**		
	Unsecured, considered good		
	Deposits	218.61	220.61
	Total	**218.61**	**220.61**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
13	**DEFERRED TAX ASSETS (NET)**		
	Deferred tax assets	2,514.08	2,809.79
	Deferred tax liabilities	(2,245.58)	(2,150.53)
	Total	**268.50**	**659.26**

(Amount ₹ in Lakhs)

Particulars	Opening balance	Recognized in statement of profit and loss	Recognized in other comprehensive income	MAT credit (setoff)	Adjust-ments	Closing balance
For the Financial Year 2021-22						
Deferred tax asset on account of:						
Expenses claimed for tax purpose on payment basis	458.15	(45.67)	(8.97)	-	115.35	518.86
Carry forward of business losses	-	16.91	-	-	-	16.91
Impairment of trade receivables	11.33	-	-	-	-	11.33
MAT credit entitlement	2,340.31	-	-	(387.81)	14.48	1,966.98
Total deferred tax assets (A)	**2,809.79**	**(28.76)**	**(8.97)**	**(387.81)**	**129.83**	**2,514.08**
Deferred tax liability on account of:						
Property, plant and equipment & intangible assets	2,149.33	44.23	-	-	41.95	2,235.51
Impact of discounting of warranty provisions	2.92	(3.10)	-	-	-	(0.18)
Financial assets carried at fair value through profit or loss	1.38	29.27	-	-	-	30.65
Others	(0.18)	8.45	-	-	(28.85)	(20.58)
Total deferred tax liabilities (B)	**2,150.53**	**81.95**	**-**	**-**	**13.10**	**2,245.58**
Net deferred tax (A-B)	**659.26**	**(110.71)**	**(8.97)**	**(387.81)**	**116.73**	**268.50**
For the financial year 2020-21						
Deferred tax asset on account of:						
Expenses claimed for tax purpose on payment basis	436.42	21.73	-	-	-	458.15
Carry forward of business losses	194.04	(194.04)	-	-	-	-
Impairment of trade receivables	1.20	10.13	-	-	-	11.33
MAT credit entitlement	2,646.62	-	-	(314.21)	7.90	2,340.31
Total deferred tax assets (A)	**3,278.28**	**(162.18)**	**-**	**(314.21)**	**7.90**	**2,809.79**
Deferred tax liability on account of:						
Property, plant and equipment & intangible assets	2,027.88	89.44	32.01	-	-	2,149.33
Financial assets carried at fair value through profit or loss	-	1.38	-	-	-	1.38
Others	2.92	(3.10)	-	-	-	(0.18)
Total deferred tax liabilities (B)	**2,030.80**	**87.72**	**32.01**	**-**	**-**	**2,150.53**
Net deferred tax (A-B)	**1,247.48**	**(249.90)**	**(32.01)**	**(314.21)**	**7.90**	**659.26**

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
14	**OTHER NON-CURRENT ASSETS**		
	Unsecured, considered good		
	Capital advances	34.49	29.94
	Less : Provision for impairment	29.00	29.00
	Net capital advances	5.49	0.94
	Advance income tax (net of provisions)	43.85	29.60
	VAT/CST paid under protest	6.39	6.39
	Total	**55.73**	**36.93**
15	**INVENTORIES**		
	Raw materials	1,906.60	2,666.01
	Work in Process	854.84	1,165.89
	Finished goods	785.85	1,354.49
	Finished goods- stock in transit	260.31	184.47
	Store and spares	303.63	228.81
	Total	**4,111.23**	**5,599.67**

(i) Inventory write downs/ provisions for slow-moving and obsolete items are accounted, considering the nature of inventory, ageing, liquidation plan and net realizable value. Provision for slow-moving and obsolete items of inventories amounted to ₹ 216.60 Lakhs (March 31, 2021 : ₹ 290.59 Lakhs). The changes in provisions are recognized as an expense in the statement of profit and loss.

(ii) Inventory of finished goods includes inventory of tools & dies amounting to ₹ Nil (March 31, 2021 ₹ 20.65 Lakhs)

(iii) For inventories given as security to lenders, refer note 31.

(iv) The cost of inventories recognized as an expense is disclosed in notes 40, 41 and 45 in the statement of profit and loss.

	Particulars	As at March 31, 2022 (Units in Nos.)	As at March 31, 2022 (Amount ₹ in Lakhs)	As at March 31, 2021 (Units in Nos.)	As at March 31, 2021 (Amount ₹ in Lakhs)
16	**INVESTMENTS**				
	Financial assets carried at fair value through profit or loss				
	Investment in mutual funds (unquoted)				
	HDFC Arbitrage Fund	61,40,188	1,526.02	-	-
	ICICI Prudential Ultra Short Term Fund	45,52,408	1,020.66	-	-
	Kotak Liquid Reg Fund	4,767	203.97	63,518	2,630.14
	Kotak Overnight Fund	934	10.56	227	2.49
	Kotak Money Market Fund	2,49,997	9,001.14	-	-
	Total		**11,762.35**		**2,632.63**

Investments in mutual funds have been fair valued at closing net asset value (NAV).

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
17	**TRADE RECEIVABLES**		
	Unsecured, considered good	32,941.92	33,917.37
	Credit impaired	3.43	3.43
	Total (A)	**32,945.35**	**33,920.80**
	Less: Impairment for doubtful trade receivables (B)	3.43	3.43
	Total (A-B)	**32,941.92**	**33,917.37**

(i) The above figures includes receivable from subsidiary (refer note 57)

(ii) Generally, the Company enters into long-term sales arrangement with its customers. The average credit period is around 45 days.

(iii) At March 31, 2022, the Company had single customer (March 31, 2021: single customer) having outstanding more than 5% of total trade receivables that accounted for approximately 94% (March 31, 2021: 95%) of total trade receivables outstanding.

(iv) The Company assesses impairment loss on dues from its customers based on facts and circumstances relevant to each transaction. Usually, Company collects all its receivables from its customers within due date.

(v) Ageing schedule for trade receivables (refer note 55)

(vi) **Movement of Impairment for doubtful trade receivables:**

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
	Balance at beginning of the year	3.43	3.43
	Balance at end of the year	**3.43**	**3.43**
18	**CASH AND CASH EQUIVALENTS**		
	Balances with banks		
	In cash credit accounts	204.79	1,510.39
	In current accounts	23.47	0.21
	Cash on hand	7.96	9.00
	Total	**236.22**	**1,519.60**
19	**OTHER BANK BALANCES**		
	Balances with banks		
	Unclaimed dividend - earmarked	73.03	91.50
	Deposit with bank held as margin money against bank guarantee & LC	10.66	4.50
	Total	**83.69**	**96.00**
20	**DEPOSITS**		
	Deposits	39.00	39.00
	Total	**39.00**	**39.00**
21	**OTHER CURRENT FINANCIAL ASSETS**		
	Unsecured, considered good		
	Loans to employees	3.22	2.63
	Other advances	22.33	22.33
	Total	**25.55**	**24.96**
22	**CURRENT TAX ASSETS (NET)**		
	Current tax assets		
	Advance tax (net of provisions)	285.39	280.89
	Total	**285.39**	**280.89**

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
23	**OTHER CURRENT ASSETS**		
	Unsecured, considered good		
	Balance with government authorities	20.39	23.26
	Deposit (refer below note)	15.45	15.45
	Prepaid expenses	179.81	165.26
	Advance to vendors	69.33	64.28
	Total	**284.98**	**268.25**

The Company had deposited ₹ 15.45 Lakhs under protest towards octroi duty in a separate bank account jointly held with the Sarpanch, Waghodia Gram Panchayat. The State Government of Gujarat has notified that industrial units in the notified area of Waghodia are not required to pay the octroi duty from July 19, 1997. The Company believes it has no liability for octroi duty even for the earlier period and hence no provision has been made. In the absence of clarity regarding rights of respective parties, interest income credited by the bank amounting to ₹ 26.12 Lakhs (as at March 31, 2021: ₹ 25.02 Lakhs) on the aforesaid amount till March 31, 2022 has not been recognized.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
24	**NON-CURRENT ASSETS HELD FOR SALE**		
	Leasehold land for sale (refer note 10)	1,257.41	689.64
	Capital work-in-progress	96.41	-
	Total	**1,353.82**	**689.64**
25	**EQUITY SHARE CAPITAL**		
	Authorised share capital		
	10,00,00,000 (as at March 31, 2021: 10,00,00,000) equity shares of ₹ 2 each	2,000.00	2,000.00
	Unclassified Shares	500.00	500.00
	Total authorised share capital	**2,500.00**	**2,500.00**
	Issued, subscribed & fully paid share capital		
	10,00,00,000 (as at March 31, 2021: 10,00,00,000) equity shares of ₹ 2 each	2,000.00	2,000.00
	Total	**2,000.00**	**2,000.00**

(i) A reconciliation of number of shares outstanding at the beginning and at the end of reporting period is as under:

(Amount ₹ in Lakhs)

Particulars	No. of shares	Share capital
As at April 1, 2020	10,00,00,000	2,000.00
Add/less: Changes in equity share capital during the year	-	-
As at March 31, 2021	10,00,00,000	2,000.00
As at April 1, 2021	**10,00,00,000**	**2,000.00**
Add: Changes in equity share capital during the year	**-**	**-**
As at March 31, 2022	**10,00,00,000**	**2,000.00**

(ii) Rights, preferences and restrictions attached to shares:

The Company has only one class of equity shares having a par value of ₹ 2 per share. For all matters submitted to vote in a shareholders meeting of the Company, every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held. Any dividend declared by the company shall be paid to each holder of equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

	Particulars	No. of shares	Extent of holding
(iii)	**Details of shares held by holding company are classified as under**		
	Thakur Devi Investments Private Limited		
	As at March 31, 2022	**7,48,06,450**	**74.81%**
	As at March 31, 2021	7,48,06,450	74.81%
(iv)	**Details of shareholders holding more than 5% shares in the Company are as under**		
	Thakur Devi Investments Private Limited		
	As at March 31, 2022	**7,48,06,450**	**74.81%**
	As at March 31, 2021	7,48,06,450	74.81%

(v) The Company had allotted 5,00,00,000 number of fully paid bonus shares on July 13, 2017 in the ratio of one equity share of ₹ 2 each fully paid up for every one existing equity shares of ₹ 2 each fully paid up.

(vi) **Details of shares held by promoters :**

Promoters 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	% of change during the year
Thakur Devi Investments Private Limited					
As at March 31, 2022	7,48,06,450	-	7,48,06,450	74.81%	-
As at March 31, 2021	7,48,06,450	-	7,48,06,450	74.81%	-

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
26	**OTHER EQUITY**		
	Capital reserve	2.09	2.09
	General reserves	1,848.73	1,848.73
	Retained earnings	29,779.52	27,698.98
	Other comprehensive income	2.76	(13.93)
	Total	**31,633.10**	**29,535.87**
(i)	**Particulars relating to other equity**		
	Other equity	**As at March 31, 2022**	**As at March 31, 2021**
	Capital reserve		
	Opening balance	2.09	2.09
	Closing balance (A)	**2.09**	**2.09**
	General reserves		
	Opening balance	1,848.73	1,848.73
	Closing balance (B)	**1,848.73**	**1,848.73**
	Retained earnings		
	Opening balance	27,698.98	25,596.36
	Add: Net profit after tax transferred from statement of profit & loss	2,080.54	2,102.62
	Closing balance (C)	**29,779.51**	**27,698.98**
	Other comprehensive income		
	Opening balance	(13.93)	(73.52)
	Add: Re-measurement of defined benefit obligation (net of income tax)	16.69	59.59
	Closing balance (D)	**2.76**	**(13.93)**
	Total (A+B+C+D)	**31,633.10**	**29,535.87**

(ii) Capital reserve represents the profit on re-issue of forfeited shares.

(iii) The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not reclassified subsequently to profit or loss.

(iv) The other comprehensive income is created by re-measurement of defined benefit obligation and will not reclassified subsequently to profit or loss.

(Amount ₹ in Lakhs)

	Particulars	**As at March 31, 2022**	**As at March 31, 2021**
27	**BORROWINGS - NON CURRENT**		
	Secured		
	Term loans		
	From banks	3,095.94	5,355.21
	Total	**3,095.94**	**5,355.21**

(i) Nature of security for long term secured borrowings including current maturities

Term loans	Nature of security	Current maturities of each loan (₹ in lakhs)	Each loan outstanding (₹ in lakhs)
From Bank			
State Bank of India			
Loan VII	These loans are secured by way of mortgage / charge created Plant and Machinery acquired out of the sanctioned Term Loan for Waghodia, District- Vadodara, Gujarat.	**-** (166.80)	**-** (166.80)
Loan VIII		**740.00** (620.00)	**1,445.59** (2,706.07)
Loan IX		**440.00** (444.00)	**1,415.83** (1,861.42)
HDFC Bank Limited	Theses loans are secured by way of charge created on fixed assets funded out of term loan pertaining to the Company's plant at Dharuhera, District - Rewari, Haryana.		
Loan IV		**150.00** (150.00)	**300.00** (450.00)
Loan V		**337.10** (84.30)	**1,601.72** (1,686.02)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(ii) The terms of repayment of the above loans are as follows:

Term Loans	Date of maturity	Rate of interest	No. of instalments due after the balance sheet date	Each instalment in ₹ in Lakhs
From Bank **State Bank of India**				
Loan VII*	October, 2022	MCLR + 1.05%	- (4)	- (41.66)
Loan VIII#	March, 2024	MCLR + 0.10% (PY-MCLR+0.25%)	- (2)	- (125.00)
			8 (13)	**185.00** (185.00)
Loan IX	June, 2025	MCLR + 0.10% (PY-MCLR+0.25%)	**13** (17)	**111.00** (111.00)
HDFC Bank Limited				
Loan IV	Februrary, 2024	MCLR + 0.15%	**8** (12)	**37.50** (37.50)
Loan V	December, 2026	MCLR + 0.15%	**19** (20)	**50.00** (50.00)
			19 (20)	**34.30** (34.30)

Previous year figures are in bracket

* Loan prepaid during the year

Loan partly prepaid during the year

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
28	**LEASE LIABILITIES**		
	Lease liabilities	841.12	921.47
	Total	**841.12**	**921.47**
	Movement of lease liabilities are as under:		
	Opening balance	1,027.37	1,110.24
	Addition during the year	12.55	-
	Finance cost	85.71	94.42
	Payment made during the year	191.66	177.29
	Modification / re-measurement	7.73	
	Closing balance	926.24	1,027.37
	Current liabilities	85.12	105.90
	Non-current liabilities	**841.12**	**921.47**
29	**OTHER FINANCIAL LIABILITIES**		
	Security deposits (from subsidiary) (refer note 57)	83.33	83.33
	Total	**83.33**	**83.33**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
30	**LONG-TERM PROVISIONS**		
	Provision for employee benefits (refer note 49)		
	Gratuity	**115.41**	75.97
	Leave encashment	**347.79**	391.60
	Provision for others		
	Warranties	**44.63**	59.56
	Total	**507.83**	527.13

(i) **Movement in warranties provision**

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening balance	83.08	74.22
Additions during the year	2.74	29.73
Amount utilized during the year	(9.09)	(14.99)
Provision reversed during the year	(23.23)	(11.19)
Unwinding of discount on provisions	5.40	5.31
Closing balance	58.90	83.08
Long-term provisions	44.63	59.56
Short-term provisions	14.27	23.52

The provision for warranty claims represents the present value as best estimate of the future economic benefits that will be required under the Company's obligations for warranties. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
31	**BORROWINGS - CURRENT**		
	Current maturities of long term debt		
	Secured	1,667.20	1,515.10
	Loans repayable on demand from banks		
	Secured (refer note below)	-	-
	Unsecured	-	-
	Total	**1,667.20**	**1,515.10**
	(i) These loans are secured by a first charge on inventories, receivables and all other current assets of the Company.		
32	**LEASE LIABILITIES - CURRENT**		
	Lease liabilities (refer note 28)	**85.12**	105.90
	Total	**85.12**	**105.90**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
33	**TRADE PAYABLES**		
	(A) Total outstanding dues of micro and small enterprises	2,424.07	3,228.20
	(B) Total outstanding dues of creditors other than micro and small enterprises	15,730.97	20,447.74
	Total	**18,155.04**	**23,675.94**

(i) Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. The average credit period is 30 - 60 days.

(ii) Ageing schedule for trade payables (refer note 55)

This information as required to be disclosed under Micro Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. Information in terms of section 22 of Micro, Small and Medium Enterprises Development Act, 2006 are given below;

Trade payables -Total outstanding dues of micro & small enterprises*

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Principal & interest amount remaining unpaid but not due as at year end		
	- Principal	2,424.07	3,228.20
	- Interest	6.77	14.74
(b)	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(c)	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 Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d)	Interest accrued and remaining unpaid as at year end	6.77	14.74
(e)	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	138.57	123.83

*Based on the confirmation from vendors.

	Particulars	As at March 31, 2022	As at March 31, 2021
34	**OTHER FINANCIAL LIABILITIES**		
	Interest accrued and due on borrowings	29.56	240.41
	Unclaimed dividends *	73.03	91.50
	Security deposits	37.89	33.29
	Expenses payable	472.51	413.78
	Payable to employees	551.45	625.69
	Payable for capital goods	89.94	114.98
	Total	**1,254.38**	**1,519.65**

* No amount is due for deposit in investor education and protection fund.

	Particulars	As at March 31, 2022	As at March 31, 2021
35	**CURRENT TAX LIABILITIES (NET)**		
	Current tax liabilities		
	Provision of tax (net of advance tax)	43.71	111.36
	Total	**43.71**	**111.36**

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
36	**OTHER CURRENT LIABILITIES**		
	Liability for statutory payments	4,657.15	2,832.42
	Advance from customers	102.96	12.04
	Advance received for assets held for sale	117.35	50.00
	Total	**4,877.46**	2,894.46
37	**PROVISIONS**		
	Provision for employee benefits (refer note 49)		
	Gratuity	119.64	119.07
	Leave encashment	491.16	492.65
	Provision for others		
	Warranties (refer note 30)	14.27	23.52
	Provision for price differences (contract liabilities)	12,378.50	5,345.28
	Total	**13,003.57**	**5,980.52**
	Movement in provision for price differences:		
	Opening balance	5,345.28	(530.15)
	Additions during the year	1,40,674.33	56,886.06
	Amount utilized / Written back during the year	1,33,641.11	51,010.63
	Closing balance	**12,378.50**	**5,345.28**
	Long-term provisions	-	-
	Short-term provisions	12,378.50	5,345.28
	Break-up of provision for price differences		
	Payable to / (receivable) from - customers	17,065.27	(3,294.63)
	(Receivable) from / payable to - vendors	(4,686.77)	8,639.91

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
38	**REVENUE FROM OPERATIONS**		
	Sale of products		
	Components of automobile	1,68,846.35	1,96,303.91
	Other operating revenue		
	Sale of scrap	1,808.26	1,892.16
	Export incentives	0.49	0.06
	Total	**1,70,655.10**	**1,98,196.13**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
39	**OTHER INCOME**		
	Interest income on financial assets carried at amortised cost		
	Deposit with bank and others	5.45	15.52
	Dividend income		
	Dividend received on investments carried at fair value through profit or loss	-	3.86
	Net profit on sale / redemption of current investments	195.55	82.50
	Net gain on investments carried at fair value through profit or loss	87.72	3.94
	Exchange fluctuation (net)	3.54	2.36
	Other non-operating income		
	Rental income	535.60	515.00
	Insurance claim received	42.85	19.57
	Incentive from state government	-	303.03
	Profit on sale of PPE / ROU assets (net)	38.14	-
	Sundry balances written back (net)	-	10.38
	Miscellaneous income	5.64	1.28
	Total	**914.49**	**957.44**
40	**COST OF RAW MATERIALS CONSUMED**		
	Cost of materials consumed	1,50,047.60	1,77,794.96
	Total	**1,50,047.60**	**1,77,794.96**
41	**CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN -TRADE AND WORK-IN-PROGRESS**		
	Opening stock		
	Finished goods	1,354.49	843.30
	Work-in-progress	1,165.89	1,131.46
	Finished goods- stock in transit	184.47	-
	Total (A)	**2,704.85**	**1,974.76**
	Closing stock		
	Finished goods	785.85	1,354.49
	Work-in-progress	854.84	1,165.89
	Finished goods- stock in transit	260.31	184.47
	Total (B)	**1,901.00**	2,704.85
	Total (A-B)	**803.85**	(730.09)
42	**EMPLOYEE BENEFITS EXPENSES**		
	Salaries and wages	5,117.55	5,309.45
	Contribution to provident and other funds	507.26	535.56
	Staff welfare expenses	202.10	216.53
	Total	**5,826.91**	6,061.54

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
43	**FINANCE COSTS**		
	Interest on		
	Borrowings from banks	381.23	730.57
	Others	15.91	16.41
	Lease liabilities	85.71	94.41
	Other costs	0.12	20.48
	Unwinding of discount on provisions	5.40	5.31
	Total	**488.37**	**867.18**
44	**DEPRECIATION AND AMORTIZATION EXPENSES**		
	Depreciation on property, plant and equipment	1,810.42	1,934.00
	Depreciation on investment property	89.22	87.49
	Depreciation on ROU assets	158.96	167.52
	Amortization of intangible assets	40.38	58.91
	Total	**2,098.97**	**2,247.92**
45	**OTHER EXPENSES**		
	Stores and tools consumed	3,030.80	2,822.90
	Power and fuel	1,561.72	1,575.55
	Freight charges	591.34	614.69
	Repairs and maintenance		
	Repairs to buildings	23.39	10.89
	Repairs to machinery	261.73	249.88
	Repairs and maintenance - others	121.26	127.09
	Research and development expenses	265.82	185.67
	Rent	78.00	78.00
	Wages to contractors	1,664.87	2,155.86
	Professional charges	161.71	112.21
	Insurance premium	177.10	187.96
	Audit fees	15.50	15.50
	Loss on property, plant and equipment sold/discarded (net)	-	52.59
	Rates and taxes excluding taxes on income	59.38	27.74
	Charity & donation / CSR expenses	68.00	76.71
	Warranty expenses	(17.28)	18.04
	Provision for impairment of capital advances	-	29.00
	Miscellaneous expenses	1,236.34	1,296.99
	Total	**9,299.68**	**9,637.27**
	(i) Payment to auditors has been classified below (excluding taxes)		
	As auditors	15.50	15.50
	For taxation matters	2.50	2.50
	For certification	0.25	0.15
	For other services	4.97	6.65
	For out of pocket expenses	-	0.08
	Total	**23.22**	**24.88**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(ii) Expenditure towards Corporate Social Responsibility (CSR) activities:		
1. Gross amount required to be spent by the Company during the year	56.46	69.04
2. Amount spent in cash during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	62.00	70.00
3. Shortfall at the end of the year		
4. Total of previous years shortfall		
5. Reason for shortfall	NA	NA
6. Nature of CSR activities	Special education & health improvement	Special education & health improvement
(iii) Research and development expenses :		
Expenses charged to revenue account		
Raw material consumption	226.39	131.64
Employee benefits	39.21	53.56
Travelling & other expenses	0.22	0.47
Total	**265.82**	**185.67**
Capital expenditure		
Equipments	-	-
Furniture & fixtures	-	-
Total	**-**	**-**

	For the year ended March 31, 2022	For the year ended March 31, 2021
46 TAX EXPENSES		
Current tax in relation to		
Current years	929.17	923.72
Earlier years	(13.96)	6.46
Deferred tax		
In respect of current year	17.43	281.90
Unused tax credits	-	(7.90)
Total income tax expense recognised in the current year	**932.64**	**1,204.18**
(i) The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	3,029.87	3,366.39
Income tax expense calculated at 34.944% (2020-21: 34.944%)	1,058.76	1,176.35
Tax effects of amounts which are not deductible/(taxable) in calculating taxable income		
Expenses not allowed in Income Tax	29.32	19.60
Effect of income exempt/ taxed on lower rate	34.17	(6.42)
Effect of deduction under section 80JJA of the Income tax Act, 1961	-	(6.60)
Additional deduction on research and product development cost	-	-
Tax adjustment of earlier years	(13.96)	6.46
Others	(175.65)	14.79
	932.64	**1,204.18**

47 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(A) Contingent liabilities not provided for in respect of

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the company not acknowledged as debt under the labour laws	129.60	127.90
Income tax	93.66	44.22
Excise duty	58.76	58.76
Sales tax	50.79	4,415.29

(i) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above pending resolution of the arbitration/appellate proceedings.

(iii) Income tax

The Company is involved in tax disputes amounting to ₹ 93.66 Lakhs (as at March 31, 2021 ₹ 44.22 Lakhs) relating to income tax. This mainly relate to the disallowance under section 14A and Domestic Transfer Pricing of the Income Tax Act, 1961 and interest thereon which is pending at Appellate level.

(iv) Excise duty

The excise authorities had denied a CENVAT credit amounting to ₹ 29.38 Lakhs and imposed a penalty of ₹ 29.38 Lakhs for a period between June, 2008 to March, 2009 (₹ 29.38 Lakhs and ₹ 29.38 Lakhs CENVAT credit and penalty respectively at March 31, 2021) in respect of CENVAT credit availed on supplementary invoices raised by the customer on account of material supplied by them. The Company is contesting the show cause notice.

(v) Sales tax

The total sales tax demands (including interest and penalty), that are being contested by the Company amount to ₹ 50.79 Lakhs (as at March 31, 2021 ₹ 4415.29 Lakhs). The details of the demands are as follows:

The sales tax authorities have denied input tax credit and levied interest and penalty thereon due to varied reasons aggregating to ₹ 31.89 Lakhs (as at March 31, 2021 ₹ 31.89 Lakhs). The reasons for disallowing credit was mainly due to not allowing set off of taxes on LPG gas and other materials used in manufacturing and also not allowing full deduction of taxes paid. Further, there is levy of purchase tax on purchase of LPG gas. The matter is contested in appeal.

The Sales Tax authorities have demanded tax aggregating to ₹ 18.90 Lakhs (as at March 31, 2021 ₹ 18.90 Lakhs) on account of tax being levied on inter-state stock transfers. The matter is contested in appeal.

(vi) Provident fund

There are numerous interpretative issues relating to the SC Judgement on provident fund dated February 28, 2019. The Company has evaluated the impact of said judgement and Company has make necessary provision in financials.

(B) Commitments

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	28.21	103.55

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
48	**EARNINGS PER SHARE**		
	Profit after tax for the year attributable to equity shareholders (₹ in Lakhs)	2,080.54	2,102.62
	Weighted average number of equity shares (in Nos.)	10,00,00,000	10,00,00,000
	Basic and diluted earnings per equity share (in ₹)	2.08	2.10
	Face value per equity share (in ₹)	2.00	2.00

49 EMPLOYEE BENEFITS

(a) Defined contribution plans

Contributions to defined contribution plan are recognized as expenses when contributions become due.

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognized in relation to these schemes represents the value of contributions payable during the period by the Company at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The major defined contribution plans operated by the Company are as below:

(i) Provident fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Company, post contribution of amount specified under the law to employee provident fund organization on account of employee pension scheme.

(ii) Superannuation fund

The Company has a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn.

Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The Company contributes up to 10% of the eligible employees' salary to the trust every year. Such contributions are recognized as an expense as and when incurred. The Company does not have any further obligation beyond this contribution.

The total expenses recognized in the statement of profit and loss during the year are as under:

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's contribution to provident and other funds	318.01	304.30
Employer's contribution to superannuation fund	29.55	80.25
Total	**347.56**	**384.55**

(b) Defined benefit plan

(i) Gratuity

In respect of Gratuity, a defined benefit plan, contributions are made to LIC's Recognized Group Gratuity Fund Scheme. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2022 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. Each year, the Company reviews the level of funding in gratuity fund. The Company decides its contribution based on the results of its annual review.

This plan typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

(I) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit. However, the risk is partially mitigated by investment in LIC managed fund.

(II) Interest rate risk

A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

(III) Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(IV) Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Amounts recognized in the financial statements in respect of defined benefit plan are as follows:

(Amount ₹ in Lakhs)

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Service cost		
Current service cost	119.07	99.26
Past service cost and loss/(gain) on curtailments and settlement	-	-
Net interest expense/ (income)	8.47	7.45
Components of defined benefit costs recognised in Employee benefit expenses	**127.54**	**106.71**
Re-measurement on the net defined benefit liability:		
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	(42.13)	17.16
Actuarial (gains)/losses arising from experience adjustments	27.16	(103.89)
Return on plan assets excluding amount included in net interest cost	(10.69)	(4.88)
Components of re-measurement	**(25.66)**	**(91.61)**
Total	**101.88**	**15.10**
The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:		
Present value of funded defined benefit obligation	1,485.53	1,367.39
Fair value of plan assets	1,250.48	1,172.34
Net liability arising from defined benefit obligation	**235.05**	**195.05**
Movements in the present value of the defined benefit obligation are as follows:		
Opening defined obligation	1,367.39	1,507.51
Current service cost	119.07	99.26
Interest cost	70.92	81.94
Re-measurement (gains)/losses :		
Actuarial (gains)/ losses arising from changes in financial assumptions	(42.13)	17.16
Actuarial (gains)/ losses arising from experience adjustments	27.16	(103.89)
Due to change in demographic assumption	-	-
Benefits paid	(56.88)	(234.60)
Closing defined benefit obligation	1,485.53	1,367.39

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Movements in the fair value of plan assets are as follows:		
Opening value of plan assets	1,172.34	1,322.61
Interest income	62.45	74.48
Return on plan assets excluding amounts included in interest income	10.69	4.88
Contributions by employer	61.88	4.16
Benefits paid	(56.88)	(233.79)
Closing value of plan assets	**1,250.48**	**1,172.34**
Classification of non-current and current liability:		
Current liability	119.64	119.07
Non-current liability	115.41	75.97
Total	**235.05**	**195.04**

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Mortality	**Indian assured lives**	**mortality (2012-14) table**
Withdrawal rates	10.00% p.a. at younger ages reducing to 1.00% p.a. at older ages	10.00% p.a. at younger ages reducing to 1.00% p.a. at older ages
Discount rate (%)	6.70%	6.25%
Salary escalation rate (%)	6.50%	6.50%
Rate of return on plan assets (%)	6.70%	6.25%

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
The fair value of the plan assets at the end of the reporting period for each category are as follows:		
100% managed by insurer (Life Insurance Corporation of India)	1,250.48	1,172.34

Fair value of investment in group of insurance company is taken as book value on reporting date.

The actual return on plan assets of gratuity during the year is ₹ 73.14 Lakhs (during previous year ended March 31, 2021: ₹ 79.36 Lakhs).

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and withdrawal rates. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amount ₹ in Lakhs)

Significant actuarial assumptions	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount rate		
- Impact due to increase of 50 basis points	1,441.72	1,325.39
- Impact due to decrease of 50 basis points	1,532.51	1,412.54
Salary increase		
- Impact due to increase of 50 basis points	1,529.87	1,409.52
- Impact due to decrease of 50 basis points	1,443.59	1,327.47
Withdrawal rate		
- Impact due to increase of 10 percent	1,486.32	1,366.98
- Impact due to decrease of 10 percent	1,484.71	1,367.80

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality are not material & hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

The Company expects to make a contribution of ₹ 119.64 Lakhs (as at March 31, 2021: ₹ 119.07 Lakhs) to the defined benefit plans during the next financial year.

(c) Other long term employee benefit plans

Leave encashment

Amount of ₹ 18.41 Lakhs (March 31, 2021 ₹ 63.55 Lakhs) is recognized as expenses and included in note no. 42 “Employee benefit expense”.

50 IMPAIRMENT OF ASSETS

In accordance with the Indian Accounting Standard (Ind AS-36) on “Impairment of Assets” the Company has, during the year, carried out an exercise of identifying the assets that may have been impaired in respect of cash generating unit in accordance with the said Indian Accounting Standard. Based on the exercise, no impairment loss is required as at March 31, 2022.

51 SEGMENT REPORTING

The Company’s operations falls under single segment namely “Manufacturing of Auto Components”, taking into account the risks and returns, the organization structure and the internal reporting systems. Segment revenue from “Manufacturing of Auto Components” represents revenue generated from external customers which is attributable to the Company’s country of domicile i.e. India and external customers outside India as under:

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from:		
Outside India	77.79	16.90
In India	1,70,577.31	1,98,179.22

All assets are located in the Company’s country of domicile i.e. India.
The Company’s significant revenues (more than 90%) are derived from single entity. The total revenue from such entities amounted to ₹ 1,65,104.96 Lakhs (for the year ended March 31, 2021: ₹ 1,91,166.88 Lakhs).

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

53 FINANCIAL INSTRUMENT DISCLOSURE

(a) Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company, safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings.

The Company monitors capital using a ratio of net debt to equity. For this purpose, net debt is defined as liabilities, comprising interest-bearing loans less cash and cash equivalents, other bank balances (including earmarked balances) and current investments. Equity comprises all components of equity.

The table below summarizes the capital, net debt and net debt to equity ratio of the Company.

(Amount ₹ in Lakhs)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Equity share capital	2,000.00	2,000.00
Other equity	31,633.10	29,535.87
Total equity (A)	**33,633.10**	**31,535.87**
Non-current borrowings	3,095.94	5,355.21
Short term borrowings	-	-
Current maturities of long term borrowings	1,667.20	1,515.10
Gross debt (B)	**4,763.14**	**6,870.31**
Gross debt as above	4,763.14	6,870.31
Less: Current investments	11,762.35	2,632.63
Less: Cash and cash equivalents	236.22	1,519.61
Less: Other balances with bank (including earmarked balances)	83.69	96.00
Net debt (C)	**(7,319.12)**	**2,622.07**
Net debt to equity	**(0.22)**	**0.08**

(b) Disclosures

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 4(xvi),(xvii) and (xviii).

(i) Financial assets and liabilities

The following tables presents each category of financial assets and liabilities as at March 31, 2022 and March 31, 2021.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
I.	**Financial assets**		
	Measured at fair value through profit or loss (FVTPL)		
	Investments in mutual funds	11,762.35	2,632.63
	Measured at amortised cost		
	Trade and other receivables	32,941.92	33,917.37
	Cash and cash equivalents	236.22	1,519.61
	Other bank balances	83.69	96.00
	Loans	257.61	259.61
	Other financial assets	25.55	24.96
	Measured at cost : Investments in subsidiary	3,001.93	3,001.93
	Total	**48,309.27**	**41,452.11**
II.	**Financial Liabilities**		
	Measured at amortised cost		
	Long term borrowings	3,095.94	5,355.21
	Short term borrowings	1,667.20	1,515.10
	Trade payables	18,155.04	23,675.94
	Lease liabilities	926.24	1,027.37
	Other financial liabilities	1,337.72	1,602.99
	Total	**25,182.14**	**33,176.61**

(ii) Fair value measurement

This note provides information about how the Company determines fair values of various financial assets and liabilities.

Fair value measurements under Ind AS are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets/liabilities.

Fair value of the Company's financial assets that are measured at fair value on a recurring basis:

Following table gives information about how the fair values of the Company's financial assets are determined:

(Amount ₹ in Lakhs)

Financial assets	Fair value as at March 31, 2022	Fair value as at March 31, 2021	Fair value hierarchy
Investment in mutual funds	**11,762.35**	2,632.63	Level 1

Valuation technique and key input: NAV declared by respective asset management companies.

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except fair value of investments in mutual funds approximate their fair values.

There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2022 and March 31, 2021.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(iii) Financial risk management objectives

The Company's principal financial liabilities comprises of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include mutual funds, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

(a) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices- will affect the Company's income or the value of its holdings of financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return. The major components of market risk are foreign currency risk, interest rate risk and price risk.

(I) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(Amount ₹ in Lakhs)

Foreign currency exposure	As At March 31, 2022	As At March 31, 2021
Assets	74.29	32.06
Liabilities	9.25	18.15

The Company has not entered in to any forward contracts to hedge its foreign exposures and therefore there are no outstanding forward contract at the year end (as at March 31, 2021: Nil)

Foreign currency sensitivity:

The Company is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD/EURO-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

(Amount ₹ in Lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
USD sensitivity at year end		
Assets		
Weakening of INR by 5%	3.71	1.60
Strengthening of INR by 5%	(3.71)	(1.60)
Liabilites		
Weakening of INR by 5%	(0.46)	(0.91)
Strengthening of INR by 5%	0.46	0.91
EURO sensitivity at year end		
Assets:		
Weakening of INR by 5%	0.00	0.00
Strengthening of INR by 5%	(0.00)	(0.00)
Liabilities:		
Weakening of INR by 5%	-	-
Strengthening of INR by 5%	-	-

(II) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from the long term borrowings with fixed rates. The Company's fixed rates borrowings are carried at amortized cost.

The Company invests the surplus fund generated from operations in mutual funds. Considering these mutual funds are short term in nature, there is no significant interest rate risk.

The Company has laid policies and guidelines including tenure of investment made to minimize impact of interest rate risk.

(III) Price risk

The Company has deployed its surplus funds into units of mutual fund. The Company is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in liquidity and credit quality of underlying securities.

NAV price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to NAV price risks at the end of the reporting period. If NAV prices had been 1% higher/lower:

Profit for the year ended March 31, 2022 would increase/decrease by ₹ 117.22 Lakhs (for the year ended March 31, 2021: increase/decrease by ₹ 26.33 Lakhs).

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in mutual funds, trade receivables and loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and disclosed as under:

(Amount ₹ in Lakhs)

Particulars	As At March 31, 2022	As At March 31, 2021
Within the credit period	32,941.92	33,917.37
Upto 6 months past due	-	-
More than 6 months past due	3.43	3.43
Total	**32,945.35**	**33,920.80**

The Company has used a practical expedient by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information.

(c) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

Particulars	1 month -1 year	1 year – 3 years	More than 3 years
As at March 31, 2022			
Long term borrowings	1,667.20	2,843.03	252.90
Short term borrowings	-	-	-
Trade payables	18,155.0	-	-
Lease liabilities	113.7	420.98	391.52
Other financial liabilities	1,254.38	-	83.33
Total	**21,190.28**	**3,264.00**	**727.75**
As at March 31, 2021			
Long term borrowings	1,515.10	4,717.68	637.52
Short term borrowings	-	-	-
Trade payables	23,675.94	-	-
Lease liabilities	105.90	377.28	544.19
Other financial liabilities	1,519.65	-	83.33
Total	**26,816.59**	**5,094.96**	**1,265.04**

The following table details the Company's expected maturity for its non-derivative financial assets. The information included in the table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(Amount ₹ in Lakhs)

Particulars	1 month -1 year	1 year – 3 years	More than 3 years
As at March 31, 2022			
Trade and other receivables	32,941.92	-	-
Investments in mutual funds	11,762.35	-	-
Loans	39.00	-	218.61
Other financial assets	25.55	-	-
Total	**44,768.82**	**-**	**218.61**
As at March 31, 2021			
Trade and other receivables	33,917.37	-	-
Investments in mutual funds	2,632.63	-	-
Loans	39.00	-	220.61
Other financial assets	24.96	-	-
Total	**36,613.96**	**-**	**220.61**

The Company has access to committed credit facilities as described below, of which ₹ 9,253.93 Lakhs (as at March 31, 2021 ₹ 8,232.62 Lakhs) were unused at the end of the reporting year. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

(Amount ₹ in Lakhs)

Unsecured bank overdraft facility, reviewed annually and payable at call	As at March 31, 2022	As at March 31, 2021
Amount used	4,823.07	6,930.37
Amount unused	9,253.93	8,232.63

54 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD -115 ARE GIVEN BELOW

(i) The Company derives revenues from sale of goods, scrap and services from its contracts with customers. The revenues have been disclosed in refer note 38 "Revenue from Operations".

The revenues are further disaggregated into revenues from domestic as well as export market. Refer note 51 "Segment reporting" for details.

(ii) The opening and closing balances of trade receivables and contract liability are as under:

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	**32,941.92**	33,917.37
Contract liability		
- Advances from customers	**102.96**	12.04

(iii) There is no transaction price which is yet to be recognized on account of remaining outstanding performance obligation.

55 AGEING :

A Trade receivables ageing schedules

(Amount ₹ in Lakhs)

FY 2021-22

Sr. No.	Particulars	Unbilled receivables	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	
1	Debts due by directors or other officers of the company, by firms or private companies respectively in which any director is a partner or a director or a member	-	-	-	-	-	-	-	-
	(i) Considered good – unsecured	-	-	-	-	-	-	-	-
	(a) Undisputed trade receivables	-	48.67	-	-	-	-	-	**48.67**
	Total of (1)	**-**	**48.67**	**-**	**-**	**-**	**-**	**-**	**48.67**
2	Trade receivables other than (1) above								
	(i) Considered good – unsecured								
	(a) Undisputed trade receivables	-	31,004.52	1,794.68	72.89	(0.30)	17.81	3.65	**32,893.24**
	(b) Disputed trade receivables	-	-	-	-	-	-	-	-
	Less: Allowance for bad and doubtful debts/ allowance for expected credit loss	-	-	-	-	-	-	-	-
	(ii) Trade receivables – credit impaired	-	-	-	-	-	-	-	-
	(a) Undisputed trade receivables	-	-	-	-	-	3.43	3.43	-
	(b) Disputed trade receivables	-	-	-	-	-	-	-	-
	Less: Allowance for bad and doubtful debts/ allowance for expected credit loss	-	-	-	-	-	-	3.43	**3.43**
	Total of (2)	**-**	**31,004.52**	**1,794.68**	**72.89**	**(0.30)**	**17.81**	**3.65**	**32,893.24**
	Grand total (1+2)	**-**	**31,053.19**	**1,794.68**	**72.89**	**(0.30)**	**17.81**	**3.65**	**32,941.92**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Trade receivables ageing schedules (Amount ₹ in Lakhs)

FY 2020-21

Sr. No.	Particulars	Unbilled receivables	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	
1	Debts due by directors or other officers of the company, by firms or private companies respectively in which any director is a partner or a director or a member	-	-	-	-	-	-	-	-
	(i) Considered good – unsecured	-	-	-	-	-	-	-	-
	(a) Undisputed trade receivables	-	51.13	-	-	-	-	-	**51.13**
	Total of (1)	**-**	**51.13**	**-**	**-**	**-**	**-**	**-**	**51.13**
2	Trade receivables other than (1) above								
	(i) Considered good – unsecured								
	(a) Undisputed trade receivables	-	24,590.65	9,243.55	1.09	14.60	2.40	13.95	**33,866.23**
	(b) Disputed trade receivables	-	-	-	-	-	-	-	-
	Less: Allowance for bad and doubtful debts/ allowance for expected credit loss	-	-	-	-	-	-	-	-
	(ii) Trade receivables – credit impaired	-	-	-	-	-	-	-	-
	(a) Undisputed trade receivables	-	-	-	-	-	-	3.43	**3.43**
	(b) Disputed trade receivables	-	-	-	-	-	-	-	-
	Less: Allowance for bad and doubtful debts/ allowance for expected credit loss	-	-	-	-	-	-	3.43	**3.43**
	Total of (2)	**-**	**24,590.65**	**9,243.55**	**1.09**	**14.60**	**2.40**	**13.95**	**33,866.24**
	Grand total (1+2)	**-**	**24,641.78**	**9,243.55**	**1.09**	**14.60**	**2.40**	**13.95**	**33,917.37**

B Trade payables ageing schedules

(Amount ₹ in Lakhs)

Sr. No.	Particulars	Unbilled receivables	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	
FY 2021-22									
1	(i) Dues to Micro, Small and Medium Enterprises (MSME)	-	-	-	-	-	-	-	-
	- Disputed dues	-	-	-	-	-	-	-	-
	- Undisputed dues	-	2,398.91	0.05	0.15	-	-	24.96	**2,424.07**
	Total of (1)	**-**	**2,398.91**	**0.05**	**0.15**	**-**	**-**	**24.96**	**2,424.07**
2	(i) Dues to others								
	- Disputed dues								
	- Undisputed dues	-	14,139.82	1,465.73	15.18	3.33	21.83	85.07	**15,730.96**
	Total of (2)	**-**	**14,139.82**	**1,465.73**	**15.18**	**3.33**	**21.83**	**85.07**	**15,730.96**
	Grand total (1+2)	**-**	**16,538.73**	**1,465.78**	**15.33**	**3.33**	**21.83**	**110.03**	**18,155.03**
FY 2020-21									
1	(i) Dues to Micro, Small and Medium Enterprises (MSME)								
	- Disputed dues	-	-	-	-	-	-	-	-
	- Undisputed dues	-	3,138.62	16.32	-	-	24.67	48.57	**3,228.19**
	Total of (1)	**-**	**3,138.62**	**16.32**		**-**	**24.67**	**48.57**	**3,228.19**
2	(i) Dues to others								
	- Disputed dues	-	-	-	-	-	-	-	-
	- Undisputed dues	-	18,398.18	1,919.71	27.93	12.94	15.36	73.65	**20,447.76**
	Total of (2)	**-**	**18,398.18**	**1,919.71**	**27.93**	**12.94**	**15.36**	**73.65**	**20,447.76**
	Grand total (1+2)	**-**	**21,536.80**	**1,936.03**	**27.93**	**12.94**	**40.03**	**122.22**	**23,675.94**

56 RATIOS :

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% change	Reason for variance
Current ratio	Current assets	Current liabilities	1.31	1.26	3.91%	
Debt- equity ratio	Total debt	Shareholder's equity	0.14	0.22	-34.99%	Repayment of debt
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & lease payments + Principal repayments	1.94	1.83	6.17%	
Return on equity ratio	Net profits after taxes – Preference dividend	Average shareholder's equity	6.39%	6.90%	-7.52%	
Inventory turnover ratio	Cost of goods sold	Average inventory	31.07	29.44	5.55%	
Trade receivable turnover ratio	Net credit sales = Gross credit sales - Sales return	Average trade receivable+ Provision for rate adjustment relating to customer	6.43	6.33	1.62%	
Trade payable turnover ratio	Net credit purchases = Gross credit purchases - Purchase return	Average trade payables	7.66	7.51	1.93%	
Net capital turnover ratio	Net sales = Total sales - Sales return	Working capital = Current assets – Current liabilities	14.18	21.39	-33.73%	Reduction in sales turnover & increase in working capital
Net profit ratio	Net profit	Net sales = Total sales - Sales return	1.22%	1.06%	14.92%	
Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible net worth + Total debt + Deferred tax liability	9.16%	10.97%	-16.52%	
Return on investment	Interest (finance income)	Average investment	3.94%	4.00%	-1.50%	

57 RELATED PARTY DISCLOSURES

(a) **Name of related parties and description of their relationships are as under:**

(A) Holding Company:

Thakurdevi Investments Private Limited

(B) Key Managerial Personnel:

Mr. Sudhir Kumar Munjal	Chairman and Managing Director
Mrs. Anju Munjal	Whole-time Director
Mr. Anuj Munjal	Whole-time Director
Mr. S. K. Sharma	Chief Financial Officer (upto October 28, 2020)
Mr. B. P. Yadav	Chief Financial Officer (from October 29, 2020 onwards)
Mr. Rakesh Johari	Company Secretary
Mr. Vikram Shah	Independent Director
Mr. Naresh Kumar Chawla	Independent Director
Mr. Mahendra Sanghvi	Independent Director
Mr. Ramkisan Devidayal	Independent Director
Mr. Sudesh Kumar Duggal	Independent Director
Mr. Jal Ratanshaw Patel	Independent Director
Ms. Avi Sabavala	Independent Director

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(C) Enterprise in which Directors and their relatives are directors/ partners / members / trustees:

Sara Training and Education LLP
Sara Investment Services Private Limited
Thakurdevi Investments Private Limited
Fetlock Traders Private Limited
Sara Investments
Inder Mohini Bhasin Charitable Foundation
Sudhir Kumar & Sons HUF
Munjal Auto Industries Limited Employees Gratuity Trust Account
Accelerated Learning Edutech Private Limited
Munjal Auto Industries Limited Employees Superannuation Trust Account

(D) Subsidiary Company:

Indutch Composites Technology Private Limited

(b) The following transactions were carried out with the related parties in ordinary course of business during the year:

(Amount ₹ in Lakhs)

Nature of Transaction	Holding Company	Subsidiary Company	Key Managerial personnel	Enterprise in which directors and their relatives are directors	Total
Remuneration paid	-	-	**1,000.34**	-	**1,000.34**
	-	-	(789.31)	-	(789.31)
Mr. Sudhir Kumar Munjal	-	-	**340.21**	-	**340.21**
	-	-	(262.51)	-	(262.51)
Mrs. Anju Munjal	-	-	**297.69**	-	**297.69**
	-	-	(229.70)	-	(229.70)
Mr. Anuj Munjal	-	-	**297.69**	-	**297.69**
	-	-	(229.70)	-	(229.70)
Mr. S. K. Sharma	-	-	-	-	-
	-	-	(30.07)	-	(30.07)
Mr. B. P. Yadav	-	-	**38.47**	-	**38.47**
	-	-	(15.39)	-	(15.39)
Mr. Rakesh Johari	-	-	**26.29**	-	**26.29**
	-	-	(21.95)	-	(21.95)
Sitting fees paid	-	-	**20.24**	-	**20.24**
	-	-	(20.08)	-	(20.08)
Mr. Vikram Shah	-	-	**3.24**	-	**3.24**
	-	-	(3.08)	-	(3.08)
Mr. Naresh Kumar Chawla	-	-	**4.00**	-	**4.00**
	-	-	(3.40)	-	(3.40)
Mr. Mahendra Sanghvi	-	-	**2.20**	-	**2.20**
	-	-	(2.80)	-	(2.80)
Mr. Ramkisan Devidayal	-	-	**2.80**	-	**2.80**
	-	-	(2.80)	-	(2.80)
Mr. Sudesh Kumar Duggal	-	-	**3.40**	-	**3.40**
	-	-	(3.40)	-	(3.40)
Mr. Jal Ratanshaw Patel	-	-	**2.80**	-	**2.80**
	-	-	(2.80)	-	(2.80)
Ms. Avi Sabavala	-	-	**1.80**	-	**1.80**
	-	-	(1.80)	-	(1.80)

(Amount ₹ in Lakhs)

Nature of Transaction	Holding Company	Subsidiary Company	Key Managerial personnel	Enterprise in which directors and their relatives are partners/members/ trustee	Total
Payments made by the	**-**	**-**	**-**	**-**	**-**
Company on behalf of	-	-	-	(2.46)	(2.46)
Inder Mohini Bhasin Charitable Foundation	-	-	-	**-**	**-**
	-	-	-	(2.46)	(2.46)
Rent Paid	**-**	**-**	**-**	**209.05**	**209.05**
	-	-	-	(191.50)	(191.50)
Sara Investments	**-**	**-**	**-**	**209.05**	**209.05**
	-	-	-	(191.50)	(191.50)
Rent received	**-**	**632.01**	**-**	**-**	**632.01**
	-	(607.70)	-	-	(607.70)
Indutch Composites Technology	**-**	**632.01**	**-**	**-**	**632.01**
Private Limited	-	(607.70)	-	-	(607.70)
Balance as at the year end :	**-**	**-**	**49.37**	**-**	**49.37**
Remuneration payable	-	-	(35.46)	-	(35.46)
Mr. Sudhir Kumar Munjal	-	-	**14.50**	**-**	**14.50**
	-	-	(12.00)	-	(12.00)
Mrs. Anju Munjal	-	-	**15.88**	**-**	**15.88**
	-	-	(7.27)	-	(7.27)
Mr. Anuj Munjal	-	-	**15.74**	**-**	**15.74**
	-	-	(12.90)	-	(12.90)
Mr. B. P. Yadav	-	-	**1.85**	**-**	**1.85**
	-	-	(2.04)	-	(2.04)
Mr. Rakesh Johari	-	-	**1.40**	**-**	**1.40**
	-	-	(1.24)	-	(1.24)
Deposit received refundable	**-**	**83.33**	**-**	**-**	**83.33**
	-	(83.33)	-	-	(83.33)
Indutch Composites Technology Private Limited	**-**	**83.33**	**-**	**-**	**83.33**
	-	(83.33)	-	-	(83.33)
Rent receivable	**-**	**48.67**	**-**	**-**	**48.67**
	-	(51.13)	-	-	(51.13)
Indutch Composites Technology Pvt. Ltd.	**-**	**48.67**	**-**	**-**	**48.67**
	-	(51.13)	-	-	(51.13)

Amounts in brackets indicate previous year figures.

(c) Category-wise break up of compensation to key management personnel during the year is as follows:

(Amount ₹ in Lakhs)

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Short-term employee benefits	882.96	690.79
Post-employment benefits (excluding leave encashment)	117.38	98.52

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(d) Terms and conditions of transactions with related parties:

(i) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.

(ii) There is no allowance account for impaired receivables in relation to any outstanding balances and no expense has been recognised in respect of impaired receivables due from related party.

(iii) All Outstanding balances are unsecured and are repayable/receivable in cash.

58 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)

59 The Company does not have any Benami property and no proceedings have been initiated or pending against the Company for holding any Benami property.

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

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

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

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

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

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

61 The Board of Directors have considered and recommended a dividend @ 50% i.e. ₹ 1 per equity share on face value of ₹ 2 per equity share for the financial year 2021-22 subject to approval of members of the Company.

62 The spread of Covid 19 has affected the business operations post the national lock down. The Company has taken various measures in consonance with Central and State Government advisories to contain the pandemic, which included closing of manufacturing facilities. Given the uncertainty of quick turnaround to normalcy, post lifting of the lock down, the Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligation and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Company does not foresee any significant incremental risk to the recoverability of its assets or, in meeting its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure. Pursuant to the relaxed guidelines, the Company has now resumed its operations , however, some of the staff continues to operate from home. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial results. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and make necessary measures to address the situation.

63 Figures for the previous year have been regrouped, wherever necessary, to conform to the figures of the current period's classification in order to comply with the requirements of amended Schedule III to the Companies Act, 2013 effective from April 01, 2021.

64 The standalone financial statement of the Company are approved by the Board of Directors in the meeting held on May 27, 2022.

As per our report of even date attached
For K. C. Mehta & Co.
Chartered Accountants

Pritesh Amin
Partner
Membership No. 105926

Place : Vadodara
Date : May 27, 2022

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal Chairman & Managing Director DIN - 00084080	Anju Munjal Whole Time Director DIN - 00007867	Vikram Shah Chairman Audit Committee DIN - 00007914
Rakesh Johari Company Secretary	Brham Prakash Yadav Chief Financial Officer	

Place : Vadodara
Date : May 27, 2022

INDEPENDENT AUDITOR'S REPORT

To
THE MEMBERS OF
MUNJAL AUTO INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Munjal Auto Industries Limited** ("the Holding Company" or "the Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise of the Consolidated Balance Sheet as at March 31,2022, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements and on the other financial information of the subsidiary as referred to in the "Other Matter", the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31,2022, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of theConsolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditor in terms of their report referred to at the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matters
1.	**Recording of price adjustments and their impact on revenue recognition:** (Refer to note 36 to the Consolidated Financial Statements) Revenue is measured by the Group at the transaction price i.e. amount of consideration received/ receivable from its customers. In determining the transaction price for the sale of products, the Group considers the effects of price adjustments: - to be passed on to the customers, or; - to be recovered from the customers, based on various parameters like negotiations, savings/escalations on/of cost of input materials etc. for the sales made by the Group. The Group, computes the impact of such price adjustments to be recovered from/passed on to the customers based on agreed terms, negotiations undertaken, commercial considerations and other factors.	**Principal Audit Procedures** Our audit procedures included the following: • Assessed the Group's accounting policy for revenue recognition including the policy for recording price adjustments in terms of Ind AS 115; • Obtained understanding of the revenue process, and the assumptions used by the management in the process of calculation of price adjustments as per customer contracts, including design and implementation of controls, testing of management review controls and tested the operating effectiveness of these controls; • Evaluated management's methodology and assumptions used in the calculations of price adjustments as per customer contracts;

	The estimated assets and liabilities on this account at the year-end is shown as Contract Assets under note 53 and Contract Liabilities under note 53, respectively, to the Consolidated Financial Statements and with its consequentially impacts the revenue appearing in note 53 to the Consolidated Financial Statements. We have considered this as a key audit matter on account of the significant judgement and estimate involved in calculation of price adjustments to be recorded as at the year end.	• Tested completeness, arithmetical accuracy and validity of the data used in the computation of price adjustments as per customer contracts; ***Conclusion:*** Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation, and disclosure of the subject matter in Consolidated Financial Statements.
2.	**Recognition and Measurement of Deferred Taxes including Minimum Alternate Tax (MAT) credit:** *(Refer to note 4 (xvi), 11 and 45 to the consolidated financial statements)* The recognition and measurement of deferred tax items requires, at the level of the tax entity, the complete determination of all differences between the recognition and the measurement of tax base of assets and liabilities. This requires significant calculations on account of the tax regulations, most of which are complex. The effects and the measurement of deferred tax assets and liabilities require detailed knowledge of the applicable tax law. We have considered the recognition and measurement of deferred tax assets including MAT credit as Key Audit Matter as recognition of these assets involves judgement by management as to the likelihood of the realization of these deferred tax assets, which is based on a number of factors including whether there will be sufficient taxable profits in future periods to support recognition.	**Principal Audit Procedures** Our audit procedures included the following: - Evaluating management's assessment on the sufficiency of future taxable profits in support of the recognition of deferred tax asset by comparing management's forecasts of future profits to historical results and evaluating the assumptions used in those forecasts. - Inquiry and critical analysis of the management judgement on recognition of deferred tax asset. - Assessing the adequacy of the deferred tax disclosures to the consolidated financial statements. ***Conclusion:*** Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation and disclosure of the subject matter in consolidated financial statements.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis ,Corporate Governance Report and Shareholder's Information but does not include the consolidated financial statements and our Auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, and report of the other auditors as furnished to us (refer "Other Matter" section below), 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 and those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group 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 for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent;

and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Groupor to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group incorporated in India have adequate internal financial controls with reference to consolidated 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 to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. For the other entities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remains 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 regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' 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

We did not audit the financial statements of the subsidiary, whose financial statements for the year ended reflect below values, as considered in the consolidated financial statements.

Particulars	Amount ₹ in Lakh
Total Assets	24,607.65
Total Revenues	20,912.63
Profit after Tax	723.68
Total Comprehensive Income	724.00
Net Cash Outflow	18.03

These financial statements have been audited by other auditor whose report has been furnished to us by the Management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of other auditor on separate financial statements and on the other financial information of subsidiary as noted in "Other Matter" paragraph above, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;

   b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditor;

   c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements;

   d. in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   e. on the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.;

   f. with respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A";

   g. with respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, 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 report of other auditor on separate financial statements, the remuneration paid by the Holding Company and subsidiary company incorporated in India to whom section 197 is applicable, to its directors during the year is in accordance with the provisions of section 197 of the Act: and

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

i. the Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 46 to the consolidated financial statements;

ii. the Group did not have any material foreseeable losses on long-term contracts including derivative contracts as at March 31, 2022;

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

iv. (a) the respective Managements of the Company and its subsidiary whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaryshall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiary whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or subsidiary 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; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiary whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in note 61 to the consolidated financial statements, the Board of Directors of the Holding Company has 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.

2. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by its subsidiary's auditor included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO report except the following:

Sr. No.	Name	CIN	Holding Company/ Subsidiary/Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Indutch Composites Technology Private Limited	U29100GJ2010PTC059665	Subsidiary	Clause No. (ii)(b)

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Pritesh Amin
Partner
Membership No.105926
UDIN: 22105926AJYENF4622

Place : Vadodara
Date : May 27, 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Reporton Other Legal and Regulatory Requirements' section of our report to the Members of **Munjal Auto Industries Limited** on the consolidated financial statements of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to consolidated financial statements of Munjal Auto Industries Limited ("the Holding Company") and its subsidiary company as of March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company are 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 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the, "Guidance note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A Company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

In our opinion, the Holding Company and its subsidiary, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the 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 K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Pritesh Amin
Partner
Membership No.105926
UDIN: 22105926AJYENF4622

Place : Vadodara
Date : May 27, 2022

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(Amount ₹ in Lakhs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Non-Current Assets			
(a) Property, plant and equipment	6	**24,024.41**	25,434.02
(b) Capital work-in-progress	7	**421.34**	115.59
(c) Goodwill on consolidation		**46.05**	46.05
(d) Other intangible assets	8	**152.86**	215.05
(e) Right of use assets	9	**2,069.31**	4,592.95
(f) Financial assets			
- Deposits	10	**1,559.03**	901.94
(g) Deferred tax assets (net)	11	**347.81**	659.26
(h) Other non-current assets	12	**1,214.68**	1,223.85
Total Non-Current Assets		**29,835.49**	**33,188.71**
(2) Current Assets			
(a) Inventories	13	**11,163.97**	8,305.91
(b) Financial assets			
(i) Investments	14	**11,765.02**	2,635.21
(ii) Trade receivables	15	**38,715.35**	38,341.29
(iii) Cash and cash equivalents	16	**252.86**	1,522.37
(iv) Other bank balances	17	**440.39**	281.45
(v) Deposit	18	**332.87**	134.07
(vi) Other financial assets	19	**64.20**	42.48
(c) Current tax assets (net)	20	**600.73**	431.33
(d) Other current assets	21	**1,581.50**	718.37
(e) Non-current assets held for sale	22	**1,353.82**	689.64
Total Current Assets		**66,270.71**	**53,102.12**
Total Assets		**96,106.20**	**86,290.83**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	23	**2,000.00**	2,000.00
(b) Other equity	24	**31,749.41**	29,053.11
Equity attributable to owners of the Company		**33,749.41**	31,053.11
(c) Non controlling interest	25	**1,445.73**	1,163.82
Total Equity		**35,195.14**	**32,216.93**
Liabilities			
(1) Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	26	**5,294.54**	7,921.71
(ii) Lease liabilities	27	**1,532.48**	2,409.18
(iii) Other financial liabilities	28	**1,775.80**	790.00
(b) Provisions	29	**1,044.75**	865.51
(c) Deffered tax liability (net)	11	**-**	113.19
Total Non-Current Liabilities		**9,647.57**	**12,099.59**
(2) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	30	**3,980.41**	3,225.19
(ii) Lease liabilities	31	**779.56**	1,108.94
(iii) Trade payables	32		
(A) Due to micro enterprises and small enterprises		**2,943.25**	3,469.58
(B) Due to other than micro enterprises and small enterprises		**22,240.50**	22,723.71
(iv) Other financial liabilities	33	**2,124.54**	2,083.74
(b) Other current liabilities	34	**5,768.17**	3,181.74
(c) Current tax liabilities (net)	35	**419.34**	186.85
(d) Provisions	36	**13,007.72**	5,994.56
Total Current Liabilities		**51,263.49**	**41,974.31**
Total Equity and Liabilities		**96,106.20**	**86,290.83**
Significant accounting policies and notes to consolidated financial statements	1-64		

As per our report of even date attached
For K. C. Mehta & Co.
Chartered Accountants

Pritesh Amin
Partner
Membership No. 105926

Place : Vadodara
Date : May 27, 2022

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Vikram Shah
Chairman Audit Committee
DIN - 00007914

Rakesh Johari
Company Secretary

Brham Prakash Yadav
Chief Financial Officer

Place : Vadodara
Date : May 27, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Amount ₹ in Lakhs)

	Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**INCOME**			
	Revenue from operations	37	**1,91,567.74**	2,12,263.92
	Other income	38	**545.47**	532.62
	Total Income		**1,92,113.21**	**2,12,796.54**
II	**EXPENSES**			
	Cost of raw materials consumed	39	**1,57,750.16**	1,82,147.42
	Changes in inventories of finished goods and work-in-progress	40	**(554.78)**	(585.21)
	Employee benefits expense	41	**10,876.26**	9,168.44
	Finance costs	42	**1,176.36**	1,562.99
	Depreciation and amortization expense	43	**3,574.15**	3,901.11
	Other expenses	44	**15,224.23**	13,284.09
	Total Expenses		**1,88,046.38**	**2,09,478.84**
III	**Profit Before Tax (I-II)**		**4,066.83**	**3,317.70**
IV	**Tax expenses**	45		
	(a) Current tax relating to:			
	- current year		**1,304.79**	999.20
	- earlier years		**(15.00)**	6.46
	(b) Deferred tax		**(184.16)**	267.98
V	**Profit for the year (III-IV)**		**2,961.20**	2,044.06
VI	**Other Comprehensive Income (OCI)**			
	Items that will not be reclassified to profit or loss			
	- Re-measurement of the defined benefit plans		**26.11**	169.19
	- Income tax impact		**(9.09)**	(53.60)
			17.02	115.59
VII	**Total comprehensive income for the year (VII+VIII)**		**2,978.22**	2,159.65
	Profit for the year attributable to:			
	- Owners of the Company		**2,679.39**	2,062.80
	- Non-controlling interests		**281.81**	(18.74)
			2,961.20	2,044.06
	Other comprehensive income for the year :			
	- Owners of the Company		**16.91**	97.68
	- Non-controlling interests		**0.11**	17.91
			17.02	115.59
	Total comprehensive income for the year :			
	- Owners of the Company		**2,696.30**	2,160.48
	- Non-controlling interests		**281.92**	(0.83)
			2,978.22	**2,159.65**
VIII	**Earnings per equity share**			
	Basic and diluted (in ₹)	47	**2.96**	2.04
	Significant accounting policies and notes to consolidated financial statements	1-64		

As per our report of even date attached
For K. C. Mehta & Co.
Chartered Accountants

Pritesh Amin
Partner
Membership No. 105926

Place : Vadodara
Date : May 27, 2022

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Vikram Shah
Chairman Audit Committee
DIN - 00007914

Rakesh Johari
Company Secretary

Brham Prakash Yadav
Chief Financial Officer

Place : Vadodara
Date : May 27, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. EQUITY SHARE CAPITAL

(Amount ₹ in Lakhs)

Particulars	
Balance as on March 31, 2020	2,000.00
Changes in equity share capital during the year	-
Balance as on March 31, 2021	**2,000.00**
Changes in equity share capital during the year	-
Balance as on March 31, 2022	**2,000.00**

B. OTHER EQUITY

(Amount ₹ in Lakhs)

Particulars	Reserves and surplus			Other comprehensive income	Attributable to owners of the Company	Non-controlling interest	Total
	Capital reserve	General reserve	Retained earnings	Re-measurement of defined benefit plans			
Balance as at April 01, 2020	**2.09**	**1,848.73**	**25,091.55**	**(49.74)**	**26,892.63**	**1,164.64**	**28,057.27**
Profit for the year	-	-	2,062.80	-	2,062.80	(18.74)	2,044.06
Other comprehensive income for the year, net of income tax	-	-	-	97.68	97.68	17.91	115.59
Total comprehensive income for the year	**-**	**-**	**2,062.80**	**97.68**	**2,160.48**	**(0.82)**	**2,159.65**
Balance as at March 31, 2021	**2.09**	**1,848.73**	**27,154.35**	**47.94**	**29,053.11**	**1,163.82**	**30,216.93**
Profit for the year	-	-	2,679.39	-	2,679.39	281.81	2,961.20
Other comprehensive income for the year, net of income tax	-	-	-	16.91	16.91	0.11	17.02
Total comprehensive income for the year	**-**	**-**	**2,679.39**	**16.91**	**2,696.30**	**281.92**	**2,978.22**
Balance as at March 31, 2022	**2.09**	**1,848.73**	**29,833.74**	**64.85**	**31,749.41**	**1,445.73**	**33,195.14**

As per our report of even date attached
For K. C. Mehta & Co.
Chartered Accountants

Pritesh Amin
Partner
Membership No. 105926

Place : Vadodara
Date : May 27, 2022

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

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Chairman Audit Committee
DIN - 00007914

Rakesh Johari
Company Secretary

Brham Prakash Yadav
Chief Financial Officer

Place : Vadodara
Date : May 27, 2022

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2022

(Amount ₹ in Lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**4,066.82**	3,317.70
Adjustments for:		
Depreciation and amortisation expense	**3,574.15**	4,076.29
Finance cost	**915.99**	1,290.01
Loss on property, plant and equipment sold/discarded (net)	**(38.14)**	55.93
Unwinding of discount	**25.16**	21.01
Interest on lease liabilities	**253.89**	605.60
Re-measurement of defined benefit plans	**26.11**	169.19
Interest income	**(33.58)**	(23.06)
Dividend received	**-**	(3.86)
Net profit on sale of current investments	**(195.55)**	(85.41)
Net gain on investments carried at fair value through profit or loss	**(87.80)**	(3.94)
Sundry balances written back (net)	**1.78**	(10.38)
Provision for capital advances	**-**	29.00
Unrealised foreign exchange loss/(gain)	**(1.29)**	2.79
Modification (gain) / loss on lease assets / liabilities	**(2.83)**	-
Operating profit before working capital changes	**8,504.71**	9,440.87
Adjustment for (increase)/decrease in operating assets		
Inventories	**(2,858.07)**	970.48
Trade receivables	**(373.09)**	(11,504.80)
Other financial assets	**(859.74)**	(61.34)
Other assets	**(1,005.58)**	645.35
Adjustment for increase/(decrease) in operating liabilities		
Trade payables	**(1,015.14)**	(1,998.60)
Provisions	**8,611.27**	6,609.90
Other liabilities	**3,385.46**	2,469.55
Cash flow from operations after changes in working capital	**14,389.82**	6,571.41
Net direct taxes (paid)/refunded	**(698.16)**	(714.14)
Net cash generated from operating activities	**13,691.67**	**5,857.28**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment including capital advances & CWIP	**(1,723.32)**	(1,496.24)
Proceeds from sale of property, plant and equipment	**782.37**	648.69
Purchase of investments	**(1,62,912.80)**	(1,09,102.91)
Sale of investments	**1,54,066.35**	1,08,626.83
Interest income	**19.85**	60.66
Dividend income	**-**	3.86
Bank balances not considered as cash and cash equivalents	**(158.93)**	(142.31)
Net cash generated (used in) investing activities	**(9,926.48)**	**(1,401.42)**

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2022 (Continued)

(Amount ₹ in Lakhs)

		For the year ended March 31, 2022	For the year ended March 31, 2021
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from borrowings	**-**	300.00
	Repayment of borrowings	**(2,489.59)**	(1,417.38)
	Payment of lease liabilities	**(1,566.05)**	(1,368.92)
	Net increase/(decrease) in working capital borrowings	**636.64**	(381.06)
	Finance cost	**(1,615.68)**	(1,624.29)
	Net cash flow from/(used in) financing activities	**(5,034.68)**	(4,491.65)
D.	**Net increase/ (decrease) in cash and cash equivalents (A+B+C)**	**(1,269.49)**	(35.80)
	Cash & cash equivalents at beginning of year (see note 1)	**1,522.36**	1,558.17
	Cash and cash equivalents at end of year (see note 1)	**252.86**	1,522.37
Notes:			
1	**Cash and cash equivalents comprise of:**		
	Cash on hands	**8.85**	9.29
	Balance with banks		
	In current accounts	**220.55**	1,512.87
	In cash credit accounts	**23.47**	0.21
	Cash and cash equivalents as restated	**252.86**	1,522.37

2 Figures of the previous year have been regrouped / reclassified wherever necessary.

3. Reconciliation of liabilities from financial activities:

(Amount ₹ in Lakhs)

Particulars	Lease liabilities	Long-term borrowings	Short-term borrowings
Opening balance (21-22)	**6,166.65**	**9,436.81**	**917.71**
Opening balance (20-21)	6,654.43	10,619.64	1,202.88
Cash flow (21-22)	**(1,025.76)**	**(2,460.53)**	**896.24**
Cash flow (20-21)	(487.78)	(1,182.83)	(285.17)
Non cash changes (21-22)	**12.55**	**-**	**-**
Non cash changes (20-21)	-	-	-
Closing balance (21-22)	**5,153.44**	**6,976.28**	**1,813.96**
Closing balance (20-21)	**6,166.65**	**9,436.81**	**917.71**

As per our report of even date attached
For K. C. Mehta & Co.
Chartered Accountants

Pritesh Amin
Partner
Membership No. 105926

Place : Vadodara
Date : May 27, 2022

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Vikram Shah
Chairman Audit Committee
DIN - 00007914

Rakesh Johari
Company Secretary

Brham Prakash Yadav
Chief Financial Officer

Place : Vadodara
Date : May 27, 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

Munjal Auto Industries Limited ('the Company') is a public limited company domiciled and incorporated in India having its registered office at 187, GIDC Industrial Estate, Waghodia, District: Vadodara- 391760. The shares of the Company are listed on two stock exchanges in India i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). As at March 31, 2022, Thakur Devi Investments Private Limited, the holding company owned 74.81% of the Company's equity share capital.

The consolidated financial statements relates to the company and its subsidiary (collectively referred as "the Group"). The Group is mainly engaged in manufacturing and selling of Auto components and designing, developing, testing and production of different types of composites moulds and products for different industries.

2 APPLICATION OF NEW INDIAN ACCOUNTING STANDARDS

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparing these financial statements.

Recent accounting pronouncements

On March 23, 2022, the Ministry of Corporate Affairs (MCA) notified Companies (Indian Accounting Standards) Amendment Rules, 2022 to further amend the Companies (Indian Accounting Standards) Rules, 2015 by making amendments to Ind AS 101 - First-time adoption of Indian Accounting Standards, Ind AS 103 - Business Combinations, Ind AS 109 – Financial Instruments, Ind AS 16 – Property, Plant and Equipment, Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets & Ind AS 41 – Agriculture; effective from 1 April 2022. Key amendments are as follows:-

1. Amendments to Ind AS 109, Financial Instruments: Paragraph B3.3.6 has been amended by adding an important clarification and shifting some portion to new paragraph B3.3.6A. New paragraph 7.2.35 contains transitional provision. As per pre-amended paragraph B.3.3.6, in the case of exchange of debt instruments between an existing borrower and lender mentioned in paragraph 3.3.2, the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. The amendment now clarifies that in determining those fees paid net of fees received, a borrower includes only fees 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.

2. Amendments to Ind AS 16, Property, Plant and Equipment: Sub-item (e) of paragraph 17 has been amended. The amendment now clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

3. Amendments to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets: Paragraph 68A has been newly added and paragraph 69 has been amended. New paragraph 94A contains transitional provision. New paragraph 68A states that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both:

   - the incremental costs of fulfilling that contract—for example, direct labour and materials; and

   - an allocation of other costs that relate directly to fulfilling contracts— for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others.

   As per pre-amended paragraph 69 of Ind AS 37, before a separate provision for an onerous contract is established, an entity recognises any impairment loss (under Ind AS 36, 'Impairment of Assets') that has occurred on assets dedicated to that contract. As per amended paragraph 69 of Ind AS 37, before a separate provision for an onerous contract is established, an entity recognises any impairment loss (under Ind AS 36) that has occurred on assets used in fulfilling the contract. The amendment also provides transitional provisions.The amendments are not significant; hence they are not expected to have a material impact on the financial statements of the Company.

3 BASIS OF PREPARATION AND PRESENTATION

i. Statement of compliance

The consolidated financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

ii. Basis of preparation

The Company had acquired 55% stake in Indutch Composites Technology Private Limited (ICTPL) from Murwari BV. The company has further subscribed to Rights Shares and thus increasing its stake to 68% in ICTPL. The acquisition transaction has been accounted for under Purchase method.

These consolidated financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The consolidated financial statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal Lacs except otherwise stated.

iii. Operating cycle

Based on the nature of products/ activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

4 SIGNIFICANT ACCOUNTING POLICIES

i. Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary (collectively referred as “the Group”).

Subsidiary is entity controlled by the Company. The Company controls an entity when it is exposed, 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. Subsidiary is consolidated from the date of their acquisition (except for business combinations under common control), being the date on which the Company obtains control and continue to be consolidated until the date that such control ceases.

The consolidated financial statements are prepared using uniform accounting policies consistently for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company’s standalone financial statements except otherwise stated. Whenever necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s significant accounting policies.

The consolidated financial statements have been prepared by combining the financial statements of the company and its subsidiary on a line-by-line basis by adding together the book values of like items of assets, liabilities, equity, income, expenses and cash flow after eliminating in full intra-Group assets, liabilities, equity, income, expenses and cash flow relating to intra-Group transactions and unrealized profits. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s ownership interests in subsidiary that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in the consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to the consolidated statement of profit and loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or the cost on initial recognition as investment in an associate or a joint venture, when applicable.

ii. Business combination

Acquisitions of businesses (except for business combinations under common control) are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition related costs are generally recognised in consolidated statement of profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 'Income Taxes' and Ind AS 19 'Employee Benefits' respectively;
- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations' are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional information obtained by the Group during the 'measurement period' about facts and circumstances that existed at the acquisition date. Measurement period does not exceed one year from the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in the consolidated statement of profit and loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in the consolidated statement of profit and loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to the consolidated statement of profit and loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period recognising additional assets or liabilities (if any) to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

iii. **Non controlling interest**

Non-controlling interests represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the company's shareholders.

Non-controlling interests are initially measured at the proportionate share of the recognised amounts of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of the interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

iv. **Goodwill on consolidation**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or Groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the cash generating unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the cash generating unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit and loss.

v. **Property, plant and equipment**

Property, plant and equipment (including furniture, fixtures, vehicles, etc.) held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes items directly attributable to the construction or acquisition of the item of property, plant and equipment, and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as-other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

In case of holding company, depreciation is charged on a pro-rata basis at the straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the schedule II to the Act. In case of a Subsidiary Company, depreciation is charged on a pro-rata basis at the written down value method over estimated economic useful lives of its property, plant and equipment. Estimated useful lives of these assets of Group are as under:

Description	**Years**
Building	30-60
Leasehold improvements	over the lease period
Plant & machinery	15
Furniture and fixtures	10
Vehicles	8
Office equipment	5
Computers	3

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit and loss.

vi. **Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. In case of holding company, amortisation is recognised on a straight-line basis over a period of 3 to 10 years. However, in case of the Subsidiary Company, amortisation is recognised on written down value basis over the estimated lives of intangible assets. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the consolidated statement of profit and loss when the asset is derecognised.

vii. **Impairment of tangible and intangible assets**

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs of disposal and value in use.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit and loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit and loss.

viii. **Non-current assets held for sale**

The Group classifies non-current assets as held for sale/disposal if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets or disposal Groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

ix. **Inventories**

Inventories other than scrap are stated at the lower of cost and net realisable value. Costs of inventories are determined on a moving weighted average. Finished goods and work-in-progress (along with stock in transit) include appropriate proportion of overheads. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Scrap is valued at estimated net realisable value.

In case of holding company, inventory of stores and spare parts is valued at weighted average cost or net realisable value, whichever is lower. However, in case of Subsidiary Company, inventory of stores and spare parts is valued at FIFO basis at cost or net realisable value, whichever is lower.

Provisions are made for obsolete and non-moving inventories.

x. **Revenue recognition**

The Group earns revenue primarily from sale of goods.

(a) Sale of goods

Revenues are recognized when the Group satisfies the performance obligation by transferring a promised goods to a customer. A good is transferred when the customer obtains control of that product, which is at the point of transfer of custody to customers where usually the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration and represents amounts receivable for goods and services provided in the normal course of business, net off goods and services tax (GST), etc. Any retrospective revision in prices is accounted for in the respective year to which such revision belongs.

(b) Dividend and interest income

Dividend income from investments is recognised when the right to receive payment has been established.

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(c) Other income

Other income is recognized on accrual basis except when realisation of such income is uncertain.

xi. **Government grants**

Government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to revenue are recognized on a systematic basis in the consolidated statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

xii. **Leases**

As a lessee

The company's lease assets primarily consist of leases for land. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

- the contract involves the use of an identified asset;
- the company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognizes a lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases and corresponding fight-of-use asset . For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

As a lessor

At the inception of the lease the company classifies each of its leases as either an operating lease or a finance lease. The company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. The company has leased out its investment property classifying such lease as an operating lease, because it does not transfer substantially all of the risks and rewards incidental to the ownership of such investment property. Note 4 (iv) sets out the information about the said investment property.

xiii. Foreign currency transactions

The functional currency of the Group is Indian Rupees which represents the currency of the primary economic environment in which it operates.

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items (which includes advance received/paid) that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the consolidated statement of profit and loss in the period in which they arise.

xiv. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the consolidated statement of profit and loss in the period in which they are incurred.

xv. Employee benefits

(a) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

(b) Post-employment Benefits

(1) Defined contribution plan

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions. The eligible employees of the Group are entitled to receive benefits in respect of provident fund, for which both the employees and the Group make monthly contributions at a specified percentage of the covered employees' salary.

(2) Defined benefit plan

Defined retirement benefit plans comprising of gratuity are recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Net interest on the net defined liability is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised in the consolidated statement of profit and loss except those included in cost of assets as permitted.

Remeasurement of defined retirement benefit plans comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognised in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to the consolidated statement of profit and loss.

The retirement benefit obligation recognised in the Financial statements represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

(c) Other long term employee benefits

The obligation for long term employee benefits such as long term compensated absences is measured at present value of estimated future cash flows expected to be made by the Group and is recognised in a similar manner as in the case of defined benefit plans vide (b)(2) supra.

Long term employee benefit costs comprising current service cost, interest cost implicit in long term employee benefit cost and gains or losses on curtailments and settlements, re-measurement including actuarial gains and losses are recognised in the consolidated statement of profit and loss as employee benefit expenses.

xvi. Income taxes

Income tax expense represents the sum of the current tax and deferred tax.

(a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

(b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

(c) Current and deferred tax for the year

Current and deferred tax expenses are recognised in the consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

xvii. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the consolidated financial statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the consolidated financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Product warranty expenses

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences based on actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically up to five years.

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. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the consolidated statement of profit and loss.

xix. Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(a) Financial assets at amortised cost

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.

(b) Equity investments at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income (FVTOCI) if these financial assets are held within a business 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 on the principal amount outstanding. These include financial assets that are equity instruments and are irrevocably designated as such upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognized directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognized in the consolidated statement of profit and loss when the right to receive payment has been established.

When the equity investment is derecognized, the cumulative gain or loss in equity is transferred to retained earnings.

(c) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss (FVTPL) unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in the consolidated statement of profit and loss.

(d) Impairment of financial assets

The Group assesses at each balance sheet date whether a financial asset or a Group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

(e) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the consolidated statement of profit and loss.

xx. Financial liabilities and equity instruments

Debt and equity instruments issued by Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(a) Financial liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs'.

(b) Equity instruments

An equity instrument is any contract that evidences residual interests in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

(c) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit and loss.

xxi. Research and development expenditure

Expenditure of capital nature are capitalised and expenses of revenue nature are charged to the consolidated statement of profit and loss, as and when incurred.

xxii. Statement of cash flows

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

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company accounting policies, which are described as above, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgments in applying accounting policies

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:-

(a) Evaluation of indicators for impairment of property, plant and equipment:

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the property, plant and equipment.

(ii) **Assumptions and key sources of estimation uncertainty**

(a) Assets and obligations relating to employee benefits

The employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ (income) include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of employment benefit obligations.

(b) Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2022 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

(c) Estimation of provision for warranty

Management estimates the related provision for future warranty claims based on certain percentages of revenue. The provision is based on historical information on the nature, frequency and average cost of warranty claims. Management, also estimates regarding possible future outflow on servicing the customers for any corrective action in respect of product failure which is generally expected to be settled within a period of 1 to 5 years.

The assumptions made in relation to the current period are consistent with those in the prior year. Factors that could impact the estimated claim information include the success of the Group's productivity and quality initiatives.

(d) Provision for price differences

The Group recognises price difference payable to parties, where settlement is pending for final negotiation. It is provided on the basis of best estimate and management assessments, considering the past trades and various other factors. This provisions are reviewed on regular basis and adjusted with respective elements with statement of profit and loss from the adequacy and reasonability point of view.

(e) Provision for slow moving and obsolete items in inventory valuation:

Inventories are measured at the lower of cost and net realizable value. Write-down of inventories are calculated based on an analysis of foreseeable changes in demand, technology or market conditions to determine obsolete or excess inventories.

(f) Identification of leases, duration and value

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease and to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT

(Amount ₹ in Lakhs)

Particulars	Tangible assets								Total
	Freehold land	Building	Plant & equipment	Lease hold improve-ments	Furniture & fixtures	Vehicles	Office equipment	Computers	
Gross block									
At April 1, 2020	1,796.86	9,357.54	22,214.41	354.59	627.51	871.45	228.36	170.12	35,620.84
Additions	-	96.72	768.64	-	27.35	16.23	19.10	14.78	942.82
Deduction/adjustments	-	-	800.40	-	1.16	45.85	-	-	847.41
At March 31, 2021	**1,796.86**	**9,454.26**	**22,182.65**	**354.59**	**653.70**	**841.83**	**247.46**	**184.90**	**35,716.25**
Additions	-	28.70	891.88	-	25.32	72.36	29.58	89.78	1,137.62
Deduction/adjustments	-	-	94.99	-	0.36	-	0.21	-	95.56
At March 31, 2022	**1,796.86**	**9,482.96**	**22,979.54**	**354.59**	**678.66**	**914.19**	**276.83**	**274.68**	**36,758.31**
Accumulated depreciation									
At April 1, 2020	-	915.93	6,013.72	64.06	83.14	344.84	152.06	125.45	7,699.20
Charge for the year	-	318.22	2,100.58	38.46	65.55	113.12	27.85	40.03	2,703.82
Deduction/adjustments	-	-	84.14	-	-	36.65	-	-	120.79
At March 31, 2021	**-**	**1,234.15**	**8,030.16**	**102.52**	**148.69**	**421.31**	**179.91**	**165.48**	**10,282.22**
Charge for the year	-	297.89	1,930.66	38.46	59.59	116.39	10.00	39.64	2,492.63
Deduction/adjustments	-	-	40.41	-	0.35	-	0.19	-	40.95
At March 31, 2022	**-**	**1,532.04**	**9,920.41**	**140.98**	**207.93**	**537.70**	**189.72**	**205.12**	**12,733.90**
Net block									
At March 31, 2021	1,796.86	8,220.11	14,152.49	252.07	505.01	420.52	67.55	19.41	25,434.02
At March 31, 2022	**1,796.86**	**7,950.92**	**13,059.13**	**213.61**	**470.73**	**376.49**	**87.11**	**69.56**	**24,024.41**

Notes:

(i) The Company has elected to continue with the carrying value of its property plant & equipment (PPE) recognised as of April 01, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

(ii) For details of property, plant and equipment given as security to lenders, refer note 26.

(iii) The aggregate depreciation charge for the year has been included under depreciation and amortisation expense in the statement of profit and loss.

(iv) Contractual obligations: Refer to note 46 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7 **CAPITAL WORK-IN-PROGRESS** **(Amount ₹ in Lakhs)**

Particulars	Total
At April 01, 2020	165.66
Additions	94.20
Transfer to proprety, plant and equipment	144.27
At March 31, 2021	**115.59**
Additions	**423.74**
Transfer to proprety, plant and equipment	**21.58**
Transfer to assets held for sale	**96.41**
At March 31, 2022	**421.34**

CWIP ageing schedules

CWIP	Amount in CWIP for a period of		Total
	Less than 1 year	1-2 years	As at 31 March, 2022
Projects in progress			
HMCL assessories line	8.81	3.50	12.31
MHML - 200 CC AANL line	34.20	-	34.20
At March 31, 2022	1.51	-	1.51
Project 1 (Sullurpeta, Andhra Pradesh)	174.31	-	174.31
Project 2 (Trichy, Tamilnadu)	195.01	-	195.01
Others	4.00	-	4.00
Total	**417.84**	**3.50**	**421.34**

CWIP	Amount in CWIP for a period of		Total
	Less than 1 year	1-2 years	As at 31 March, 2021
Projects in progress			
HMCL assessories line	3.69	0.49	4.18
Surface grinder	-	20.90	20.90
Pune building project	90.51	-	90.51
Total	**94.20**	**21.39**	**115.59**

The Group has no such pojects whose completion is overdue or where costs have exceeded as compared to the original plan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	Computer coftware	Total
8	**OTHER INTANGIBLE ASSETS**		
	Gross block		
	At March 31, 2020	494.41	494.41
	Additions	38.10	38.10
	Deduction/adjustments	-	-
	At March 31, 2021	**532.51**	**532.51**
	Additions	**14.15**	**14.15**
	Deduction/adjustments	**-**	**-**
	At March 31, 2022	**546.66**	**546.66**
	Accumulated amortisation		
	At March 31, 2020	230.99	230.99
	Charge for the year	86.47	86.47
	Deduction/adjustments	-	-
	At March 31, 2021	**317.46**	**317.46**
	Charge for the year	76.34	76.34
	Deduction/adjustments	-	-
	At March 31, 2022	**393.80**	**393.80**
	Net block		
	At March 31, 2021	215.05	215.05
	At March 31, 2022	**152.86**	**152.86**

1. The Company has elected to continue with the carrying value of its intangible assets recognised as of April 01, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per para D7AA of Ind AS 101.
2. The aggregate amortisation charge for the year has been included under depreciation and amortisation expense in the consolidated statement of profit and loss.

9 **RIGHT OF USE ASSETS** (Amount ₹ in Lakhs)

Particulars	Right of use assets			Total
	Land	Building	Plant & equipment	
At March 31, 2020	2,317.63	3,758.49	42.24	6,118.36
Add : Additions	-	271.97	-	271.97
Less : Non-current assets held for sale*	689.64	-	-	689.64
Less : Depreciation	28.64	1,065.61	13.48	1,107.73
As at March 31, 2021	**1,599.35**	**2,964.85**	**28.75**	**4,592.95**
Add : Addition of new assets	**-**	140.77	12.55	153.33
Less : Modification / re-measurement	**-**	**409.48**	**4.90**	**414.38**
Less : Non-current assets held for sale#	**1,257.41**	**-**	**-**	**1,257.41**
Less : Depreciation	**21.22**	**971.61**	**12.35**	**1,005.18**
As at March 31, 2022	**320.72**	**1,724.53**	**24.06**	**2,069.31**

* The Company had entered into an agreement to transfer the right of use asset pertaining to Land located at Neemrana, Rajasthan. The transaction was completed during the year. It had also received non-refundable advance of ₹ 50 Lakhs for the same (refer note 34). The net book value of the assets to be transferred as per the agreement had been shown as non-current assets held for disposal in the balance sheet.

\# The Company has entered into an agreement to transfer the right of use asset pertaining to Land located at GIDC, Waghodia, Gujarat & MIDC, Pune, Maharashtra. The transactions are set to be completed by April, 2022 and October, 2022 respectively. It has also received non-refundable advance for MIDC, Pune Land of ₹ 117.35 Lakhs for the same (refer note 34). The net book value of the assets to be transferred as per the agreement has been shown as non-current assets held for disposal in the balance sheet.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
10	**DEPOSITS**		
	Unsecured, considered good		
	Deposits	1,559.03	901.94
	Total	**1,559.03**	**901.94**

1) Deposits are largely in relation to public utilities and rental agreements.
2) However, the Group has not taken exhaustive search for information to assess significant increase in the credit risk since initial recognition.

11	**DEFERRED TAX ASSETS (NET)**		
	Deferred tax assets	2,560.28	2,856.11
	Deferred tax liabilities	(2,212.47)	(2,310.04)
	Total	**347.81**	**546.07**

(Amount ₹ in Lakhs)

Particulars	Deferred tax assets	Deferred tax liabilities
For the financial year 2021-22:		
Opening balance as at April 1, 2021	**2,856.11**	**2,310.04**
Deferred tax recognized in statement of profit and loss on account of:		
At March 31, 2022	(54.75)	-
Carry forward of business losses	16.91	-
Property, plant and equipment & intangible assets	-	(148.39)
Financial assets carried at fair value through profit or loss	-	29.27
Others	-	8.45
Deferred tax setoff in balance sheet:		
MAT credit (Set-off)	(387.81)	-
Adjustments	129.83	13.10
Total	**2,560.28**	**2,212.47**
Net deferred fax		**347.81**
For the financial year 2020-21:		
Opening balance as at April 1, 2020	**3,324.60**	**2,142.73**
Deferred tax recognized in statement of profit and loss on account of:		
Expenses claimed for tax purpose on payment basis	21.75	-
Carry forward of business losses	(194.04)	-
Impairment of trade receivables / advances	10.13	-
Property, plant and equipment & intangible assets	-	115.43
Financial assets carried at fair value through profit or loss	-	1.38
Others	-	(3.10)
Deferred tax recognized in other comprehensive income on account of:		
Expenses claimed for tax purpose on payment basis	-	53.60
Deferred tax setoff in balance sheet:		
MAT credit (Set-off)	(314.23)	-
Adjustments	7.90	-
Total	**2,856.11**	**2,310.04**
Net deferred tax*		**546.07**

*Includes deferred tax liablitiy of ₹ 113.19 Lakhs of subsidiary company shown separately as non-current liabilities in balance sheet

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
12	**OTHER NON-CURRENT ASSETS**		
	Unsecured, considered good		
	Capital advances	34.82	31.22
	Advance income tax (net of provisions)	296.06	286.38
	VAT/CST paid under protest	6.39	6.39
	Retention with customer	877.41	899.86
	Total	**1,214.68**	**1,223.85**
13	**INVENTORIES**		
	Raw materials	5,351.72	3,367.40
	Work in process	2,686.65	1,713.84
	Finished goods	2,561.67	2,811.39
	Finished goods-stock in transit	260.31	184.47
	Store and spares	303.62	228.81
	Total	**11,163.97**	**8,305.91**

(i) Inventory write downs/ provisions for slow-moving and obsolete items are accounted, considering the nature of inventory, ageing, liquidation plan and net realizable value. Provision for slow-moving and obsolete items of inventories amounted to ₹ 216.60 Lakhs (March 31, 2021: ₹ 290.59 Lakhs). The changes in provisions are recognized as an expense in the Statement of profit and loss.

(ii) Inventory of finished goods includes inventory of tools & dies amounting to ₹ Nil (March 31, 2021: ₹ 20.66 Lakhs).

(iii) For inventories given as security to lenders, refer note 30.

(iv) The cost of inventories recognised as an expense is disclosed in notes 39, 40 and 44 to the consolidated statement of profit and loss.

	Particulars	As at March 31, 2022		As at March 31, 2021	
		(Units in Nos.)	(Amount ₹ in Lakhs)	(Units in Nos.)	(Amount ₹ in Lakhs)
14	**INVESTMENTS**				
	Financial assets carried at fair value through profit or loss:				
	Investment in mutual funds (unquoted):				
	ICICI Prudential Ultra Short Term Fund	45,52,408	1,526.02	-	-
	HDFC Arbitrage Fund	61,40,188	1,020.66	-	-
	DSP Blackrock Microcap Fund	89	2.67	89	2.59
	Kotak Money Market Fund	2,49,997	9,001.14	-	-
	Kotak Overnight Fund	934	10.56	227	2.49
	Kotak Liquid Reg Fund	4,767	203.97	63,518	2,630.13
	Total		**11,765.02**		**2,635.21**

Investments in mutual funds have been fair valued at closing net asset value (NAV).
The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
15	**TRADE RECEIVABLES**		
	Unsecured, considered good	38,715.35	38,341.29
	Credit impaired	3.43	3.43
	Total (A)	**38,718.78**	**38,344.72**
	Less: Impairment for doubtful trade receivables (B)	3.43	3.43
	Total (A-B)	**38,715.35**	**38,341.29**

(i) Generally, the Group enters into long-term sales arrangement with its customers. The average credit period is 45-60 days.

(ii) At March 31, 2022, the group had one customers (March 31, 2021: two customer) having outstanding more than 5% of total trade receivables that accounted for approximately 80% (March 31, 2021: 90%) of total trade receivables outstanding.

(iii) The Group assesses impairment loss on dues from its customers based on facts and circumstances relevant to each transaction. Usually, Company collects all its receivables from its customers within due date.

(iv) No trade receivables are due from directors or other officers of the Group or any of them either severally or jointly with any other person or from firms or private companies respectively in which any director is a partner, a director or a member.

(v) During the year ₹ 67.64 Lakhs (PY ₹ 21.02 Lakhs) receivables have been derecognised since there is no reasonable expection of measurability in terms of its probability of the amount and timing or receivability.

(vi) Ageing schedule for trade receivables (refer note 55)

(vii) Movement of impairment for doubtful trade receivables:

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	3.43	3.43
Addition in expected credit loss allowance on trade receivables	-	-
Balance at end of the year	**3.43**	**3.43**

	Particulars	As at March 31, 2022	As at March 31, 2021
16	**CASH AND CASH EQUIVALENTS**		
	Balances with banks		
	In Cash credit accounts	204.79	1,510.39
	In current accounts	39.23	2.69
	In fixed deposits	-	-
	Cash on hand	8.85	9.29
	Total	**252.86**	**1,522.37**
17	**OTHER BANK BALANCES**		
	Balances with banks		
	Unclaimed dividend accounts (earmarked)	73.03	91.50
	Deposit with bank held as margin money against bank guarantee & LC	367.36	189.95
	Total	**440.39**	**281.45**
18	**DEPOSITS**		
	Unsecured, considered good		
	Deposits	332.87	134.07
	Total	**332.87**	**134.07**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
19	**OTHER FINANCIAL ASSETS**		
	Unsecured, considered good		
	Loans to employees	16.78	12.93
	Other advances	26.48	22.33
	Interest receivable	20.94	7.22
	Total	**64.20**	**42.48**
20	**CURRENT TAX ASSETS (NET)**		
	Current tax assets		
	Advance tax (net of provisions)	600.73	431.33
	Total	**600.73**	**431.33**
21	**OTHER CURRENT ASSETS**		
	Unsecured, considered good		
	Balance with government authorities	603.95	130.40
	Deposit (refer note below)	15.45	15.45
	Prepaid expenses	338.68	286.45
	Advance to vendors	381.04	286.07
	Development cost	242.38	-
	Total	**1,581.50**	**718.37**

The Company had deposited ₹ 15.45 Lakhs under protest towards octroi duty in a separate bank account jointly held with the Sarpanch, Waghodia Gram Panchayat. The state government of Gujarat has notified that industrial units in the notified area of Waghodia are not required to pay the octroi duty from July 19, 1997. The Company believes it has no liability for octroi duty even for the earlier period and hence no provision has been made. In the absence of clarity regarding rights of respective parties, interest income credited by the bank amounting to ₹ 26.12 Lakhs (as at March 31, 2021: ₹ 25.02 Lakhs) on the aforesaid amount till March 31, 2022 has not been recognized.

22	**NON-CURRENT ASSETS HELD FOR SALE**		
	Leasehold land for sale	1,257.41	689.64
	Capital work-in-progress	96.41	-
	Total	**1,353.82**	**689.64**

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
23	**EQUITY SHARE CAPITAL**		
	Authorised share capital		
	10,00,00,000 (as at March 31, 2021: 10,00,00,000) equity shares of ₹ 2 each	2,000.00	2,000.00
	Unclassified shares	500.00	500.00
	Total authorised share capital	**2,500.00**	**2,500.00**
	Issued, subscribed & fully paid share capital		
	10,00,00,000 (as at March 31, 2021: 10,00,00,000) equity shares of ₹ 2 each	2,000.00	2,000.00
	Total	**2,000.00**	**2,000.00**

(i) **A reconciliation of number of shares outstanding at the beginning and at the end of reporting period is as under:**

(Amount ₹ in Lakhs)

Particulars	No. of shares	Share capital
As at April 01, 2020	**10,00,00,000**	**2,000.00**
Add: Increase/(decrease) during the year	-	-
As at March 31, 2021	10,00,00,000	2,000.00
Add: Increase/(decrease) during the year	-	-
As at March 31, 2022	**10,00,00,000**	**2,000.00**

(ii) **Rights, preferences and restrictions attached to shares**

The Holding Company has only one class of equity shares having a par value of ₹ 2 per share. For all matters submitted to vote in a shareholders meeting of the Holding Company, every holder of an equity share as reflected in the records of the Holding Company on the date of the shareholders meeting shall have one vote in respect of each share held. Any dividend declared by the Holding Company shall be paid to each holder of equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Holding Company all preferential amounts if any shall be discharged by the Holding Company. The remaining assets of the Holding Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

	Particulars	No. of shares	Extent of holding
(iii)	**Details of shares held by holding company of the parent are classified as under:**		
	Thakur Devi Investments Private Limited		
	As at March 31, 2022	**7,48,06,450**	**74.81%**
	As at March 31, 2021	7,48,06,450	74.81%
(iv)	**Details of shareholders holding more than 5% shares in the Holding Company are as under:-**		
	Thakur Devi Investments Private Limited		
	As at March 31, 2022	**7,48,06,450**	**74.81%**
	As at March 31, 2021	7,48,06,450	74.81%

(v) The Holding Company had allotted 5,00,00,000 number of fully paid bonus shares on July 13, 2017 in the ratio of one equity share of ₹ 2 each fully paid up for every one existing equity shares of ₹ 2 each fully paid up.

(vi) **Details of shares held by promoters :**

Promoters 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	% of change during the year
Thakur Devi Investments Private Limited					
As at March 31, 2022	7,48,06,450	-	7,48,06,450	74.81%	-
As at March 31, 2021	7,48,06,450	-	7,48,06,450	74.81%	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
24	**OTHER EQUITY**		
	Capital reserve	2.09	2.09
	General reserves	1,848.73	1,848.73
	Retained earnings	29,833.74	27,154.35
	Other comprehensive income	64.85	47.94
	Total	**31,749.41**	**29,053.11**

(i) Particulars relating to other equity

Other equity	As at March 31, 2022	As at March 31, 2021
Capital reserve		
Opening balance	2.09	2.09
Add: Movements	-	-
Closing balance (A)	**2.09**	**2.09**
General reserves		
Opening balance	1,848.73	1,848.73
Add: Movements	-	-
Closing balance (B)	**1,848.73**	**1,848.73**
Retained earnings		
Opening balance	27,154.35	25,091.55
Add: Net profit after tax transferred from statement of profit & loss	2,679.39	2,062.80
Closing balance (C)	**29,833.74**	**27,154.35**
Other comprehensive income		
Opening balance	47.94	(49.74)
Add: Re-measurement of defined benefit obligation (net of income tax)	16.91	97.68
Closing balance (D)	**64.85**	**47.94**
Total (A+B+C+D)	**31,749.41**	**29,053.11**

(ii) Capital reserve represents the profit on re-issue of forfeited shares.

(iii) The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not reclassified subsequently to profit or loss.

(iv) The other comprehensive income is created by re-measurement of defined benefit obligation and will not reclassified subsequently to profit or loss.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
25	**NON-CONTROLLING INTERESTS (NCI)**		
	Balance at beginning of year	1,163.82	1,164.64
	Share in profit for the year	281.81	(18.74)
	Share in OCI	0.11	17.91
	Total	**1,445.73**	**1,163.82**

Details of non-wholly owned subsidiary of the Group that have material non-controlling interest as at March 31, 2022 and for the year ended then:

(Amount ₹ in Lakhs)

Name of subsidiary	Place of incorporation	Proportion of ownership interests and voting rights held by non-controlling interests	Profit allocated to non-controlling interests	Accumulated non-controlling interests
Indutch Composites Technology Private Limited				
As at March 31, 2022	India	32%	281.92	1,445.73
As at March 31, 2021	India	32%	(0.82)	1,163.82

Summarised financial information in respect of each of the group's subsidiary- Indutch Composites Technology Private Limited that has material non-controlling interest is set out below. The summarized financial information below represents amounts before intragroup eliminations as at and for the year ended March 31, 2022:

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current assets (refer note below)	9,412.39	9,693.79
Current assets	15,195.25	8,085.23
Non-current liabilities	8,029.30	7,927.86
Current liabilities	12,225.68	6,222.50
Equity attributable to owners of the Company	**4,352.66**	**3,628.66**
Non-controlling interests	**1,445.73**	**1,163.82**
Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Total income	21,079.22	14,157.98
Expenses	20,105.93	14,079.59
Profit/(loss) for the year	723.68	(44.11)
Profit/(loss) attributable to owners of the Company	492.10	(30.00)
Profit/(loss) attributable to the non-controlling interests	231.58	(14.11)
Profit/(loss) for the year	**723.68**	**(44.11)**
Other comprehensive income attributable to owners of the Company	0.22	38.10
Other comprehensive income attributable to the non-controlling interests	0.10	17.91
Other comprehensive income for the year	**0.32**	**56.01**
Total comprehensive income attributable to owners of the Company	492.32	8.09
Total comprehensive income attributable to the non-controlling interests	231.68	3.80
Total comprehensive income for the year	**724.00**	**11.89**
Net cash inflow/(outflow) from operating activities	1,782.54	1,171.17
Net cash inflow/(outflow) from investing activities	(1,011.17)	(788.93)
Net cash inflow/(outflow) from financing activities	(753.34)	(382.08)
Net cash inflow/(outflow)	**18.03**	**0.16**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	Particulars	As at March 31, 2022	As at March 31, 2021
26	**BORROWINGS**		
	Secured		
	Term loans		
	From banks	5,294.54	7,921.71
	Total	**5,294.54**	**7,921.71**

(i) **Nature of security for long term secured borrowings including current maturities:**

Term loans	Nature of security	Current maturities of each loan (₹ in Lakhs)	Amount of each loan outstanding (₹ in Lakhs)
From Banks:			
State Bank of India Loan VII	These loans are secured by way of mortgage / charge created on plant and machinery acquired out of the sanctioned term loan for Waghodia, District- Vadodara, Gujarat.	- (166.80)	- (166.80)
Loan VIII		**740.00** (620.00)	**1,445.59** (2,706.07)
Loan IX		**440.00** (444.00)	**1,415.83** (1,861.42)
Loan - 2	In case of subsidiary company, these loans are secured by hypothecation of plant and machinery, immovable properties (having first charge), personal guarantee of directors and pledge of equity shares of two WTD including their personal house properties too .	**400.00** (400.00)	**2,524.84** (2,960.93)
COVID19 (CECL) loan		**8.33** (100.00)	**8.33** (109.05)
HDFC Bank Limited			
Loan IV	These loans are secured by way of charge created on fixed assets funded out of term loan pertaining to the Company's plant at Dharuhera, District - Rewari, Haryana.	**150.00** (150.00)	**300.00** (450.00)
Loan V		**337.10** (84.30)	**1,601.72** (1,686.02)
Auto loan	This loan is secured by way of charge created on fixed assets -car .	**8.43** -	**32.10** -
Profectus capital -NBFC			
Loan 1	This loan is secured by way of charge created on fixed assets - machine (ROVER PLAST A FT 1531-HALOL)	**51.91** -	**99.81** -

(ii) **The terms of repayment of the above loans are as follows:**

Term Loans	Date of maturity	Rate of interest	No. of instalments due after the balance sheet date	Amount of each instalment in ₹ in Lakhs
From Banks				
State Bank of India				
Loan VII*	October, 2022	MCLR + 1.05%	- (4)	- (41.66)
Loan VIII#	March, 2024	MCLR + 0.10% (PY-MCLR+0.25%)	- (2) **8** (13)	- (125.00) **185.00** (185.00)
Loan IX	June, 2025	MCLR + 0.10% (PY-MCLR+0.15%)	**13** (17)	**111.00** (111.00)
Loan 2	March, 2027	MCLR + 0.40%	**20** (24)	**125.00** (119.23)
HDFC Bank Limited				
Loan IV	February, 2024	MCLR + 0.15%	**8** (12)	**37.50** (37.50)
Loan V	December, 2026	MCLR + 0.15%	**19** (20) **19** (20)	**50.00** (50.00) **34.30** (34.30)
Auto loan	September, 2026	MCLR (6.50%)+ 2.00%	**54** -	**0.70** -
Profectus capital -NBFC				
Loan 1	April, 2024	7.50%	**25** -	**4.33** -

Previous year figures are in bracket
* Loan prepaid during the year
# Loan partly prepaid during the year

(Amount ₹ in Lakhs)

	Particulars	**As at March 31, 2022**	**As at March 31, 2021**
27	**LEASE LIABILITIES**		
	Unsecured		
	Lease liabilities	1,532.48	2,409.18
	Total	**1,532.48**	**2,409.18**
	Movement of lease liabilities are as under:		
	Opening balance	3,518.12	4,008.72
	Addition during the year	153.33	359.46
	Finance cost	253.89	605.60
	Payment made during the year	1,196.09	1,455.67
	Modificatio/re-measurement	417.21	-
	Closing balance	**2,312.04**	**3,518.12**
	Current liabilities	779.56	1,108.94
	Non-current liabilities	1,532.48	2,409.18

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
28	**OTHER FINANCIAL LIABILITIES**		
	Security deposits	1,775.80	790.00
	Total	**1,775.80**	**790.00**
29	**LONG-TERM PROVISIONS**		
	Provision for employee benefits (for details refer note 48)		
	Gratuity	314.70	199.96
	Leave encashment	478.47	443.09
	Provision for others		
	Warranties	251.58	222.46
	Total	**1,044.75**	**865.51**
	(i) Movement in warranties provision:		
	Opening balance	**260.03**	**196.80**
	Additions during the year	47.13	68.39
	Amount utilised during the year	(9.09)	(14.99)
	Provision reversed during the year	(53.23)	(11.19)
	Unwinding of discount on provisions	25.16	21.01
	Closing balance	**270.01**	**260.03**
	Long-term Provisions	251.58	222.46
	Short-term Provisions	18.43	37.57

The provision for warranty claims represents the present value as best estimate of the future economic benefits that will be required under the Company's obligations for warranties. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
30	**BORROWINGS**		
	Current maturity of long term debt		
	Secured	2,133.68	2,015.10
	Loans repayable on demand from banks		
	Secured	1,846.73	1,210.09
	Unsecured	-	-
	Total	**3,980.41**	**3,225.19**
	These loans are secured by a first charge on inventories, receivables and all other current assets of respective company.		
31	**LEASE LIABILITIES - CURRENTS**		
	Lease liabilities (refer note 27)	779.56	1,108.94
	Total	**779.56**	**1,108.94**

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
32	**TRADE PAYABLES**		
	(A) Total outstanding dues of micro enterprises and small enterprises	2,943.25	3,469.58
	(B) Total outstanding dues of creditors other than micro and small enterprises	22,240.50	22,723.71
	Total	**25,183.75**	**26,193.29**
	(i) Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. The average credit period is 30 - 60 days.		
	(ii) Ageing schedule for trade payables (refer note 55)		
33	**OTHER FINANCIAL LIABILITIES**		
	Interest accrued and due on borrowings	48.56	240.41
	Unclaimed dividends	73.03	91.50
	Security deposits	37.89	33.29
	Expenses payable	700.43	691.99
	Payable to employees	1,174.70	911.57
	Payable for capital goods	89.93	114.98
	Total	**2,124.54**	**2,083.74**
34	**OTHER CURRENT LIABILITIES**		
	Liability for statutory payments	4,959.48	3,067.16
	Advance from customers	691.34	64.58
	Advance received for non-current assets held for sale	117.35	50.00
	Total	**5,768.17**	**3,181.74**
35	**CURRENT TAX LIABILITIES**		
	Current tax liabilities (net of advance rax)	419.34	186.85
	Total	**419.34**	**186.85**
36	**PROVISIONS**		
	Provision for employee benefits (for details refer note 48)		
	Gratuity	119.64	119.07
	Leave encashment	491.15	492.64
	Provision for others		
	Warranties (refer note 29 for details)	18.43	37.57
	Provision for price differences	12,378.50	5,345.29
	Total	**13,007.72**	**5,994.57**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
37	**REVENUE FROM OPERATIONS**		
	Sale of products		
	Components of automobile	1,68,846.35	1,96,303.91
	Composites and product moulds /services	20,912.63	14,067.80
	Other operating revenue		
	Sale of scrap	1,808.27	1,892.15
	Export incentives	0.49	0.06
	Total	**1,91,567.74**	**2,12,263.92**
38	**OTHER INCOME**		
	Interest income on financial assets carried at amortised cost		
	Deposit with bank and others	33.58	23.06
	Dividend income	-	3.86
	Net profit on sale of current investments	195.55	85.41
	Net gain on investments carried at fair value through profit or loss	87.72	3.94
	Exchange fluctuation (net)	3.54	2.36
	Other non-operating income		
	Sundry balances written back (net)	-	10.38
	Insurance claim received	42.85	19.57
	Profit on sale of PPE/ROU assets (net)	38.14	-
	Government subsidy	-	303.03
	Miscellaneous income	144.09	81.01
	Total	**545.47**	**532.62**
39	**COST OF RAW MATERIALS CONSUMED**		
	Cost of materials consumed	1,57,750.16	1,82,147.42
	Total	**1,57,750.16**	**1,82,147.42**
40	**CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**		
	Opening stock		
	Finished goods	2,811.39	2,054.55
	Work-in-progress	1,713.84	2,069.94
	Finished goods-stock in transit	184.47	-
	Total (A)	**4,709.70**	**4,124.49**
	Closing stock		
	Finished goods	2,561.67	2,811.39
	Work-in-progress	2,442.50	1,713.84
	Finished goods-stock in transit	260.31	184.47
	Total (B)	**5,264.48**	**4,709.70**
	Total(A-B)	**(554.78)**	**(585.21)**

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
41	**EMPLOYEE BENEFITS EXPENSES**		
	Salaries and wages	9,766.75	8,191.56
	Contribution to provident and other funds	808.49	726.02
	Staff welfare expenses	301.02	250.86
	Total	**10,876.26**	**9,168.44**
42	**FINANCE COSTS**		
	Interest on		
	- Borrowings from banks	784.17	1,202.09
	- Others	17.00	18.30
	- Lease liabilities	253.89	265.79
	Other costs	96.14	55.80
	Unwinding of discount on provisions	25.16	21.01
	Total	**1,176.36**	**1,562.99**
43	**DEPRECIATION AND AMORTIZATION EXPENSES**		
	Depreciation on property, plant and equipment	2,492.63	2,703.82
	Depreciation on ROU assets	1,005.18	1,110.82
	Amortisation of intangible assets	76.34	86.47
	Total	**3,574.15**	**3,901.11**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
44	**OTHER EXPENSES**		
	Store and tools consumed	3,030.80	2,822.90
	Power and fuel	2,965.42	2,894.44
	Freight charges	841.16	795.24
	Repairs and maintenance:		
	Repairs to buildings	48.85	24.60
	Repairs to machinery	282.33	253.37
	Repairs and maintenance - others	172.35	155.33
	Research and development expenses	265.82	185.67
	Rent	111.21	99.43
	Wages to contractors	3,444.10	2,773.37
	Professional charges	264.16	219.53
	Insurance premium	243.55	244.92
	Audit fees	22.10	21.50
	Loss on property, plant and equipment sold/discarded (Net)	-	55.93
	Rates and taxes excluding taxes on income	128.62	45.06
	Charity & donation/CSR expenses	68.00	76.71
	Warranty expenses	27.11	56.70
	Exchange fluctuation (net)	25.39	8.38
	Provision for impairment of capital advances	-	29.00
	Miscellaneous expenses	3,283.26	2,522.01
	Total	**15,224.23**	**13,284.09**
(i)	**Research and development expenses :**		
	Expenses charged to revenue account		
	Raw material consumption	226.39	131.64
	Employee benefits	-	-
	Travelling & other expenses	39.21	53.56
	Total	**265.60**	**185.20**
	Capital expenditure		
	Equipments	-	-
	Furniture & fixtures	-	-
	Total	**-**	**-**

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
45	**TAX EXPENSES**		
	Current tax in relation to		
	Current years	1,304.79	999.20
	Earlier years	(15.00)	6.46
	Deferred tax		
	In respect of current year	(175.07)	329.48
	Unused tax credits	-	(7.90)
	Total income tax expense recognised in the current year	**1,114.72**	**1,327.24**
	(i) The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit before tax	4,003.16	3,444.77
	Income tax expense calculated at 34.944%	1,329.53	1,198.16
	Tax effects of amounts which are not deductible/(taxable) in calculating taxable income		
	Expenses not allowed in income tax	(235.01)	109.64
	Exempted income / effect of tax on lower rate	34.17	(6.42)
	Effect of deduction under section 80JJA of the Income Tax Act, 1961	-	(6.60)
	Additional deduction on research and product development cost	-	-
	Tax adjustment of earlier years	-	-
	Others	(13.96)	32.46
	Income tax expense recognised in consolidated statement of profit and loss	**1,114.73**	**1,327.24**

46 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(A) Contingent liabilities not provided for in respect of

In the ordinary course of business, the Group faces claims and assertions by various parties. The Group assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.The following is a description of claims and assertions where a potential loss is possible, but not probable. The Group believes that none of the contingencies described below would have a material adverse effect on the Group's financial condition, results of operations or cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the company not acknowledged as debt under the labour laws	129.60	127.90
Income tax	334.31	284.87
Excise duty	58.76	58.76
Custom duty	2,208.82	2,224.64
Sales tax	50.79	4,415.29

(i) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above pending resolution of the arbitration/appellate proceedings.

(iii) Income tax

The Holding Company is involved in tax disputes amounting to **₹ 93.66 lakhs** (as at March 31, 2021 ₹ 44.22 lakhs) relating to income tax. This mainly relate to the disallowance under section 14A and domestic transfer pricing of the Income Tax Act, 1961 and interest thereon which is pending at Appellate level.

In case of Subsidiary, it is involved in tax disputes amounting to **₹ 240.65 lakhs** (as at 31st March 2021 ₹ 240.65 lakhs) relating to income tax. This mainly relate to the TDS penalties & assessment which are pending at Appellate level.

(iv) Excise duty

The excise authorities had denied a CENVAT credit amounting to ₹ 29.38 lakhs and imposed a penalty of ₹ 29.38 lakhs for a period between June, 2008 to March, 2009 (₹ 29.38 lakhs and ₹ 29.38 lakhs CENVAT credit and penalty respectively at March 31, 2021) in respect of CENVAT credit availed on supplementary invoices raised by the customer on account of material supplied by them. The Company is contesting the show cause notice.

(v) Custom duty

In case of Subsidiary, it is involved in tax disputes amounting to **₹ 559.63 lakhs** (as at March 31, 2021 ₹ 2,139.52 lakhs) relating to duty free import machinery (EPCG) (last date of fulfillment of obligation is 31.03.2025) and **₹ Nil** (as at March 31, 2021 ₹ 85.12 lakhs) against rectification material lying at customer location for re-import, subject to custom authorities valuation.

(vi) Sales tax

The total sales tax demands (including interest and penalty), that are being contested by the Holding Company amount to **₹ 50.79 lakhs** (as at March 31, 2021 ₹ 4415.29 lakhs). The details of the demands are as follows:

In case of Holding Company, the Sales Tax authorities have denied input tax credit and levied interest and penalty thereon due to varied reasons aggregating to **₹ 31.89 lakhs** (as at March 31, 2021 ₹ 31.89 lakhs). The reasons for disallowing credit was mainly due to not allowing set off of taxes on LPG gas and other materials used in manufacturing and also not allowing full deduction of taxes paid. Further, there is levy of purchase tax on purchase of LPG gas. The matter is contested in appeal.

In case of Holding Company, the Sales Tax authorities have demanded tax aggregating to **₹ 18.90 lakhs** (as at March 31, 2021 ₹ 18.90 lakhs) on account of tax being levied on inter-state stock transfers. The matter is contested in appeal.

The sales tax authorities have demanded tax aggregating to **₹ Nil** (as at March 31, 2021 ₹ 4074.89 lakhs) on account of tax being levied on ex-parte order. The matter is contested in appeal.

(vii) Provident fund

There are numerous interpretative issues relating to the SC Judgement on Provident Fund dated February 28, 2019. The Holding Company has evaluated the impact of said judgement and has made necessary provision in financials.

(Amount ₹ in Lakhs)

(B) Commitments	As at March 31, 2022	As at March 31, 2021
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) including investment property	**1,528.21**	253.55

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
47	**EARNINGS PER SHARE**		
	Profit after tax for the year attributable to equity shareholders (₹ in Lakhs)	2,961.20	2,044.06
	Weighted average number of equity shares (in Nos.)	10,00,00,000	10,00,00,000
	Basic and Diluted earnings per equity share (in ₹)	2.96	2.04
	Face Value per equity share (in ₹)	2.00	2.00

48 EMPLOYEE BENEFITS

(a) Defined contribution plans

Contributions to defined contribution plan are recognised as expenses when contributions become due.

The Holding Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Holding Company at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The major defined contribution plans operated by the Holding Company are as below:

(i) Provident fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 eligible employees of the Holding Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Holding Company make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Holding Company, post contribution of amount specified under the law to employee provident fund organisation on account of employee pension scheme.

(ii) Superannuation fund

The Holding Company has a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn.

Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The Holding Company contributes up to 10% of the eligible employees' salary to the trust every year. Such contributions are recognised as an expense as and when incurred. The Holding Company does not have any further obligation beyond this contribution.

The total expenses recognised in the consolidated statement of profit and loss during the year are as under:

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's contribution to provident and other funds	619.24	494.76
Employer's contribution to superannuation fund	29.55	80.25
Total	**648.79**	**575.01**

(b) Defined benefit plan

(i) Gratuity

In respect of gratuity, a defined benefit plan, contributions are made to LIC's recognised group gratuity fund scheme. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2022 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation,

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

and the related current service cost and past service cost, were measured using the projected unit credit method. Each year, the Company reviews the level of funding in gratuity fund. The Group decides its contribution based on the results of its annual review.

This plan typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

(I) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit. However, the risk is partially mitigated by investment in LIC managed fund.

(II) Interest rate risk

A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

(III) Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(IV) Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Amounts recognized in the financial statements in respect of defined benefit plan are as follows:

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Service cost		
Current service cost	202.99	145.04
Net interest expense/ (income)	16.90	15.19
Components of defined benefit costs recognised in Employee benefit expenses	**219.89**	**160.23**
Re-measurement on the net defined benefit liability:		
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	(49.48)	(14.79)
Actuarial (gains)/losses arising from experience adjustments	17.46	(120.40)
Return on plan assets excluding amount included in net interest cost	(10.69)	(4.88)
Components of re-measurement	**(42.71)**	**(140.07)**
Total	**177.18**	**20.16**
The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:		
Present value of funded defined benefit obligation	1,485.53	1,367.39
Fair value of plan assets	1,250.48	1,172.34
Net liability arising from defined benefit obligation	**235.05**	**195.05**
Movements in the present value of the defined benefit obligation are as follows:		
Opening defined obligation	1,491.37	1,626.45
Current service cost	202.99	145.04
Interest cost	79.35	89.67
Re-measurement (gains)/losses :		
Actuarial (gains)/ losses arising from changes in financial assumptions	(49.48)	(14.79)
Actuarial (gains)/ losses arising from experience adjustments	17.46	(120.40)
Benefits paid	(56.88)	(234.60)
Closing defined benefit obligation	**1,684.81**	**1,491.37**

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Movements in the fair value of plan assets are as follows:		
Opening value of plan assets	1,172.34	1,322.61
Interest income	62.45	74.48
Return on plan assets excluding amounts included in interest income	10.69	4.88
Contributions by employer	61.88	4.16
Benefits paid	(56.88)	(233.79)
Closing value of plan assets	**1,250.48**	**1,172.34**
Classification of non-current and current liability:		
Non-current liability	315.25	240.77
Current liability	119.09	78.26
Total	**434.34**	**319.03**

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Mortality	Indian assured lives mortality (2012-14) table	
Withdrawal rates	10% p.a. at younger ages reducing to 1% p.a. at older ages	
Discount rate (%)	6.70%	6.25%
Salary escalation rate (%)	6.50%	6.50%
Rate of return on plan assets (%)	6.70%	6.25%
The fair value of the plan assets at the end of the reporting period for each category are as follows:		
100% managed by insurer (Life Insurance Corporation of India)	1,250.48	1,172.34

Fair value of Investment in group of Insurance Company is taken as book value on reporting date.

The actual return on plan assets of gratuity during the year is **₹ 73.14 lakhs** (during previous year ended March 31, 2021: ₹ 79.36 lakhs).

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and withdrawal rates. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

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(Amount ₹ in Lakhs)

Significant actuarial assumptions	As at March 31, 2022	As at March 31, 2021
Discount rate		
- Impact due to increase of 50 basis points	1,441.72	1,325.39
- Impact due to decrease of 50 basis points	1,532.51	1,412.54
Salary increase		
- Impact due to increase of 50 basis points	1,529.87	1,409.52
- Impact due to decrease of 50 basis points	1,443.59	1,327.47
Withdrawal rate		
- Impact due to increase of 10 percent	1,486.32	1,366.98
- Impact due to decrease of 10 percent	1,484.71	1,367.80
In case of Subsidiary Company,		
Discount rate		
- Impact due to increase by 1 percent	177.72	109.78
- Impact due to decrease by 1 percent	225.64	141.41
Salary increase		
- Impact due to increase by 1 percent	225.86	141.50
- Impact due to decrease by 1 percent	177.19	109.47
Withdrawal rate		
- Impact due to increase of 1 percent	201.75	125.33
- Impact due to decrease of 1 percent	196.62	122.52

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality are not material & hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

The Holding Company expects to make a contribution of **₹ 119.64 lakhs** (as at March 31, 2021: ₹ 119.07 lakhs) to the defined benefit plans during the next financial year.

(c) Other long term employee benefit plans

Leave encashment

Amount of **₹ 81.00 lakhs** (March 31, 2021 ₹ 92.66 lakhs) is recognised as expenses and included in note no. 41 “Employee benefit expense”.

49 IMPAIRMENT OF ASSETS

In accordance with the Indian Accounting Standard (Ind AS-36) on “Impairment of Assets” the Group has, during the year, carried out an exercise of identifying the assets that may have been impaired in respect of cash generating unit in accordance with the said Indian Accounting Standard. Based on the exercise, no impairment loss is required as at March 31, 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

50 SEGMENT REPORTING

(i) The Group has identified and reported segments taking into account the different risks and returns, the organization structure and the internal reporting systems. These have been oragnised into the following business segments:

(a) Auto components and (b) Composite products & moulds

(ii) **Segment revenue, results, assets and liabilities**

The following is an analysis of the group's revenue, results, assets and liabilities from continuing operations by reportable segment for the year ended March 31 2022:

(Amount ₹ in Lakhs)

Sr. No.	Particulars	Auto components	Composite products & moulds	Unallocable	Total
I	**Segment revenue**	1,70,655.10	20,912.63	-	1,91,567.73
	Less: Inter segment revenue	-	-	-	-
	Revenue from operations	**1,70,655.10**	**20,912.63**	**-**	**1,91,567.73**
II	**Segment results profits (+)/losses (-)**				
	before tax and interest from each segment	3,492.59	1,750.61	-	5,243.20
	Total	**3,492.59**	**1,750.61**	**-**	**5,243.20**
	Finance cost	488.37	687.99	-	1,176.36
	Interest income	-	-	-	-
	Profit before tax	**3,004.21**	**1,062.62**	**-**	**4,066.83**
	Income taxes	923.67	181.96	-	1,105.63
	Profit for the year	**2,080.54**	**880.66**	**-**	**2,961.20**
III	**Segment assets**	77,247.81	24,607.65	-	1,01,855.46
	Total	**77,247.81**	**24,607.65**	**-**	**1,01,855.46**
IV	**Segment liabilities**	77,247.81	24,607.65	-	1,01,855.46
	Total	**77,247.81**	**24,607.65**	**-**	**1,01,855.46**
V	**Other information**				
	Depreciation	2,098.97	1,475.18	-	3,574.15
	Other non-cash expense	-	-	-	-

51 The Ggoup did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

52 FINANCIAL INSTRUMENT DISCLOSURE

(a) Capital management

The group's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Group, safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The group determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings.

The Group monitors capital using a ratio of net debt to equity. For this purpose, net debt is defined as liabilities, comprising interest-bearing loans less cash and cash equivalents, other bank balances (including earmarked balances) and current investments. Equity comprises all components of equity.

The table below summarises the capital, net debt and net debt to equity ratio of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Equity share capital	2,000.00	2,000.00
Other equity	31,749.41	29,053.11
Total equity (A)	**33,749.41**	**31,053.11**
Non-current borrowings	5,294.54	7,921.71
Short term borrowings	1,846.73	1,210.09
Current maturities of long term borrowings	2,133.68	2,015.10
Gross debt (B)	**9,274.95**	**11,146.90**
Gross debt as above	9,274.95	11,146.90
Less: Current investments	11,765.02	2,635.21
Less: Cash and cash equivalents	252.86	1,522.37
Less: Other balances with bank (including earmarked balances)	440.39	281.45
Net debt (C)	**(3,183.32)**	**6,707.87**
Net debt to equity	**(0.09)**	**0.22**

(b) Disclosures

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 4 (xviii), (xix) and (xx).

(i) Financial assets and liabilities

The following tables presents each category of financial assets and liabilities as at March 31, 2022.

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
I. Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Investments in mutual funds	11,765.02	2,635.21
Measured at amortised cost		
Trade and other receivables	38,715.35	38,341.29
Cash and cash equivalents	252.86	1,522.37
Other bank balances	440.39	281.45
Deposit	332.87	134.07
Other financial assets	64.20	42.48
Total	**51,570.69**	**42,956.87**
II. Financial liabilities		
Measured at amortised cost		
Long term borrowings	5,294.54	7,921.71
Short term borrowings	3,980.41	3,225.19
Trade payables	25,183.76	26,193.29
Lease liabilities	2,312.05	3,518.12
Other financial liabilities	3,900.34	2,873.74
Total	**40,671.10**	**43,732.06**

(ii) Fair value measurement

This note provides information about how the Company determines fair values of various financial assets and liabilities.

Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets/liabilities.

Fair value of the Group's financial assets that are measured at fair value on a recurring basis:

Following table gives information about how the fair values of the Company's financial assets are determined:

(Amount ₹ in Lakhs)

Financial assets	Fair value as at March 31, 2022	Fair value as at March 31, 2021
Investment in mutual funds	11,765.02	2,635.21

Valuation technique and key input: NAV declared by respective Asset Management Companies.

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except fair value of investments in mutual funds approximate their fair values.

There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2022.

(iii) Financial risk management objectives

The Group's principal financial liabilities comprises of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include mutual funds, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The senior management ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that changes in market prices- such as foreign exchange rates, interest rates and equity prices- will affect the Group's income or the value of its holdings of financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The major components of market risk are foreign currency risk, interest rate risk and price risk.

(I) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(Amount ₹ in Lakhs)

Foreign currency exposure	As at March 31, 2022	As at March 31, 2021
Assets	74.29	32.06
Liabilities	9.25	18.15

The group has not entered in to any forward contracts to hedge its foreign exposures and therefore there are no outstanding forward contract at the year end.

Foreign currency sensitivity:

The group is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

(Amount ₹ in Lakhs)

USD sensitivity at year end	For the year ended March 31, 2022	For the year ended March 31, 2021
Assets		
Weakening of INR by 5%	3.71	1.60
Strengthening of INR by 5%	(3.71)	(1.60)
Liabilites		
Weakening of INR by 5%	(0.46)	(0.91)
Strengthening of INR by 5%	0.46	0.91
EURO sensitivity at year end	**As at March 31, 2022**	**As at March 31, 2021**
Assets:		
Weakening of INR by 5% *	0.00	0.00
Strengthening of INR by 5% *	(0.00)	(0.00)
Liabilities:		
Weakening of INR by 5%	-	-
Strengthening of INR by 5%	-	-

* indicate amount less than ₹ 1 thousand

(II) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's main interest rate risk arises from the long term borrowings with fixed rates. The group's fixed rates borrowings are carried at amortised cost.

The group invests the surplus fund generated from operations in mutual funds. Considering these mutual funds are short term in nature, there is no significant interest rate risk.

The Group has laid policies and guidelines including tenure of investment made to minimise impact of interest rate risk.

(III) Price risk

The Holding Company has deployed its surplus funds into units of mutual fund. The Holding Company is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in liquidity and credit quality of underlying securities.

NAV price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to NAV price risks at the end of the reporting period. If NAV prices had been 1% higher/lower:

In case of Holding Company, profit for the year ended March 31, 2022 would increase/decrease by **₹ 117.65 Lakhs** (for the year ended March 31, 2021: increase/decrease by ₹ 26.35 Lakhs).

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Holding Company. The Holding Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Holding Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Holding Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in mutual funds, trade receivables and loans and advances. None of the financial instruments of the Holding Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and disclosed as under:

(Amount ₹ in Lakhs)

Particulars	As At March 31, 2022	As At March 31, 2021
Within the credit period	38,296.01	39,463.22
Upto 6 months past due	371.65	162.36
More than 6 months past due	99.80	211.70
Total	**38,767.46**	**39,837.30**

The group has used a practical expedient by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking informations.

(c) Liquidity risk

The Group manages liquidity risk by maintaining sufficient cash and cash equivalents and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

(Amount ₹ in Lakhs)

Particulars	1 month - 1 year	1 year - 3 years	More than 3 years
As at March 31, 2022			
Long term borrowings	**1,667.20**	**4,462.68**	**831.86**
	(1,515.10)	(5,926.73)	(1,994.98)
Short term borrowings	**2,332.21**	**-**	**-**
	(1,210.09)	-	-
Trade payables	**25,197.81**	**15.66**	**18.95**
	(34,884.33)	-	-
Lease Liabilities	**113.74**	**420.98**	**391.52**
	(105.90)	(377.28)	(544.19)
Other financial liabilities	**3,080.92**	**-**	**83.33**
	(3,073.91)	(2,605.67)	(2,387.45)
Total	**32,391.88**	**4,899.32**	**1,325.66**
	(40,789.33)	(8,909.68)	(4,926.62)

The following table details the Group's expected maturity for its non-derivative financial assets. The information included in the table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

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(Amount ₹ in Lakhs)

Particulars	1 month - 1 year	1 year - 3 years	More than 3 years
As at March 31, 2022			
Trade and other receivables	**38,667.65**	**96.37**	**-**
	(41,687.05)		-
Investments in mutual funds	**11,765.02**	**-**	**-**
	(2,635.21)		-
Loans	**346.42**	**-**	**218.61**
	(169.33)	-	(220.61)
Other financial assets	**1,474.41**	**-**	**-**
	(7.22)	(204.01)	(560.65)
Total	**52,253.50**	**96.37**	**218.61**
	(44,498.81)	(204.01)	(781.26)

The Group has access to committed credit facilities as described below at the end of the reporting year. The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

(Amount ₹ in Lakhs)

Credit facilities	As at March 31, 2022	As at March 31, 2021
Amount used	**6,669.80**	8,140.46
Amount unused	**9,907.20**	8,522.54

53 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD -115 ARE GIVEN BELOW

(i) The Group derives revenues from sale of goods, scrap and services from its contracts with customers. The revenues have been disclosed in note no. 37 "Revenue from Operations".

(ii) The opening and closing balances of trade receivables and contract liability are as under:

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	**38,715.35**	38,341.29
Contract liability		
- Advances from customers	**2,467.14**	854.58

(iii) There is no transaction price which is yet to be recognized on account of remaining outstanding performance obligation.

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54 RELATED PARTY DISCLOSURES:

Name of related parties and description of their relationships are as under:

(A) Holding Company:

Thakur Devi Investments Private Limited

(B) Key Managerial Personnel:

Mr. Sudhir Kumar Munjal	Chairman and Managing Director
Mrs. Anju Munjal	Whole-time Director
Mr. Anuj Munjal	Whole-time Director
Mr. S. K. Sharma	Chief Financial Officer (upto 31.10.2020)
Mr. B. P. Yadav	Chief Financial Officer (from 29.10.2020 onwards)
Mr. Rakesh Johari	Company Secretary
Mr. Vikram Shah	Independent Director
Mr. Naresh Kumar Chawla	Independent Director
Mr. Mahendra Sanghvi	Independent Director
Mr. Ramkisan Devidayal	Independent Director
Mr. Sudesh Kumar Duggal	Independent Director
Mr. Jal Ratanshaw Patel	Independent Director
Ms. Avi Sabavala	Independent Director

(C) Enterprise in which directors and their relatives are directors/ partners / members / trustees :

Sara Investment Services Private Limited
Fetlock Traders Private Limited
Inder Mohini Bhasin Charitable Foundation
Munjal Auto Industries Limited Employees Gratuity Trust Account
Munjal Auto Industries Limited Employees Superannuation Trust Account
Thakurdevi Investments Private Limited
Sara Investments
Sudhir Kumar & Sons HUF
Accelerated Learning Edutech Private Limited

(b) The following transactions were carried out with the related parties in ordinary course of business during the year:

(Amount ₹ in Lakhs)

Nature of transaction	Holding Company	Enterprise in which directors and their relatives are partners / members / trustees	Key managerial personnel	Total
Remuneration paid	-	-	**1,000.34**	**1,000.34**
	-	-	(789.31)	(789.31)
Mr. Sudhir Kumar Munjal	-	-	**340.21**	**340.21**
	-	-	(262.51)	(262.51)
Mrs. Anju Munjal	-	-	**297.69**	**297.69**
	-	-	(229.70)	(229.70)
Mr. Anuj Munjal	-	-	**297.69**	**297.69**
	-	-	(229.70)	(229.70)
Mr. S. K. Sharma	-	-	-	-
	-	-	(30.07)	(30.07)
Mr. B. P. Yadav	-	-	**38.47**	**38.47**
	-	-	(15.39)	(15.39)
Mr. Rakesh Johari	-	-	**26.29**	**26.29**
	-	-	(21.95)	(21.95)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

Nature of transaction	Holding Company	Enterprise in which directors and their relatives are partners / members / trustees	Key managerial personnel	Total
Sitting fees paid	-	-	**20.24**	**20.24**
	-	-	(20.08)	(20.08)
Mr. Vikram Shah	-	-	**3.24**	**3.24**
	-	-	(3.08)	(3.08)
Mr. Naresh Kumar Chawla	-	-	**4.00**	**4.00**
	-	-	(3.40)	(3.40)
Mr. Mahendra Sanghvi	-	-	**2.20**	**2.20**
	-	-	(2.80)	(2.80)
Mr. Ramkisan Devidayal	-	-	**2.80**	**2.80**
	-	-	(2.80)	(2.80)
Mr. Sudesh Kumar Duggal	-	-	**3.40**	**3.40**
	-	-	(3.40)	(3.40)
Mr. Jal Ratanshaw Patel	-	-	**2.80**	**2.80**
	-	-	(2.80)	(2.80)
Ms. Avi Sabavala	-	-	**1.80**	**1.80**
	-	-	(1.80)	(1.80)
Payments made by the	-	-	-	-
Company on behalf of	-	(2.46)	-	(2.46)
Inder Mohini Bhasin Charitable Foundation	-	-	-	-
	-	(2.46)	-	(2.46)
Rent paid	-	**209.05**	-	**209.05**
	-	(191.50)	-	(191.50)
Sara Investments	-	**209.05**	-	**209.05**
	-	(191.50)	-	(191.50)

Balance as at (Amount ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Remuneration payable	**49.37**	**35.46**
Mr. Sudhir Kumar Munjal	**14.50**	12.00
Mrs. Anju Munjal	**15.88**	**7.27**
Mr. Anuj Munjal	**15.74**	12.90
Mr. B. P. Yadav	**1.85**	2.04
Mr. Rakesh Johari	**1.40**	1.24

(c) Category-wise break up of compensation to key management personnel during the year is as follows:

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term employee benefits	**882.96**	690.79
Post-employment benefits (excluding leave encashment)	**117.38**	98.52

(d) Terms and conditions of transactions with related parties:

(i) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.

(ii) There is no allowance account for impaired receivables in relation to any outstanding balances and no expense has been recognised in respect of impaired receivables due from related party.

(iii) All Outstanding balances are unsecured and are repayable/receivable in cash.

55 Ageing :

A Trade receivables ageing schedules

(Amount ₹ in Lakhs)

FY 2021-22

Sr. No.	Particulars	Unbilled receivables	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	
1	Debts due by directors or other officers of the company, by firms or private companies respectively in which any director is a partner or a director or a member	-	-	-	-	-	-	-	**-**
	(i) Considered good – unsecured								
	(a) Undisputed trade receivables	-	-	-	-	-	-	-	**-**
	Total of (1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2	Trade receivables other than (1) above								
	(i) Considered good – unsecured								
	(a) Undisputed trade receivables	-	35,881.56	2,271.73	444.53	96.07	17.81	3.65	**38,715.35**
	(b) Disputed trade receivables								
	Less: Allowance for bad and doubtful debts/ allowance for expected credit loss	-	-	-	-	-	-	-	**-**
	(ii) Trade receivables – credit impaired	-	-	-	-	-	-	-	**-**
	(a) Undisputed trade receivables	-	-	-	-	-	-	3.43	**3.43**
	(b) Disputed trade receivables	-	-	-	-	-	-	-	**-**
	Less: Allowance for bad and doubtful debts/ allowance for expected credit loss	-	-	-	-	-	-	3.43	**3.43**
	Total of (2)	**-**	**35,881.56**	**2,271.73**	**444.53**	**96.07**	**17.81**	**3.65**	**38,715.35**
	Grand total (1+2)	**-**	**35,881.56**	**2,271.73**	**444.53**	**96.07**	**17.81**	**3.65**	**38,715.35**

Trade receivables ageing schedules

(Amount ₹ in Lakhs)

FY 2020-21

Sr. No.	Particulars	Unbilled receivables	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	
1	Debts due by directors or other officers of the company, by firms or private companies respectively in which any director is a partner or a director or a member	-	-	-	-	-	-	-	**-**
	(i) Considered good – unsecured	-	-	-	-	-	-	-	**-**
	(a) Undisputed trade receivables	-	-	-	-	-	-	-	**-**
	Total of (1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2	Trade receivables other than (1) above								
	(i) Considered good – unsecured								
	(a) Undisputed trade receivables	-	28,450.82	9,615.43	163.45	50.14	19.61	41.84	**38,341.29**
	(b) Disputed trade receivables	-	-	-	-	-	-	-	**-**
	Less: Allowance for bad and doubtful debts/ allowance for expected credit loss	-	-	-	-	-	-	-	**-**
	(ii) Trade receivables – credit impaired	-	-	-	-	-	-	-	**-**
	(a) Undisputed trade receivables	-	-	-	-	-	-	3.43	**3.43**
	(b) Disputed trade receivables	-	-	-	-	-	-	-	**-**
	Less: Allowance for bad and doubtful debts/ allowance for expected credit loss	-	-	-	-	-	-	3.43	**3.43**
	Total of (2)	**-**	**28,450.82**	**9,615.43**	**163.45**	**50.14**	**19.61**	**41.84**	**38,341.29**
	Grand total (1+2)	**-**	**28,450.82**	**9,615.43**	**163.45**	**50.14**	**19.61**	**41.84**	**38,341.29**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

B Trade Payables Ageing Schedules

(Amount ₹ in Lakhs)

Sr. No.	Particulars	Unbilled receivables	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	
FY 2021-22									
1	(i) Dues to Micro, Small and Medium Enterprises (MSME)	-	-	-	-	-	-	-	-
	- Disputed dues	-	-	-	-	-	-	-	-
	- Undisputed dues	-	2,618.44	299.71	0.15	-	-	24.96	2,943.25
	Total of (1)		**2,618.44**	**299.71**	**0.15**	**-**	**-**	**24.96**	**2,943.25**
2	(i) Dues to others								
	- Disputed dues	-	-	-	-	-	-	-	-
	- Undisputed dues	-	19,309.95	2,570.49	215.21	11.52	29.30	104.02	22,240.50
	Total of (2)	**-**	**19,309.95**	**2,570.49**	**215.21**	**11.52**	**29.30**	**104.02**	**22,240.50**
	Grand total (1+2)	**-**	**21,928.39**	**2,870.20**	**215.36**	**11.52**	**29.30**	**128.98**	**25,183.75**
FY 2020-21									
1	(i) Dues to Micro, Small and Medium Enterprises (MSME)								
	- Disputed dues	-	-	-	-	-	-	-	-
	- Undisputed dues	-	3,149.90	246.44	-	-	24.67	48.57	3,469.58
	Total of (1)	**-**	**3,149.90**	**246.44**	**-**	**-**	**24.67**	**48.57**	**3,469.58**
2	(i) Dues to others								
	- Disputed dues								-
	- Undisputed dues	-	21,084.65	1,404.41	200.03	8.19	7.47	18.95	22,723.71
	Total of (2)	**-**	**21,084.65**	**1,404.41**	**200.03**	**8.19**	**7.47**	**18.95**	**22,723.71**
	Grand total (1+2)	**-**	**24,234.55**	**1,650.85**	**200.03**	**8.19**	**32.14**	**67.52**	**26,193.29**

56 RELATIONSHIP WITH STRUCK OFF COMPANIES

Details on relationships with struck off companies - holding company

(Amount ₹ in Lakhs)

Name of the struck off company	Nature of transactions with struck off company	March 31, 2022		March 31, 2021	
		Balance outstanding	Relationship with the struck off company, if any	Balance outstanding	Relationship with the struck off company, if any
Layer 7 Communications Pvt. Ltd.	Payables	-	NA	0.32	NA
Aeiforos Technologies Pvt Ltd		8.60	NA	8.60	NA
Corporate Designz Private Limited	Receivables	0.03	NA	0.40	NA
Kay Jay Leasing Ltd	Shares held by struck off company	0.01	NA	0.01	NA
K S M Investments Pvt Ltd		0.13	NA	0.13	NA
Vaishak Shares Limited		0.00	NA	0.00	NA
J V A Enterprises Private Ltd.		0.08	NA	0.08	NA
Idafa Investments Private Ltd		0.00	NA	0.00	NA
Dreams Broking Pvt Ltd		0.00	NA	0.00	NA
Arihant Cap.Mkts Ltd		0.00	NA	0.00	NA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

57 Additional information to the consolidated financial Statements as per the general Instructions of schedule III to the Companies Act, 2013 is as under:

Name of the entity	Net assets (Total assets- total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in lakhs	As % of consolidated profit or loss	₹ in lakhs	As % of consolidated other comprehensive income	₹ in lakhs	As % of consolidated total comprehensive income	₹ in lakhs
Parent Company								
Munjal Auto Industries Limited	95.56%	33,633.10	70.26%	2,080.54	98.12%	16.70	70.42%	2,097.23
Subsidiaries								
Indian								
Indutch Composites Technology Private Limited	12.37%	4,352.66	24.44%	723.68	1.88%	0.32	24.31%	724.00
Eliminations	-7.93%	(2,790.62)	5.30%	156.98	0.00%	-	5.27%	156.98
Total	**100.00%**	**35,195.14**	**100.00%**	**2,961.20**	**100.00%**	**17.02**	**100.00%**	**2,978.22**

58 The Group 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)

59 The Group does not have any Benami property and no proceedings have been initiated or pending against the Group for holding any Benami property.

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

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

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

61 The Board of Directors have considered and recommended a dividend @ 50% i.e. Rs. 1 per equity share on face value of Rs. 2 per equity share for the financial year 2021-22 subject to approval of members of the Company.

62 The spread of Covid 19 has affected the business operations post the national lock down. The Group has taken various measures in consonance with Central and State Government advisories to contain the pandemic, which included closing of manufacturing facilities.

Given the uncertainty of quick turnaround to normalcy, post lifting of the lock down, the Group has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligation and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Group does not foresee any significant incremental risk to the recoverability of its assets or, in meeting its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure.

Pursuant to the relaxed guidelines, the Group has now resumed its operations , however, some of the staff continues to operate from home. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial results. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Group and make necessary measures to address the situation.

63 Figures for the previous year have been regrouped, wherever necessary, to conform to the figures of the current period's classification in order to comply with the requirements of amended schedule III to the Companies Act, 2013 effective from April 01, 2021.

64 The consolidated financial statements of the Group are approved by the Board of Directors on May 27, 2022.

As per our report of even date attached
For K. C. Mehta & Co.
Chartered Accountants

Pritesh Amin
Partner
Membership No. 105926

Place : Vadodara
Date : May 27, 2022

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal Chairman & Managing Director DIN - 00084080	Anju Munjal Whole Time Director DIN - 00007867	Vikram Shah Chairman Audit Committee DIN - 00007914
Rakesh Johari Company Secretary	Brham Prakash Yadav Chief Financial Officer	

Place : Vadodara
Date : May 27, 2022

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing Salient Features of the Financial Statement of subsidiaries/associate companies/joint ventures

Part-"A": Subsidiary		
Sr. No.	**Particulars**	**Name of Subsidiary**
1	Name of subsidiary	**Indutch Composites Technology Private Limited**
2	Date since when subsidiary was acquired	May 18, 2018
3	Reporting period for the subsidiary concerned	2021-22
4	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiary	Amount (₹) in Lakhs
5	Share capital	421.55
6	Reserves and surplus	3,931.11
7	Total assets	24,607.65
8	Total liabilities	20,254.99
9	Investments	2.67
10	Turnover	20,912.63
11	Profit before taxation	905.64
12	Provision for taxation	181.96
13	Profit after taxation	723.68
14	Proposed dividend	-
15	Extent of shareholding (in %)	68%

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures
Not Applicable

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal Chairman & Managing Director DIN - 00084080	Anju Munjal Whole Time Director DIN - 00007867	Vikram Shah Chairman Audit Committee DIN - 00007914
Rakesh Johari Company Secretary	Brham Prakash Yadav Chief Financial Officer	

Place : Vadodara
Date : May 27, 2022

MUNJAL AUTO
INDUSTRIES LIMITED

Registered Office: 187, GIDC Industrial Estate,
Waghodia 391 760,
Dist. Vadodara, (Gujarat)
Tel. Nos. (+91 02668) 262421-22
Fax No. (+91 02668) 262427