

INDEPENDENT AUDITOR'S REPORT

To The Members of Federal- Mogul Sealings India Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Federal-Mogul Sealings India Limited (the "Company"), which comprise the Balance Sheet as at 31 March 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 financial controls that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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, except for not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India (refer note 38 to the financial statements) and not complying with the requirement of audit trail as stated in paragraph (vi) below.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

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- e) On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f) The modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- h) With respect to the other matters to be included in the Auditor's 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.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - refer note 32 to the financial statements.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - IV. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 39 to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 39 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

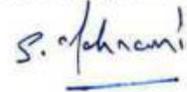
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- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- V. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- VI. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the year ended 31 March 2025, which has a feature of recording audit trail (edit log) facility and the audit trail feature at the application level has operated throughout the year for all relevant transactions recorded in the software. However, audit trail was not enabled at the database level to log any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.

As audit trail feature was not enabled for the year ended 31 March 2024, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Sachanand C Mohnani
Partner

Membership No. 407265
UDIN: 25407265BM0UZN5424

Place: Pune
Date: 18 June 2025

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**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirements'
section of our report 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 Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to financial statements of Federal Mogul Sealings India Limited (the "Company") as at 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

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Meaning of Internal Financial Controls with reference to financial statements

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

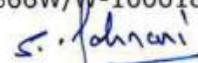
Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2025, based on the criteria for internal financial control with reference to financial statements 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 **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)



Sachanand C Mohnani
Partner

Membership No. 407265
UDIN: 25407265BM0UZN5424

Place: Pune
Date: 18 June 2025

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ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Capital work-in-progress.

(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment and capital work in progress so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Since no physical verification of property, plant and equipment was due during the year the question of reporting on material discrepancies noted on verification does not arise.
- (c) Based on our examination of the 7/12 extract provided to us, we report that, the title deeds of all the immovable properties, disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for (goods-in-transit), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanation given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institution on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.
- (iv) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause 3 (iv) of the Order is not applicable.

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- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3 (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) In respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, cess and other material statutory dues in arrears as at 31 March 2025, for a period of more than six months from the date they became payable.

- (b) Details of Statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2025, on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs.) in Mn.		
				Amount	Amount Paid under protest	Amount Unpaid
Good and Services Tax Act, 2017	CGST	Office of the Assistant Commissioner of Central Tax	2017-18	1.34	Nil	1.34
Customs Act, 1962	Customs Duty	Central Board of Indirect Taxes and Customs (CBIC)	2016-17	6.19	Nil	6.19

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

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- (ix) (a) Loans amounting to Rs. 305 million outstanding as at 31 March 2025 are repayable on demand and terms and conditions for payment of interest thereon have been stipulated. According to the information and explanation given to us, Company has not defaulted in the repayment of loan as demanded during the year or in the payment of interest thereon to any lender during the year except as under:

Name of the entity	Nature	Month	Amount (Rs in Mn.)	Due Date	Extent of Delay (Days)
Federal-Mogul Ignition Products (India) Limited	Repayment of interest	May	1.34	15-Jun-24	25
		June	1.30	15-Jul-24	3
		August	1.34	15-Sep-24	93
		September	1.30	15-Oct-24	63
		October	1.34	15-Nov-24	32
		November	1.30	15-Dec-24	2
		December	1.34	15-Jan-25	22
Tenneco Clean Air India Limited	Repayment of interest	May	1.04	15-Jun-24	25
		August	1.02	15-Sep-24	89
		September	0.86	15-Oct-24	59
		October	0.89	15-Nov-24	28
		December	0.89	15-Jan-25	22

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3 (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima-facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3 (ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year on the pledge of securities and hence reporting on clause 3 (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any of its securities (including debt instruments) during the year and hence reporting under clause 3 (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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- (b) To the best of our knowledge, 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 up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) In our opinion, the Company is not required to have internal audit system under section 138 of the Companies Act, 2013. Hence, reporting under clause 3(xiv)(a) and (b) of the Order is not applicable.
- (xv) In our opinion, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi)(a), (b) and (c) of the Order is not applicable.

(d) The Group does not have any Core Investment Company as part of the group as at 31 March 2025, and accordingly reporting under clause 3 (xvi)(d) of the Order is not applicable.
- (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 of the Company during the year and accordingly reporting under clause 3 (xviii) of the Order is not applicable.
- (xix) 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 financial statements and 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 indicating 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.

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- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)



Sachanand C Mohnani
Partner
Membership No. 407265
UDIN:25407265BMOUZN5424

Place: Pune
Date: 18 June 2025

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Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")
 Corporate Identification No. : U29253PN2014PLC152540
 Balance Sheet as at 31 March 2025
 (All amounts in INR million, unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
ASSETS				
Non-current assets				
Property, plant and equipment	3(a)	213.96	226.58	211.47
Capital work in progress	3(b)	43.58	25.60	31.43
Intangible assets	4	0.77	1.36	1.92
Financial assets				
i. Other financial assets	5(a)	23.85	3.64	3.21
Current tax assets (net)	9	16.68	14.15	10.65
Other non-current assets	11(a)	13.38	10.56	10.50
Deferred tax assets (net)	8	11.83	-	-
Total non-current assets		324.05	281.89	269.18
Current assets				
Inventories	10	137.40	123.64	173.63
Financial assets				
i. Trade receivables	6	234.96	169.23	210.83
ii. Cash and cash equivalents	7	49.11	49.48	1.05
iii. Other financial assets	5(b)	2.79	4.08	0.55
Other current assets	11(b)	11.19	10.44	26.69
Total current assets		435.45	355.87	412.75
Total assets		759.50	637.76	681.93
EQUITY AND LIABILITIES				
Equity				
i. Equity share capital	12(a)	8.33	8.33	8.33
ii. Other Equity	12(b)	173.25	80.92	79.45
Total equity		181.58	89.25	87.78
LIABILITIES				
Non-current liabilities				
Provisions	17	5.09	2.91	2.93
		5.09	2.91	2.93
Current liabilities				
Financial liabilities				
i. Borrowings	14	305.00	355.00	380.60
ii. Trade payables	13			
(a) Total outstanding dues of micro enterprises and small enterprises		29.49	42.81	32.05
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		218.57	133.57	165.22
iii. Other financial liabilities	15	4.84	6.32	4.00
Other current liabilities	16	13.87	7.40	8.97
Provisions	17	1.06	0.50	0.38
Total current liabilities		572.83	545.60	591.22
Total equity and liabilities		759.50	637.76	681.93

The accompanying material accounting policies and other explanatory notes (1- 43) form an integral part of the Financial Statements.

As per our report attached
 For Deloitte Haskins & Sells LLP
 Chartered Accountants
 (Firm Registration No. 117366W/W-100018)

S. Mohani
 Sachanand C Mohani
 Partner
 (Membership No. 407265)

Place: Pune
 Date: 18 June 2025



For and on behalf of Board of Directors
 Federal-Mogul Sealings India Limited
 (formerly known as "Federal-Mogul Anand Sealings India Limited")

Manish Chadha
 Manish Chadha
 Director
 DIN: 07195652

Place: Gurugram
 Date: 18 June 2025

Kapil Arora
 Kapil Arora
 Director
 DIN: 06837547

Place: Gurugram
 Date: 18 June 2025



Handwritten signature

Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")
 Corporate Identification No. : U29253PN2014PLC152540
 Statement of Profit and Loss for the year ended 31 March 2025
 (All amounts in INR million, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	18	1,067.14	1,002.53
Other income	19	0.80	2.65
Total income		1,067.94	1,005.18
Expenses			
Cost of materials consumed	20	625.75	662.66
Change in inventories of finished goods, work-in-progress and traded goods	21	(6.34)	(0.69)
Employee benefits expense	22	101.14	82.78
Finance costs	23	28.58	35.42
Depreciation and amortisation expense	24	36.03	33.39
Other expenses	25	183.18	185.72
Total expenses		968.34	999.28
Profit before tax		99.60	5.90
Income Tax expense	26		
Current tax		17.83	-
Deferred tax		(11.65)	-
Tax related to earlier years		0.24	3.06
Total tax expense		6.42	3.06
Profit for the year		93.18	2.84
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		(1.03)	(1.37)
- Income tax relating to above		0.18	-
Other comprehensive income/(loss) for the year		(0.85)	(1.37)
Total comprehensive income/(loss) for the year		92.33	1.47
Earnings per equity share (of ₹ 1 each)	27		
Basic (₹)		11.18	0.34
Diluted (₹)		11.18	0.34

The accompanying material accounting policies and other explanatory notes (1- 43) form an integral part of the Financial Statements.

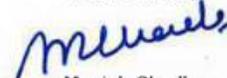
As per our report attached
 For Deloitte Haskins & Sells LLP
 Chartered Accountants
 (Firm Registration No. 117366W/ W-100018)


Sachanand C Mohnani
 Partner
 (Membership No. 407265)

Place: Pune
 Date: 18 June 2025



For and on behalf of Board of Directors
 Federal-Mogul Sealings India Limited
 (formerly known as "Federal-Mogul Anand Sealings
 India Limited")


Manish Chadha
 Director
 DIN: 07195652

Place: Gurugram
 Date: 18 June 2025


Kapil Arora
 Director
 DIN: 08837647

Place: Gurugram
 Date: 18 June 2025



Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")
 Corporate Identification No. : U29253PN2014PLC152540
 Statement of Cash Flows for the year ended 31 March 2025
 (All amounts in INR million, unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
A. Cash flow from operating activities		
Profit before tax	99.60	5.90
Adjustments for:		
Depreciation of property, plant and equipment	35.47	32.83
Amorisation of intangible assets	0.56	0.56
Provision for expected credit loss	3.35	(1.33)
Liabilities written back	(0.13)	(2.64)
Interest income on bank deposits	(0.30)	(0.01)
Finance costs	28.58	35.42
Unrealised Foreign Exchange (Gain)/ Loss	0.11	0.26
Loss on disposal of property, plant & equipment	0.05	4.04
Operating cash flows before working capital changes	167.29	75.03
Change in operating assets and liabilities		
(Increase)/Decrease in Inventories	(13.76)	50.00
(Increase)/Decrease in Trade receivables	(71.15)	39.80
(Increase)/Decrease in Financial and other assets	(18.64)	13.04
Increase/(Decrease) in Trade payables	71.81	(19.28)
Increase/(Decrease) in Financial and other current liability	4.99	(1.81)
Increase/(Decrease) in Provisions	0.93	(1.25)
Cash generated from operations	141.47	155.73
Income taxes paid (net of refunds)	(2.44)	(3.51)
Net cash from/(used in) Operating Activities (A)	139.03	152.22
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangibles assets	(40.91)	(42.77)
Movement in fixed deposits	(20.21)	-
Interest received	0.30	-
Net cash from/(used in) investing activities (B)	(60.82)	(42.77)
C. Cash flow from financing activities		
Repayment of short term borrowings	(50.00)	(65.60)
Proceeds from short term borrowings	-	40.00
Interest paid	(28.58)	(35.42)
Net cash from/(used in) financing activities (C)	(78.58)	(61.02)
Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)	(0.37)	48.43
Cash and cash equivalents at the beginning of the financial year	49.48	1.05
Cash and cash equivalents at end of the year	49.11	49.48

Cash and Cash Equivalents as per above comprise of the following:

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks:		
On current accounts (refer note 7)	49.11	49.48
	49.11	49.48

The above Statement of cash flows have been prepared under the indirect method as set out in Ind AS - 7 on Statement of Cash Flows.

The accompanying material accounting policies and other explanatory notes (1- 43) form an integral part of the Financial Statements.

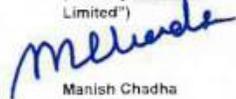
As per our report attached
 For Deloitte Haskins & Sells LLP
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 (Firm Registration No. 117366W/ W-100018)


 Sachanand C Mohnani
 Partner
 (Membership No. 407265)

Place: Pune
 Date: 18 June 2025



For and on behalf of Board of Directors
 Federal-Mogul Sealings India Limited
 (formerly known as "Federal-Mogul Anand Sealings India Limited")


 Manish Chadha
 Director
 DIN: 07195652

Place: Gurugram
 Date: 18 June 2025


 Kapil Arora
 Director
 DIN: 08637647

Place: Gurugram
 Date: 18 June 2025



Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")
 Corporate Identification No. : U29253PN2014PLC152540
 Statement of Changes in Equity for the year ended 31 March 2025
 (All amounts in INR million, unless otherwise stated)

A) Equity share capital

Particulars	No. of shares	Amount
Balance as at 1 April 2023	8,334,142	8.33
Changes in equity share capital during the year	-	-
Balance as at 31 March 2024	8,334,142	8.33
Changes in equity share capital during the year	-	-
Balance as at 31 March 2025	8,334,142	8.33

B) Other equity

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at 1 April 2023	153.39	(73.94)	79.45
Profit for the year	-	2.84	2.84
Other comprehensive income/ (loss) (net of income tax)	-	(1.37)	(1.37)
Balance as at 31 March 2024	153.39	(72.47)	80.92
Balance as at 1 April 2024	153.39	(72.47)	80.92
Profit for the year	-	93.18	93.18
Other comprehensive income/ (loss) (net of income tax)	-	(0.85)	(0.85)
Balance as at 31 March 2025	153.39	19.86	173.25

The accompanying material accounting policies and other explanatory notes (1- 43) form an integral part of the Financial Statements.

As per our report attached
 For Deloitte Haskins & Sells LLP
 Chartered Accountants
 (Firm Registration No. 117366W/ W-100018)

For and on behalf of Board of Directors
 Federal-Mogul Sealings India Limited
 (formerly known as "Federal-Mogul Anand Sealings India Limited")

S. Mohani

Sachanand C Mohnani
 Partner
 (Membership No. 407265)

Manish Chadha

Manish Chadha
 Director
 DIN: 07195652

Kapil Arora
 Director
 DIN: 08837647

Kapil Arora

Place: Pune
 Date: 18 June 2025

Place: Gurugram
 Date: 18 June 2025

Place: Gurugram
 Date: 18 June 2025



1 Company overview

Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited") ("FMAS" or "the Company"), is, inter-alia, engaged mainly in the manufacture and supply of automotive components used in two/four wheeler automobiles. Tenneco Clear Air India Limited is the Parent company.

These financial statements are approved for issue in accordance with a resolution of the directors passed in Board meeting held on 18 June 2025.

2 Material accounting policies

2.1 These financial statements ("financial statements") of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ("MCA") under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other relevant provisions of the Act.

2.2 Summary of Material Accounting Policies

a) Overall consideration

The financial statements have been prepared using material accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements.

Basis of preparation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies.

b) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

c) Use of estimates

The preparation of these financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised in the current and future periods.

d) Property, plant and equipment

Recognition and initial measurement

Property plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment except for freehold land is provided on a straight-line basis, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset Class	Estimated useful life (in years)
Plant & Machinery	5 to 15 years
Buildings	30 years
Computers	3 years
Furniture and fixtures	10 years
Vehicles	8 Years

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

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

e) Intangible assets

Recognition and initial measurement

Intangible assets (Computer softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation)

The cost of capitalised software is amortised over a period of 5 years from the date of its acquisition.



f) Impairment of non-financial 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

g) Impairment of financial assets

The Company assesses at each date of balance sheet 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. Company performs credit assessment for customers on an annual basis. Company recognizes credit risk, on the basis of lifetime expected losses and where receivables are due for more than twelve months.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

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 profit or loss.

h) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. **Financial assets carried at amortised cost** – a financial asset is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")

Corporate Identification No. : U29253PN2014PLC152540

Summary of material accounting policies and other explanatory notes to financial statements for the year ended 31 March 2025

(All amounts in INR million, unless otherwise stated)

i) Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

j) Inventories

Inventories are valued as follows:

Raw materials, components and stores and spares.	Lower of cost and net realisable value. Cost represents purchase price and other direct costs and is determined on a moving weighted average cost basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
Work-in-progress	Lower of cost and net realisable value. Cost for this purpose includes material, labour and appropriate allocation of overheads. Cost is determined on a moving weighted average basis.
Finished Goods: - Manufactured	Lower of cost and net realisable value. Cost for this purpose includes material, labour and appropriate allocation of overheads. Cost is determined on a moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Provision for obsolescence is determined based on management's assessment and is charged to Statement of Profit and Loss.

k) Revenue Recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. A performance obligation is a promise in a contract to transfer a distinct good (or a bundle of goods) to the customer and is the unit of account in Ind AS 115. A contract's transaction price is allocated to each distinct performance obligation and recognised as revenue, as or when, the performance obligation is satisfied. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the Contract. The Company recognises revenue from the following major sources:

i) Sale of products:

Revenue from sale of products is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. It is measured at consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. The Company recognises revenue when it transfers control over a product to a customer i.e. when goods are delivered at the delivery point, as per terms of the agreement, which could be either customer premises or carrier premises who will deliver goods to the customer. When payments received from customers exceed revenue recognised to date on a particular contract, any excess (a contract liability) is reported in the Balance Sheet under other current liabilities.

Satisfaction of performance obligations

The Company's revenue is derived from the single performance obligation to transfer primarily products under arrangements in which the transfer of control of the products and the fulfilment of the Company's performance obligation occur at the same time. Revenue from the sale of goods is recognised when the Company has transferred control of the goods to the buyer and the buyer obtains the benefits from the goods, the potential cash flows and the amount of revenue (the transaction price) can be measured reliably, and it is probable that the Company will collect the consideration to which it is entitled to in exchange for the goods.

Whether the customer has obtained control over the asset depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms. For the Company, generally the criteria to recognise revenue has been met when its products are delivered to its customers or to a carrier who will transport the goods to its customers, this is the point in time when the Company has completed its performance obligations. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Company expects to be entitled to.

Payment terms

The sale of goods is typically made under credit payment terms differing from customer to customer and ranges between 75 days.

Variable considerations associated with such sales

Periodically, the Company launches various volume or other rebate programs where once a certain volume or other conditions are met, it gives the customer as volume discount some portion of the amounts previously billed or paid. For such arrangements, the Company only recognises revenue for the amounts it ultimately expects to realise from the customer. The Company estimates the variable consideration for these programs using the most likely amount method or the expected value method, whichever approach best predicts the amount of the consideration based on the terms of the contract and available information and updates its estimates each reporting period.



ii) Revenue from services

Revenue from sale of services is recognised upon rendering the services based on agreements/ arrangements with the concerned parties for fixed price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided overtime since the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

Where the Company cannot reasonably measure the outcome of a performance obligation, but the Company expects to recover the costs incurred in satisfying the performance obligation, in those circumstances, the Company recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

iii) Revenue from development of customer paid tools:

The Company incurs pre-production tooling costs related to the products developed for its customers under supply arrangements. Tooling income (net) represents amounts recovered from customers, which are in excess of development costs incurred by the Company to manufacture such tools, similarly tooling cost (net) represents costs incurred by the company in excess of amounts recovered from customers. The Company recognizes such tooling income (net)/ tooling cost (net) when the control of the goods have passed on to the customer. The Company expenses all pre-production tooling costs related to customer owned tools for which reimbursement is not contractually guaranteed by the customer or for which the customer has not provided a non-cancellable right to use the tooling, at the time of their estimation. When it is probable that total development costs will exceed the tooling revenue, the expected loss is recognized as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

The tooling income (net) is deferred and recognized over the initial contract period over which supply of goods using developed tools will be made available to the customer. The contract period is generally five years, so tooling income is recognised accordingly. The deferred portion of such income is recognised as deferred income in financial statements.

iv) Contract assets

A contract asset is the Company's right to consideration in exchange for goods or services that the Company has transferred to the customer. A contract asset becomes a receivable when the Company's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. The impairment of contract assets is measured, presented and disclosed on the same basis as trade receivables. The Contract asset in case of company comprises of deferred income which relates to expenses incurred but not billed yet as per the terms of contract.

The Company's contract assets are disclosed in Note 5(a), Note 5(b), Note 6 and Note 18.

v) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. The Contract liability comprises of unearned income which relates to excess of invoicing over cost incurred for a particular project.

The Company's contract liabilities are disclosed in Note 13 and Note 18.

vi) Interest:

Interest income is recorded on accrual basis.

vii) Export Benefits/Incentives:

Export entitlements under the RODTEP, Duty Entitlement Pass Book (DEPB) Scheme/ Duty Drawback scheme are recognised in the Statement of Profit and Loss when the same is received by the company.

l) Statement of cash flows

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



Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")

Corporate Identification No. : U29253PN2014PLC152540

Summary of material accounting policies and other explanatory notes to financial statements for the year ended 31 March 2025

(All amounts in INR million, unless otherwise stated)

m) Foreign Currency Transactions

Functional and presentation currency

The financial statements are presented in Indian Rupee ("INR or ₹") which is also the functional and presentation currency of the Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on such conversion and settlement at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

n) Retirement and other employee benefits

(i) Defined Contribution Plan:

These are plans in which the Company pays pre-defined amounts to funds administered by government authority/ Company and does not have any legal or constructive obligation to pay additional sums. These comprise contributions in respect of Employees' Provident Fund and Employees' State Insurance. The Company's payments to the defined contribution plans are recognised as employee benefit expenses when they are due.

(ii) Defined Benefit Plan:

Gratuity liability under the Payment of Gratuity Act is accrued on the basis of an actuarial valuation made at the end of each financial year. The actuarial valuation is done as per projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to other comprehensive income in the year in which such gains or losses are determined.

(iii) Short term compensated absences are provided for based on estimates. Long term compensation liability for leave encashment is determined in accordance with company policy and is measured on the basis of valuation by an independent actuary at the end of the financial year. The actuarial valuation is done as per projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

(iv) Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.



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o) Income Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. **Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income.** This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. **Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity).

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance-sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

p) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

q) Provisions, contingent liabilities and contingent assets

Provisions are recognised when an enterprise has a present obligation as a result of past event; it is probable that an **outflow of resources will be required to settle the obligation**, in respect of which a reliable estimate can be made. Provisions are discounted to their present values, where the **time value of money is material**. These are **reviewed** at each balance sheet date and adjusted to reflect the current best estimates.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no provision is recognised.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

r) Cash and Cash Equivalents

Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

s) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires **assessment of several external and internal factors** which could result in deterioration of recoverable amount of the assets.



Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")

Corporate Identification No.: U29253PN2014PLC152540

Summary of material accounting policies and other explanatory notes to financial statements for the year ended 31 March 2025

(All amounts in INR million, unless otherwise stated)

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this judgement.

Significant estimates

Recoverability of advances/receivables - At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

t) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. **Borrowings are** subsequently **measured** at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment and amortised over the period of the facility to which it relates.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

u) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are paid as per the terms of contracts with the supplier. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

v) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The directors of Federal-Mogul Sealings India Limited assess the financial performance and position of the Company and make strategic decisions. The directors who have been identified as being the Chief Operating Decision Maker consist of Vice President & General Manager India and Finance Director. Refer Note 33 for segment information presented.

w) Standards issued but not yet effective

There are no new Standards that became effective during the year. Amendments that became effective during the year did not have any material impact.

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Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")
 Corporate Identification No. : U29253PN2014PLC152540
 Notes to financial statements for the year ended 31 March 2025
 (All amounts in INR million, unless otherwise stated)

3(a) **Property, Plant and Equipment**

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Computers	Vehicles	Total
Gross carrying amount							
Balance as at 1 April 2023 (Deemed cost)	5.17	32.92	165.66	4.22	2.99	0.51	211.47
Additions	-	-	49.56	-	2.08	-	51.64
Disposals/adjustments	-	-	(3.86)	(0.12)	(0.07)	-	(4.05)
Balance as at 31 March 2024	5.17	32.92	211.36	4.10	5.00	0.51	259.06
Balance as at 1 April 2024	5.17	32.92	211.36	4.10	5.00	0.51	259.06
Additions	-	-	19.74	0.16	2.98	-	22.88
Disposals/adjustments	-	-	-	-	(0.03)	-	(0.03)
Balance as at 31 March 2025	5.17	32.92	231.10	4.26	7.95	0.51	281.91
Accumulated depreciation							
Balance as at 1 April 2023	-	-	-	-	-	-	-
Depreciation charge for the year	-	2.74	27.00	0.91	1.75	0.08	32.48
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2024	-	2.74	27.00	0.91	1.75	0.08	32.48
Balance as at 1 April 2024	-	2.74	27.00	0.91	1.75	0.08	32.48
Depreciation charge for the year	-	2.87	30.47	0.04	1.41	0.08	35.47
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2025	-	5.61	57.47	1.55	3.16	0.16	67.95
Net carrying amount as at 1 April 2023	5.17	32.92	165.66	4.22	2.99	0.51	211.47
Net carrying amount as at 31 March 2024	5.17	30.18	184.26	3.19	3.25	0.43	226.58
Net carrying amount as at 31 March 2025	5.17	27.31	173.63	2.71	4.79	0.35	213.96

3(b) **Capital Work in Progress (CWIP)**

Capital work-in-progress	Amount
Balance as at 1 April 2023	31.43
Additions during the year	39.13
Capitalised/ writeoff during the year	(44.95)
Balance as at 31 March 2024	25.60
Additions during the year	34.90
Capitalised/ writeoff during the year	(19.92)
Balance as at 31 March 2025	40.58

Capital Work in Progress (CWIP) ageing

As at 31 March 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	33.04	2.41	7.13	-	42.58

As at 31 March 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	25.20	0.40	-	-	25.60

As at 1 April 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	31.34	0.19	-	-	31.53

Notes:

- For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2023 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.
- Refer to Note 32(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- There are no property, plant and equipment which are pledged or under lien.
- The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the each reporting period.
- There are no impairment losses recognized during each reporting period.



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Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")
 Corporate Identification No. : U29253PN2014PLC152540
 Notes to financial statements for the year ended 31 March 2025
 (All amounts in INR million, unless otherwise stated)

4 Intangible assets	
Particulars	Computer Software
Gross carrying amount	
Balance as at 1 April 2023 (Deemed cost)	
Additions	1.92
Disposals/Adjustments	-
Balance as at 31 March 2024	1.92
Balance as at 1 April 2024	
Additions	1.92
Disposals/Adjustments	-
Balance as at 31 March 2025	(0.03)
Accumulated amortisation	1.89
Balance as at 1 April 2023	
Amortisation charge for the year	
Disposals	-
Balance as at 31 March 2024	0.56
Balance as at 1 April 2024	0.56
Amortisation charge for the year	
Disposals	0.56
Balance as at 31 March 2025	0.56
Net carrying amount as at 1 April 2023	1.12
Net carrying amount as at 31 March 2024	1.92
Net carrying amount as at 31 March 2025	1.36
	0.77

- Notes:
- 1.) For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2023 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.
 - 2.) Refer to Note 32(a) for disclosure of contractual commitments for the acquisition of intangible assets.
 - 3.) No intangible assets are pledged as security by the Company.
 - 4.) The company has not revalued its intangible assets during the reporting period.
 - 5.) There are no intangible assets Under Development as at the reporting period.
 - 6.) There are no impairment losses recognised during the year.



Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")
Corporate Identification No. : U29253PN2014PLC152540
Notes to financial statements for the year ended 31 March 2025
(All amounts in INR million, unless otherwise stated)

5 Other Financial assets

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Unsecured, considered good (measured at amortised cost)			
(a) Non-Current			
Security deposits	3.49	3.49	3.06
Deposits with original maturity more than 12 months	20.36	0.15	0.15
Total	23.85	3.64	3.21
(b) Current			
Unbilled revenue	1.82	4.08	0.55
Interest accrued on bank deposits	0.05	-	-
Export Incentive recoverable	0.91	-	-
Total	2.79	4.08	0.55

6 Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Unsecured, considered good	234.96	168.23	210.83
Unsecured, which have significant increase in credit risk	4.42	1.07	2.40
Total	239.38	169.30	213.23
Less: Allowance for expected credit loss (refer note 30)	(4.42)	(1.07)	(2.40)
Total Trade receivables	234.96	168.23	210.83

Trade Receivables Ageing

As at 31 March 2025

Particulars	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	
(i) Undisputed Trade receivables – considered good	196.19	31.36	5.33	0.98	-	-	234.96
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	3.50	0.87	0.05	-	4.42
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	196.19	31.36	8.83	0.95	0.05	-	239.38
Less: Expected credit loss allowance	-	-	-	-	-	-	(4.42)
Total							234.96

As at 31 March 2024

Particulars	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	
(i) Undisputed Trade receivables – considered good	158.39	9.74	0.10	-	-	-	168.23
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	1.03	0.04	-	-	1.07
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	158.39	9.74	1.13	0.04	-	-	169.30
Less: Expected credit loss allowance	-	-	-	-	-	-	(1.07)
Total							168.23



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Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")
Corporate Identification No. : U29253PN2014PLC152540
Notes to financial statements for the year ended 31 March 2025
(All amounts in INR million, unless otherwise stated)

As at 1 April 2023							
Particulars	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	
(i) Undisputed Trade receivables – considered good	177.87	24.55	4.83	3.58	-	-	210.83
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	0.45	1.95	-	-	2.40
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	177.87	24.55	5.28	5.53	-	-	213.23
Less: Expected credit loss allowance							(2.40)
Total							210.83

Notes:

- The sale of goods is typically made under credit payment terms differing from customer to customer and ranges between 75 days (excluding transit days).
- Refer note no. 30 for allowance for expected credit loss.
- Refer note no. 28(c) for balances due from related parties.

7 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Balances with banks - in current accounts	49.11	49.48	1.05
Total	49.11	49.48	1.05

8 Deferred tax assets (net)

Particulars	Opening as at 1 April 2022	Recognised in statement of profit and loss	Recognised in OCI	Closing balance as at 31 March 2023
Deferred tax assets				
Unabsorbed Depreciation and business losses	14.65	(8.30)	-	8.35
Provision for employee benefits	1.70	(0.55)	-	1.15
Provision for doubtful advances and expected credit loss	0.44	0.18	-	0.62
Mat Credit entitlement	3.66	(3.66)	-	-
Others	0.59	0.69	-	1.28
Total Deferred tax assets	21.04	(11.64)	-	9.40
Deferred tax liabilities				
Property, plant and equipment and Intangible assets on account of difference in Written Down Value (WDV)	17.38	(7.98)	-	9.40
Total Deferred tax liabilities	17.38	(7.98)	-	9.40
Net Deferred tax assets/(liabilities)	3.66	(3.66)	-	-

Particulars	Opening as at 1 April 2023	Recognised in Statement of Profit and Loss	Recognised in OCI	Closing balance as at 31 March 2024
Deferred tax assets				
Unabsorbed Depreciation and business losses	6.35	9.91	-	16.26
Provision for employee benefits	1.15	0.62	-	1.77
Provision for doubtful advances and expected credit loss	0.62	(0.34)	-	0.28
Others	1.28	(0.23)	-	1.05
Total Deferred tax assets	9.40	9.96	-	19.36
Deferred tax liabilities				
Property, plant and equipment and Intangible assets on account of difference in Written Down Value (WDV)	9.40	9.96	-	19.36
Total Deferred tax liabilities	9.40	9.96	-	19.36
Net Deferred tax assets/(liabilities)	-	-	-	-



Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")
Corporate Identification No. : U29253PN2014PLC152540
Notes to financial statements for the year ended 31 March 2025
(All amounts in INR million, unless otherwise stated)

Particulars	Opening as at 1 April 2024	Recognised in statement of profit and loss	Recognised in OCI	Closing balance as at 31 March 2025
Deferred tax assets				
Unabsorbed Depreciation and business losses	16.26	(13.51)	-	2.65
Provision for employee benefits	1.77	(0.11)	0.18	1.84
Provision for doubtful advances and expected credit loss	0.28	0.83	-	1.11
Mat Credit entitlement	-	17.83	-	17.83
Others	1.05	(0.42)	-	0.63
Total Deferred tax assets	19.36	4.52	0.18	24.06
Deferred tax liabilities				
Property, plant and equipment and intangible assets on account of difference in Written Down Value (WDV)	19.36	(7.13)	-	12.23
Total Deferred tax liabilities	19.36	(7.13)	-	12.23
Net Deferred tax assets/(liabilities)	-	11.65	0.18	11.83

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023	Expiry within
Unabsorbed Depreciation	5.20	33.93	34.10	Unlimited
Carry forward business losses	-	-	1.64	> 5 years
Total	5.20	33.93	35.74	

9 Current tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Advance Income Tax (net of provision for tax)	16.68	14.15	10.65
Total	16.68	14.15	10.65

10 Inventories

	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Valued at lower of cost and net realizable value			
Raw materials and components (Includes stock-in-transit of ₹ 11.26 million, 31 March 2024; ₹ 1.71 million, 1 April 2023; ₹ 24.7 million)	94.67	87.51	137.91
Work-in-progress	15.61	7.45	21.06
Finished Goods (Includes stock-in-transit of ₹ 14.13 million, 31 March 2024; ₹ 2.40 million, 1 April 2023; ₹ 5.5 million)	19.20	20.80	6.64
Traded goods	0.01	0.23	0.09
Stores and spares	7.91	7.65	7.93
Total	137.40	123.64	173.63

The cost of inventories recognised as an expense during the year was ₹ 619.41 million (31 March 2024: ₹ 661.97 million.)

11 Other Assets

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
(a) Non-current			
Capital advances (Unsecured, considered good)	12.09	9.92	6.89
Amount paid under protest	0.39	0.39	-
Prepaid expenses	0.04	0.17	-
Excess of fund payment over gratuity liability	0.78	-	-
Balances with government authorities	0.08	0.08	1.61
Total	13.38	10.56	10.50
(b) Current			
Advance to suppliers	8.07	5.17	18.30
Advance to employees	0.06	1.01	-
Balances with government authorities	1.35	1.35	5.13
Prepaid expenses	0.32	0.74	1.92
Other Receivable	1.39	2.17	1.34
Total	11.19	10.44	26.69

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Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")
 Corporate Identification No. : U29253PN2014PLC162540
 Notes to financial statements for the year ended 31 March 2025
 (All amounts in INR million, unless otherwise stated)

12 Share Capital and Other Equity
 (a) Equity Share Capital

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Authorised share capital 15,000,000 equity shares of ₹ 1 each (₹ 1 each as at 31 March 2024 and 1 April 2023)	15.00	15.00	15.00
Total	15.00	15.00	15.00
Issued, subscribed and fully paid share capital 8,334,142 equity shares of ₹ 1 each (₹ 1 each as at 31 March 2024 and 1 April 2023)	8.33	8.33	8.33
Total	8.33	8.33	8.33

(i) Movement in share capital

Particulars	Number of shares	Amount
As at 1 April 2023	8,334,142	8.33
Movement during the year	-	-
As at 31 March 2024	8,334,142	8.33
Movement during the year	-	-
As at 31 March 2025	8,334,142	8.33

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

(ii) Shares held by holding company and subsidiaries of holding company

Name of the shareholder	As at 31 March 2025		As at 31 March 2024		As at 1 April 2023	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Equity Shares of ₹ 1/- fully paid:						
Tenneco Clean Air India Limited	7,491,712	89.89%	-	-	-	-
74,91,712 (previous year: Nil) equity shares of ₹ 1 each						
Federal Mogul Investments B. V.	-	-	7,491,712	89.89%	7,491,712	89.89%
Nil (previous year: 74,91,712) equity shares of ₹ 1 each						

Pursuant to the approval of Board of Directors and shareholders in their respective meeting held on 25 March 2025 and 26 March 2025, share swap agreement dated 25 March 2025 had been executed amongst Tenneco Clean Air India Limited (formerly Private Limited) and Federal Mogul Investments BV (Known as "Sellers"). The Company has completed applicable regulatory compliance in respect of the transaction during year ended 31 March 2025 and is a subsidiary of Tenneco Clean Air India Limited (formerly known as Tenneco Clean Air India Private Limited) w.e.f. 25 March 2025.

(iii) Details of shares held by shareholders holding more than 5% of the shares in the Company

Name of the shareholder	As at 31 March 2025		As at 31 March 2024		As at 1 April 2023	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 1 each fully paid						
Tenneco Clean Air India Limited	7,491,712	89.89%	-	-	-	-
Federal Mogul Investments B. V.	-	-	7,491,712	89.89%	7,491,712	89.89%

(iv) Disclosure of Shareholding of Promoters

Promoter name	As at 31 March 2025		As at 31 March 2024		As at 1 April 2023	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 1 each fully paid						
Tenneco Clean Air India Limited	7,491,712	89.89%	-	-	-	-
Federal Mogul Investments B. V.	-	-	7,491,712	89.89%	7,491,712	89.89%

12(b) Other Equity

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Retained Earnings	19.86	(72.47)	(73.94)
Securities Premium	153.39	153.39	153.39
Total other equity	173.25	80.92	79.45

(i) Retained earnings

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Balance at the beginning of the year	(72.47)	(73.94)	(58.50)
Add: profit/(loss) for the year	93.18	2.84	(13.51)
Remeasurement loss (net of taxes)	(0.89)	(1.37)	(1.93)
Balance at the end of the year	19.86	(72.47)	(73.94)

(ii) Securities Premium

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Balance at the beginning of the year	153.39	153.39	153.39
Add: movement during the year	-	-	-
Balance at the end of the year	153.39	153.39	153.39

Nature and Purpose of reserves

(i) Retained earnings

Retained earnings are the profit/(loss) that the Company has earned/accrued till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be classified to Statement of Profit and Loss.

(ii) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.



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 Notes to financial statements for the year ended 31 March 2025
 (All amounts in INR million, unless otherwise stated)

13 Trade Payables

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Due to Micro Enterprises and Small Enterprises (MSME) (Refer note below)	29.49	42.81	32.05
Dues of creditors other than micro enterprises and small enterprises (MSME)	151.38	104.90	153.84
Dues of related parties (Refer Note 28(c))	67.19	28.67	19.38
Total	248.06	176.38	197.27

Trade Payables Aging:

As at 31 March 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
(i) Micro enterprises and small enterprises (MSME)	-	26.17	0.87	0.32	0.13	-	29.49
(ii) Others	-	113.41	97.09	2.52	1.85	3.79	218.57
(iii) Disputed dues- Micro enterprises and small enterprises (MSME)	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
Total	-	141.58	97.97	2.84	1.98	3.79	248.06

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
(i) Micro enterprises and small enterprises (MSME)	-	40.23	2.58	-	-	-	42.81
(ii) Others	26.24	7.76	83.00	2.71	0.79	3.07	153.57
(iii) Disputed dues- Micro enterprises and small enterprises (MSME)	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
Total	26.24	47.99	85.58	2.71	0.79	3.07	176.38

As at 1 April 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
(i) Micro enterprises and small enterprises (MSME)	-	30.12	1.93	-	-	-	32.05
(ii) Others	37.02	42.95	81.72	-	7.74	0.29	165.22
(iii) Disputed dues- Micro enterprises and small enterprises (MSME)	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
Total	37.02	73.07	83.65	-	2.74	0.29	197.27

- Reserve Bank of India (RBI) Master Direction – Import of Goods and Services requires that remittances against imports should be completed not later than six months from the date of shipment. If due to disputes, financial difficulties, etc., an importer is unable to comply with this regulations, AD Category – I banks may condone such delay with or without penalties and in case the dues exceed more than 3 years then the Company need to take approval from RBI. Following are the details of the delays in the payments:
- The Company has trade payables related to import of services amounting to ₹17.45 millions outstanding for a period in excess of 6 Months. The Company is in process for filing condonation of delay with respective authorities. The Company does not expect any material penalties to be imposed considering that payment is held up due to bonafide reasons.
- The average credit period on purchases is upto 45 days
- For explanations on the Company's liquidity risk management processes refer note 30
- Trade payables from related parties are disclosed separately under note 28 (c)

Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprise Development Act, 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
a. The principal amount remaining unpaid as at the end of year	29.49	42.81	32.05
b. Interest due on above principal and remain unpaid as at the end of the year	-	-	-
c. The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
d. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	0.26	0.12	0.54
e. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
f. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-	-



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14 Current borrowings

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Secured- at amortised cost			
Loans repayable on demand from Banks (Secured by Receivables, Inventories and Movable Tangible Assets)	-	-	50.00
Unsecured- at amortised cost			
Loans from related parties (Refer note no. 29(c))*	305.00	355.00	330.00
Total	305.00	355.00	380.00

*Note- The Company has availed unsecured loan of ₹ 150 million from the Parent company during the year ended 31 March 2025 at 8.50% p.a. (31 March 2024: ₹ Nil million; 31 March 2023: ₹ 170 million). The loan outstanding as on 31 March 2025 is ₹ 305 million (31 March 2024: ₹ 155 million; 31 March 2023: ₹ 170 million).

Note- The Company has repaid unsecured loan of ₹ 200 million to Federal Mogul Ignition Products (India) Limited at 8.75% p.a. during the year ended 31 March 2025. During the period ended 31 March 2024, the company has availed Rs. 40 million from Federal Mogul Ignition Products (India) Limited at 8.75% p.a. The loan outstanding as on 31 March 2025 is ₹ 305 million (31 March 2024: ₹ 200 million; 31 March 2023: ₹ 160 million).

15 Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
At amortised cost			
Capital creditors	4.83	6.15	3.67
Security deposits	0.01	0.17	0.33
Total	4.84	6.32	4.00

16 Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Advance from customers	3.32	0.35	0.21
Statutory dues	6.83	3.63	3.01
Deferred income	2.79	2.79	2.79
Other liabilities	0.93	0.65	2.56
Total	13.87	7.42	8.57

17 Provisions

Particulars	As at 31 March 2025		As at 31 March 2024		As at 1 April 2023	
	Non Current	Current	Non Current	Current	Non Current	Current
Provision for employee benefits (refer note 34)						
Gratuity	-	-	0.54	-	0.68	-
Compensated absences	5.09	1.06	2.37	0.50	2.25	0.38
Total	5.09	1.06	2.91	0.50	2.93	0.38

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18 Revenue from operations

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Sale of products		
Finished goods	1,028.13	975.45
Tool Sales	7.69	-
Sale of services		
Engineering Income	10.49	4.30
Total sale of products and services	1,046.31	979.75
Other operating revenue		
Scrap sales	19.87	21.31
Export Incentives	0.96	1.47
Total other operating revenue	20.83	22.78
Total	1,067.14	1,002.53

a. Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) **Allocate the transaction price to the performance obligations; and**
- (v) **Recognise revenue when a performance obligation is satisfied.**

b. Disaggregation of revenue

Revenue recognised mainly comprises of sale of products which majorly comprises of Heat Shield and Gaskets. Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from contracts with customers		
Sale of products and service		
Domestic	1,013.04	956.60
Export	33.27	23.15
Other operating revenue	20.83	22.78
Total revenue covered under Ind AS 115	1,067.14	1,002.53

c. Timing of revenue recognition

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Revenue by time		
Revenue recognition over period of time	-	-
Revenue recognition at point in time	1,067.14	1,002.53
	1,067.14	1,002.53



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d. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	As at 31 March 2025	As at 31 March 2024
Contract assets		
Unbilled revenue	1.82	4.08
Total contract assets	1.82	4.08
Contract liabilities		
Advances from consumers	3.32	0.35
Deferred income	2.79	2.79
Total contract liabilities	6.11	3.14
Receivables		
Trade receivables	239.38	169.30
Less : Allowances for expected credit loss	(4.42)	(1.07)
Net receivables	234.96	168.23

Contract asset is the right to consideration in exchange for goods or services transferred to the customer, Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance, Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

e. Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

Particulars	As at 31 March 2025		
	Contract Assets	Contract Liabilities	
	Unbilled revenue	Advances from customers	Deferred income
Opening balance as on 1 April 2024	4.08	0.35	2.79
Addition during the year	47.29	31.00	-
Revenue recognised during the year/ amount refunded during the year	(49.55)	(27.96)	-
Closing balance as on 31 March 2025	1.82	3.39	2.79

Particulars	As at 31 March 2024		
	Contract Assets	Contract Liabilities	
	Unbilled revenue	Advances from customers	Deferred income
Opening balance as on 1 April 2023	0.55	0.21	2.79
Addition during the year	62.15	0.14	-
Revenue recognised during the year/ amount refunded during the year	(58.52)	-	-
Closing balance as on 31 March 2024	4.08	0.35	2.79

f. Satisfaction of performance obligations

The Company's revenue is derived from the single performance obligation to transfer primarily its products under arrangements in which the transfer of control of the products and the fulfilment of the Company's performance obligation occur at the same time. Revenue from the sale of goods is recognized when the Company has transferred control of the goods to the buyer and the buyer obtains the benefits from the goods, the potential cash flows and the amount of revenue (the transaction price) can be measured reliably, and it is probable that the Company will collect the consideration to which it is entitled to in exchange for the goods.

Whether the customer has obtained control over the goods depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Company expects to be entitled to.

g. Payment terms

The sale of goods is typically made under credit payment terms differing from customer to customer and ranges upto 75 days (excluding transit days).



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h. Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Contracted price with the customers	1,069.44	1,010.19
Reduction towards variables considerations (Discounts, rebates, refunds, credits, price concessions)	(2.30)	(7.66)
Revenue from contract with customers	1,067.14	1,002.53

19 Other Income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest income on deposits with bank	0.30	0.01
Liabilities written back	0.13	2.64
Interest income on Income Tax refund	0.37	-
Total	0.80	2.65

20 Cost of materials consumed

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
A. Inventories at the beginning of the year	87.51	137.91
B. Purchases (net)	632.91	612.26
C. Inventories at the end of the year	(94.67)	(87.51)
Total (A+B-C)	625.75	662.66

21 Change in inventories of finished goods, work-in-progress and traded goods

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Opening Stock		
Finished goods	20.80	6.64
Work in progress	7.45	21.06
Traded goods	0.23	0.09
Total (A)	28.48	27.79
Closing Stock		
Finished goods	19.20	20.80
Work in progress	15.61	7.45
Traded goods	0.01	0.23
Total (B)	34.82	28.48
Change in inventories of finished goods, work-in progress and traded goods (A-B)	(6.34)	(0.69)

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22 Employee benefits expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, wages and bonus	85.12	65.09
Contribution to provident and other funds [Refer Note (a) below] (Please refer note 34)	5.85	5.78
Workmen and staff welfare expenses	10.37	11.91
Total	101.14	82.78

(a) Defined Contribution Plans

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Amount recognised in the Statement of Profit and Loss ;		
(i) Gratuity and Provident fund	5.65	5.78
Total	5.65	5.78

23 Finance costs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest		
- to banks	0.04	3.39
- to Income Tax	0.09	-
- on loans from related parties	28.45	32.03
Total	28.58	35.42

24 Depreciation and amortisation expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of property, plant and equipment (Refer Note 3(a))	35.47	32.83
Amortisation of intangible assets (Refer Note 3(b))	0.56	0.56
Total	36.03	33.39

25 Other expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Stores and spares consumed	9.87	12.13
Sub-contracting expenses	35.82	26.06
Labour Charges	21.02	46.99
Power and fuel	24.62	22.91
Freight and forwarding charges	17.26	12.56
Rates and taxes	0.57	3.36
Insurance	2.48	1.56
Repairs and maintenance		
- Plant and machinery	6.12	12.25
- Buildings	3.75	2.61
- Others	3.59	2.08
Royalty expense (Refer note 28(b))	24.53	8.00
Professional and consultancy charges	6.83	5.00
Travelling expenses	6.82	7.93
Communication expenses	0.49	1.95
Printing and stationery	0.72	0.51
Payment to auditors (Refer details (a) below)	1.31	1.31
Exchange differences (net)	1.98	(0.17)
Security service charges	4.98	6.51
Provision for doubtful debts and advances	3.35	(1.33)
Loss on sale of property, plant & equipment (net)	0.05	4.04
Bank charges	0.48	1.45
Fines and Penalties	0.29	-
Miscellaneous expenses	6.25	8.01
Total	183.18	185.72



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(a) Details of payment to statutory auditors (excluding applicable taxes)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
As Statutory auditor:		
-Audit fee	1.11	1.11
-Tax audit fee	0.20	0.20
	1.31	1.31

26 (a) Income tax expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current tax	17.83	-
Short Provision of tax relating to earlier years	0.24	3.06
Deferred tax charge/(credit)	(11.65)	-
Income tax expense reported in the Statement of Profit and Loss	6.42	3.06

Income Tax relating to Other Comprehensive Income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Remeasurement of defined benefit obligations	0.18	-
Income tax expense charged to Other Comprehensive Income	0.18	-

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Accounting profit before income tax	99.60	5.90
India's statutory income tax rate	25.17%	26.00%
Computed Tax Expense	25.07	1.53
Tax effect on permanent non deductible expenses:		
Current tax relating to prior years	0.24	3.06
Effect of expenses/provision not deductible in determining taxable profit	1.09	0.22
MAT credit adjustment	(17.83)	-
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	(3.55)	(1.81)
Others	1.40	0.06
Income tax expense reported in the Statement of Profit and Loss	6.42	3.06
Tax rate		
Base rate	22.00%	25.00%
Surcharge	2.20%	0.00%
Education cess	0.97%	1.00%
Total	25.17%	26.00%

Note: During the previous year, the Company elected to exercise the option permitted under section 115BAA of the Income tax act 1961 as introduced by the Taxation laws (amendment) ordinance, 2019.



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27 Earnings per Share

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Profit attributable to Equity Shareholders	93.18	2.84
Weighted average number of equity shares for calculating basic and diluted EPS	83,34,142	83,34,142
Face value of per equity share (₹)	1	1
Basic and Diluted Earnings per share (₹)	11.18	0.34

28 Related Party Disclosures

(a) Name of related parties and nature of relationship:

(i) Name of related parties	Description of relationship
Pegasus Holdings One, LLC	Ultimate Parent Company (with effect from 17 November 2022)
Tenneco Inc. USA	Intermediate holding company (Ultimate holding company upto 16 November 2022 and intermediate holding company with effect from 17 November 2022)
Federal Mogul Investments B V (Parent company till 24 March 2025)	Holding Company
Tenneco Clean Air India Limited (Formerly known as Tenneco Clean Air India Private Limited) (Parent company with effect from 25 March 2025)	Parent Company

(ii) Parties under common control with whom transactions have taken place during the year

Name of related parties	Description of relationship
Federal-Mogul Gootze (India) Limited	Fellow Subsidiary
Federal Mogul Bearings India Limited	Fellow Subsidiary
Federal Mogul Ignition Products (India) Limited	Fellow Subsidiary
Federal Mogul Motorparts India Limited, India	Fellow Subsidiary
Federal Mogul Sealing System (Nanchang) Co. Ltd, China	Fellow Subsidiary
Federal Mogul Powertrain Italy SARL	Fellow Subsidiary
Federal Mogul Powertrain LLC	Fellow Subsidiary
Federal Mogul Motorparts LLC	Fellow Subsidiary
Federal Mogul Sealing Systems GMBH	Fellow Subsidiary
Motocare India Private Limited	Fellow Subsidiary
Federal-Mogul (China) Co., Ltd	Fellow Subsidiary
Mr. T. Kannan (w.e.f. February 1, 2024)	Key Managerial Person ('KMPs') (Director)
Mr. Manish Chadha	Key Managerial Person ('KMPs') (Director)
Mr. Kapil Arora	Key Managerial Person ('KMPs') (Director)

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28. Related Party Disclosures (contd...)

(b) Transactions with the related parties in the ordinary course of business:

Nature of transaction	Nature of related party relationship	Year ended 31 March 2025	Year ended 31 March 2024
i) Purchases raw material			
Federal Mogul Sealing System (Nanchang) Co. Ltd., China	Fellow subsidiary	0.13	1.75
Federal Mogul Powertrain Italy SARL	Fellow subsidiary	29.27	18.08
Federal Mogul Powertrain LLC	Fellow subsidiary	-	2.23
Federal-Mogul Sealing Systems GMBH	Fellow subsidiary	- 8.08	0.77
Federal Mogul Motorparts LLC	Fellow subsidiary	1.04	-
Tenneco Clean Air India Limited	Parent Company	0.01	-
Total		38.53	22.83
ii) Purchases of Services			
Federal Mogul Powertrain LLC	Fellow subsidiary	0.80	3.56
Federal Mogul Motorparts LLC	Fellow subsidiary	0.32	-
Total		1.12	3.56
iii) Reimbursement of expenses received/ receivable			
Federal Mogul Powertrain LLC	Fellow subsidiary	8.07	1.05
Federal-Mogul Sealing Systems GMBH	Fellow subsidiary	2.45	1.88
Federal-Mogul (China) Co., Ltd	Fellow subsidiary	1.34	1.34
Federal-Mogul Goetze (India) Limited	Fellow subsidiary	0.18	-
Total		12.04	4.27
iv) Royalty paid			
Federal Mogul Powertrain LLC	Fellow subsidiary	24.53	8.00
Total		24.53	8.00
v) Purchase of Capital Goods			
Federal-Mogul Goetze (India) Limited	Fellow subsidiary	13.68	-
Total		13.68	-
vi) Loans (repaid)/taken during year			
Federal Mogul Ignition Products (India) Limited	Fellow subsidiary	(200.00)	-
Tenneco Clean Air India Limited	Parent company	150.00	(15.00)
Total		(50.00)	(15.00)
vii) Interest expense			
Federal Mogul Ignition Products (India) Limited	Fellow subsidiary	16.15	17.04
Tenneco Clean Air India Limited	Parent company	12.30	14.86
Total		28.45	31.90
viii) Remuneration to Directors			
Kapil Arora	Key Managerial Personnel	-	4.91
Total		-	4.91



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28. Related Party Disclosures (contd...)

(c) Balances with related parties as at the year end 31 March 2025:

Nature of outstanding	Nature of related party relationship	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
i) Trade Receivables				
Motocare India Private Limited	Fellow Subsidiary	-	-	0.02
Federal-Mogul (China) Co., Ltd	Fellow Subsidiary	0.93	0.79	0.39
Federal-Mogul Sealing Systems GmbH	Fellow Subsidiary	1.18	0.24	5.81
Tenneco LLC	Ultimate Parent Company	-	-	0.20
Federal-Mogul Goetze (India) Limited	Fellow Subsidiary	-	-	0.03
Federal Mogul Powertrain LLC	Fellow Subsidiary	5.10	0.19	-
Federal Mogul Ignition Products (India) Limited	Fellow Subsidiary	-	0.02	0.05
Total		7.21	1.24	6.50
ii) Trade Payables				
Federal Mogul Sealing System (Nanchang) Co. Ltd., China	Fellow Subsidiary	0.14	-	0.45
Federal Mogul Powertrain Italy S.A.R.L	Fellow Subsidiary	30.31	10.29	1.97
Federal Mogul Sealing Systems GMBH	Fellow Subsidiary	8.57	-	1.03
Tenneco LLC	Ultimate Parent Company	2.62	2.62	0.39
Federal Mogul Powertrain LLC	Fellow Subsidiary	24.04	10.90	7.54
Federal-Mogul Goetze (India) Limited	Fellow Subsidiary	0.18	4.86	-
Federal Mogul Motorparts LLC	Fellow Subsidiary	1.33	-	-
Total		67.19	28.67	11.38
iii) ICD payable (including accrued interest)				
Federal Mogul Ignition Products (India) Limited	Fellow Subsidiary	-	202.57	161.02
Tenneco Clean Air India Limited	Parent Company	305.00	157.22	171.12
Total		305.00	359.79	332.14

* Key Managerial personnel who are under the employment of the Company are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 'Employee benefits' in the financial statements. As these employee benefits are lump sums amounts are provided on the basis of actuarial valuation, the same is not included above, however the amount of post employment benefits paid to them as part of their full and final settlement are included in the remuneration. There are no termination benefits and share based payment made to the Key Managerial Personnel during the year.

(d) Additional information:

- (i) The information above has been determined to the extent such parties have been identified by the Company and relied upon by the auditors.
- (ii) Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.
- (iii) There are no commitments in respect of related party transactions.
- (iv) There are no provisions for doubtful debts related to the amount of outstanding balances.
- (v) No expense recognised during the year in respect of bad or doubtful debts due from related parties.

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29 Fair value disclosures

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are classified into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Fair value of instruments measured at amortised cost

Cash and cash equivalents, other bank balances, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

• The fair values of the long term borrowings are determined by using discounted cash flow method using the appropriate discount rate. The discount rate is determined using other similar instruments incorporating the risk associated.

30 Financial risk management

i) Financial instruments by category

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Financial assets			
Measured at Amortised cost			
Trade receivables	234.96	168.23	210.83
Cash and cash equivalents	49.11	49.48	1.05
Other financial assets	26.64	7.72	3.76
Total	310.71	225.43	215.64

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Financial liabilities			
Borrowings (including interest accrued on borrowings)	305.00	355.00	380.60
Measured at Amortised cost			
Trade payable	248.06	176.38	197.27
Other financial liabilities	4.84	6.32	4.00
Total	557.90	537.70	581.87

ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets:

- cash and cash equivalents,
- trade receivables,
- loans and receivables measured at amortised cost, and
- deposits with banks

a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- A: Low
- B: Medium
- C: High

Assets under credit risk –

Credit rating	Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2024
A: Low	Cash and cash equivalents	49.11	49.48	1.05
	Other financial assets	26.64	7.72	3.76
	Trade receivables (gross of expected credit loss)	239.38	169.30	213.23
B: High	Trade receivables	4.42	1.07	2.40

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.



Trade receivables

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become six months past due.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

The Company provides for expected credit losses based on the following:

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by analysing historical trend of default based on the criteria defined above. And such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables.

As at 31 March 2025

Particulars	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	> 3 years
Gross amount of trade receivables where no default (as defined above) has occurred	198.19	31.36	8.83	0.95	0.05	-
Rate of expected credit loss (%)	-	-	39.64%	91.58%	100.00%	-
Expected credit loss/ loss allowance provision	-	-	3.50	0.87	0.05	-

As at 31 March 2024

Particulars	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	> 3 years
Gross amount of trade receivables where no default (as defined above) has occurred	158.39	9.74	1.13	0.04	-	-
Rate of expected credit loss (%)	-	-	31.15%	100.00%	-	-
Expected credit loss/ loss allowance provision	-	-	1.03	0.04	-	-

As at 1 April 2023

Particulars	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	> 3 years
Gross amount of trade receivables where no default (as defined above) has occurred	177.87	24.55	5.28	5.53	-	-
Rate of expected credit loss (%)	-	-	8.52%	35.26%	-	-
Expected credit loss/ loss allowance provision	-	-	0.45	1.95	-	-

Reconciliation of loss provision – lifetime expected credit losses

Reconciliation of loss allowance	Amount
Loss allowance as on 1 April 2023	2.40
Movement in expected credit loss allowance	(1.33)
Loss allowance as on 31 March 2024	1.07
Movement in expected credit loss allowance	3.35
Loss allowance as on 31 March 2025	4.42

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

The tables below analyses the Company's financial liabilities into relevant maturity classification based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. For balances due within 12 months amounts equal their carrying values as the impact of discounting is not significant.

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
31 March 2025				
Borrowings	305.00	-	-	305.00
Trade payable	248.06	-	-	248.06
Other financial liabilities	4.84	-	-	4.84
Total	557.90	-	-	557.90



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Particulars	Less than 1 year	1-5 year	More than 5 years	Total
31 March 2024				
Borrowings	355.00	-	-	355.00
Trade payable	176.38	-	-	176.38
Other financial liabilities	6.32	-	-	6.32
Total	537.70	-	-	537.70

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
1 April 2023				
Borrowings	380.60	-	-	380.60
Trade payable	197.27	-	-	197.27
Other financial liabilities	4.00	-	-	4.00
Total	581.87	-	-	581.87

C) Market Risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, Euro and Chinese Yuan. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of any of the Company. Considering the low volume of foreign currency transactions, the Company's exposure to foreign currency risk is limited and the Company hence does not use any derivative instruments to manage its exposure. Also, the Company does not use forward contracts and swaps for speculative purposes.

(i) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows

Particulars	Foreign currency	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Financial liabilities				
Trade Payables	USD Equivalent in ₹ Millions	0.45 37.92	0.28 23.03	0.57 46.90
	EUR Equivalent in ₹ Millions	0.01 28.41	0.09 7.93	0.01 1.07
	CNY Equivalent in ₹ Millions	0.10 1.23	0.29 3.43	- -
Total		67.56	34.29	47.97
Financial assets				
Trade Receivables	USD Equivalent in ₹ Millions	0.19 16.53	0.08 6.55	0.16 12.51
	EUR Equivalent in ₹ Millions	0.03 2.34	0.01 0.73	0.01 0.75
Total		18.87	7.28	13.26
Net exposure to foreign currency risk		(48.69)	(27.01)	(34.71)



Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
USD sensitivity			
INR/USD- increase by 500 bp	(1.07)	(0.82)	(1.72)
INR/USD- decrease by 500 bp	1.07	0.82	1.72
EUR sensitivity			
INR/EUR- increase by 500 bp	(1.30)	(0.35)	(0.02)
INR/EUR- decrease by 500 bp	1.30	0.35	0.02
CNY sensitivity			
INR/CNY- increase by 500 bp	0.06	0.17	-
INR/CNY- decrease by 500 bp	(0.06)	(0.17)	-

* Holding all other variables constant

b) Interest rate risk

i) Liabilities

The Company does not have any long term borrowings. Hence, it is not exposed to any interest rate risks.

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

iii) Short term borrowings

The Company's short term loans are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

c) Price risk

The Company does not have any significant investments in equity instruments, derivative and commodity which may create an exposure to price risk.

31 Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Total debt (including accrued interest)	305.00	355.00	380.80
Less: Cash and cash equivalents	49.11	49.48	1.05
Net debt	255.89	305.52	379.55
Total equity	181.58	89.25	87.78
Debt to equity ratio:	1.68	3.96	4.34
Net debt to equity ratio	1.41	3.42	4.32



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32 Commitments and Contingent liabilities

a) Contractual commitment

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Property, plant and equipment (net of advances paid)	26.51	19.09	2.51
Total	26.51	19.09	2.51

b) Contingent liabilities

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Claims/notices against the company not acknowledged as debt			
Goods & Service tax (Refer note-1)	1.34	1.39	-
Custom Duty (Refer note-2)	6.19	5.01	-
	7.53	6.40	-

Note-1 :- The Company has received a show cause notice from the Goods and Services Tax (GST) Department. However, the management is of the opinion that the appeals are likely to be decided in favor of the Company. Consequently, no provision has been considered necessary for the aforementioned matter.

Note-2 :- The Company has involved experts for the cases above and on the basis of advice received from them the Company believes that no liability with respect to these cases will devolve on Company.

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33 Segment information

As the Company's business activities fall within a single operating segment viz. auto components for automobile industry, the disclosure requirement of Indian Accounting Standard (Ind AS-106), Operating Segments is not applicable.

No single customer represents 10% or more to the revenue of the Company for financial year ended 31 March 2025 and 31 March 2024.

Geographical information in respect of revenue from customer is given below:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
India	1,033.87	979.38
Other countries	33.27	23.15
Total	1,067.14	1,002.53

Carrying amount of segment debtors by geographical market (net of provision)

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
India	216.09	161.10	199.77
Other countries	18.87	7.13	11.06
Total	234.96	168.23	210.83

The Company has common assets for producing goods for India and outside countries. Hence, separate figures for assets/additions to property, plant and equipment cannot be furnished.

34 Employee benefit obligations

Amount recognised in the statement of profit and loss:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Contribution to provident & other funds	5.65	5.78
Total	5.65	5.78

A. Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services, gets a gratuity on departure at 15 days basic salary (last drawn) for each completed year of service on terms not less favorable than the provisions of the payment of Gratuity Act, 1972. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the plan.

Disclosure of gratuity

(i) Amount recognised in the statement of profit and loss is as under:

Description	Year ended 31 March 2025	Year ended 31 March 2024
Current service cost	1.45	1.35
Past service cost	-	-
Interest expense on defined benefit obligation	1.11	0.96
Interest income on plan assets	(1.07)	(0.91)
Expected Return on plan assets	-	-
Amount recognised in the statement of profit and loss	1.49	1.40



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(ii) Remeasurement (gains) / loss recognised in other comprehensive income:

Description	Year ended 31 March 2025	Year ended 31 March 2024
Actuarial (gain) on obligations arising from changes in demographic adjustments	(0.31)	-
Actuarial (gain) on obligations arising from changes in experience adjustments	0.13	0.52
Actuarial (gain) on obligations arising from changes in financial assumptions	1.37	0.81
Remeasurements of the post employment defined benefit plans (gain)	1.19	1.33
Return on plan assets (greater)/ less than discount rate	(0.16)	0.04
Remeasurements of the post employment defined benefit plans (gain) recognised in OCI	1.03	1.37

(iii) Movement in the liability recognised in the balance sheet is as under:

Description	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Present value of defined benefit obligation as at the beginning of the year	15.58	13.06	12.26
Current service cost	1.45	1.35	1.07
Past service cost	-	-	-
Interest cost	1.11	0.96	0.85
Remeasurements of the post employment defined benefit plans (gain)	1.19	1.33	1.81
Benefits paid directly by the company	-	-	-
Benefits paid from the fund	(1.41)	(1.12)	(2.93)
Present value of defined benefit obligation as at the end of the year	17.92	15.58	13.06

(iv) Movement in the plan assets recognised is as under:

Description	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Fair Value of plan assets at beginning of year	15.04	12.38	10.34
Interest income on plan assets	1.23	0.88	0.60
Contributions by employer	3.84	2.90	4.37
Benefits paid	(1.41)	(1.12)	(2.93)
Remeasurements of the post employment defined benefit plans loss/(gain)	-	-	-
Fair Value of plan Assets at the end of the year	18.70	15.04	12.38

(v) Plan (assets)/ liability

Description	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Defined benefit obligation	17.92	15.58	13.06
Fair valuation of plan assets	(18.70)	(15.04)	(12.38)
	(0.78)	0.54	0.68
Non-current portion	(0.78)	0.54	0.68
Current portion	-	-	-

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows

Description	As at 31 March 2025	As at 31 March 2025	As at 1 April 2023
Insurance company products	100.00%	100.00%	100.00%



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(vi) Actuarial assumptions

Description	Year ended 31 March 2025	Year ended 31 March 2024
Discount rate	6.54% per annum	7.13% per annum
Normal retirement age	WL-1 to WL- 6: 55 Years, WL- 7 & above : 58 Years One year is added to the current age and considered as retirement age, if current age is more than retirement age.	WL-1 to WL- 6: 55 Years, WL- 7 & above : 58 Years One year is added to the current age and considered as retirement age, if current age is more than retirement age.
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Disability rate	NA	NA
Employee turnover#	15% per annum	13.30% per annum
Expected rate of return on Plan Assets	7.13% per annum	7.35% per annum
Salary increase rate^#	10% per annum	8.93% per annum

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

Rate of employee turnover and salary increase depends upon various factors namely nature of employee, location etc.

(vii) A quantitative sensitivity analysis for significant assumptions:

Description	Year ended 31 March 2025	Year ended 31 March 2024
Impact of the change in discount rate		
Present value of obligation at the end of the year	17.92	15.58
- Impact due to increase of 0.50 %	(0.40)	(0.38)
- Impact due to decrease of 0.50 %	0.42	0.40
Impact of the change in salary increase		
Present value of obligation at the end of the year	17.92	15.58
- Impact due to increase of 0.50 %	0.40	0.39
- Impact due to decrease of 0.50 %	(0.37)	(0.37)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The weighted average duration of the defined benefit obligation is 6 years (previous year 12 years)



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The following pay-outs are expected in future years:

Description	As at 31 March 2025
Year ended 31 March 2026	2.26
Year ended 31 March 2027	2.15
Year ended 31 March 2028	2.05
Year ended 31 March 2029	4.44
Year ended 31 March 2030 and above (Next 5 years)	14.79

Description	As at 31 March 2024
Year ended 31 March 2025	1.84
Year ended 31 March 2026	1.78
Year ended 31 March 2027	1.71
Year ended 31 March 2028	1.64
Year ended 31 March 2029 and above (Next 5 years)	17.14

Description	As at 1 April 2023
Year ended 31 March 2024	1.67
Year ended 31 March 2025	1.58
Year ended 31 March 2026	1.49
Year ended 31 March 2027	1.41
Year ended 31 March 2028 and above (Next 5 years)	13.85

B. Other long term employee benefits

The compensated absences cover the Company liability for sick, casual and earned leave. The liability towards compensated absence for the year ended 31 March 2025 based on the actuarial valuation carried out by using projected unit credit method stood at ₹ 6.15 million (31 March 2024 : ₹ 2.87 million)

The principal assumptions used in determining compensated absences are shown below:

Description	Year ended 31 March 2025	Year ended 31 March 2024
Discount rate	6.54% per annum	7.13% per annum
While in service Availability Rate	5.46%	5.46%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Disability rate	NA	NA
Normal retirement age	WL-1 to WL- 6: 55 Years, WL- 7 & above : 58 Years One year is added to the current age and considered as retirement age, if current age is more than retirement age.	WL-1 to WL- 6: 55 Years, WL- 7 & above : 58 Years One year is added to the current age and considered as retirement age, if current age is more than retirement age.
Employee turnover#	13.30% per annum	13.30% per annum
Salary increase rate*#	8.93% per annum	8.93% per annum



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The following pay-outs are expected in future years:

Description	Year ended 31 March 2025
Year ended 31 March 2026	1.06
Year ended 31 March 2027	1.00
Year ended 31 March 2028	1.18
Year ended 31 March 2029	0.77
Year ended 31 March 2030 and above (Next 5 years)	4.42

Description	Year ended 31 March 2024
Year ended 31 March 2025	0.53
Year ended 31 March 2026	0.47
Year ended 31 March 2027	0.42
Year ended 31 March 2028	0.45
Year ended 31 March 2029 and above (Next 5 years)	2.28

Description	Year ended 1 April 2023
Year ended 31 March 2024	0.56
Year ended 31 March 2025	0.49
Year ended 31 March 2026	0.42
Year ended 31 March 2027	0.36
Year ended 31 March 2028 and above (Next 5 years)	1.79

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

Rate of employee turnover and salary increase depends upon various factors namely nature of employee, location etc.

35 Per transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961, the Company is required to use certain specific methods in computing arm's length prices of international transactions with associated enterprises and maintain adequate documentation in this respect. Since law requires existence of such information and documentation to be contemporaneous in nature, the Company has appointed independent consultants for conducting a Transfer Pricing Study (the 'Study') to determine whether the transactions with associate enterprises undertaken during the financial year are on an "arms length basis". Management is of the opinion that the Company's international transactions are at arm's length and that the results of the on-going study will not have any impact on the financial statements and the independent consultants appointed have also preliminarily confirmed that they do not expect any transfer pricing adjustments.



36 First Time Adoption of Ind AS

A. First Time Adoption of Ind AS

The Company has prepared financial statements for the year ended March 31, 2025, in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended, for the first time. For the periods up to and including the year ended March 31, 2024, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended March 31, 2025 for the company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101.

In preparing these financial statements, the Company's opening Balance Sheet was prepared as at April 1, 2023 i.e. the transition date to Ind AS for the Company. This note explains the principal adjustment made by the Company in restating its previous GAAP financial statements, including the Balance Sheet as at April 1, 2023, and the financial statements as at and for the year ended March 31, 2024 and March 31, 2025.

B. Optional exemption availed

(a) Deemed Cost

As per Ind AS 101 an entity may elect to:

- (i) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date
- (ii) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:

- Fair value; or
- Cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

The elections under (i) and (ii) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost); and criteria in Ind AS 38 for revaluation (including the existence of an active market).

- (iii) use carrying values of property, plant and equipment, intangible assets and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets also.

C. Mandatory Exceptions

The Company has adopted all relevant mandatory exceptions as set out in Ind AS 101, which are as below:

(a) Estimates

As per Ind AS 101, an entity estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error.

However, the estimates should be adjusted to reflect any differences in accounting policies. As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

1. Fair valuation of financial instruments carried at FVTPL and/or FVOCI.
2. Fair valuation of biological measured at fair value cost to sell.
3. Impairment of financial assets based on the expected credit loss model.
4. Determination of the discounted value for financial instruments carried at amortised cost.
5. Discounted value of liability for decommissioning costs.

The estimates as at April 1, 2023 and March 31, 2024 and March 31, 2025 are consistent with those made for the same dates in accordance with Indian GAAP. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2023, the date of transition to Ind AS and as of March 31, 2024 and March 31, 2025.

(b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(c) Derecognition of financial assets and financial liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised a result of past transactions was obtained at the time of initially accounting for those transactions.

As set out in Ind AS 101, the Company has applied the derecognition requirements of Ind AS 109 prospectively for transactions appearing on or after the date of transition to Ind AS.

(d) Impairment of financial assets

The Company has applied exception related to impairment of financial assets given in Ind AS 101. It has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial assets were initially recognised and compared that to the credit risk at April 1, 2023.



36.1 Reconciliation of total equity as at March 31, 2025, March 31 2024 And at April 1 2023

Sr No	Particulars	Note	As at March 31, 2025	As at March 31, 2024	As at 1 April 2023
I	Total equity (shareholder's funds) under previous GAAP Total equity (shareholder's funds) under previous GAAP		181.58	89.25	87.78
II	Ind AS Adjustments		-	-	-
III	Total equity under Ind AS (I+II)		181.58	89.25	87.78

36.2 Reconciliation of Total Comprehensive Income for the year ended March 31, 2025 and March 31, 2024

Sr No	Particulars	Note	For the Year ended March 31, 2025	For the Year ended March 31, 2024
I	Profit after tax as per previous GAAP		92.33	1.47
II	Ind AS Adjustments:			
	Gratuity impact as per valuation	a	1.03	1.37
	Deferred tax impact	b	(0.18)	-
	Total adjustment to profit or loss		0.85	1.37
III	Profit after tax under Ind AS (I+II)		93.18	2.84
IV	Other comprehensive income/(loss)			
	Remeasurement of defined benefit plans	a	(1.63)	(1.37)
	Deferred tax impact	b	0.18	-
	Total adjustment to other comprehensive income/(loss)		(0.85)	(1.37)
	Total comprehensive income under Ind AS (III+IV)		92.33	1.47

36.3 Impact of Ind AS adoption on the Statement of Cash flows for the year ended March 31, 2025 and March 31, 2024

For the year ended 31 March, 2025

Particulars	Note	Amount as per Previous GAAP	Effect of Transition to Ind AS	Amount as per Ind AS
Net cash generated from operating activities	36.4	139.03	-	139.03
Net cash used in investing activities	36.4	(60.62)	-	(60.62)
Net cash generated from financing activities	36.4	(78.58)	-	(78.58)
Net increase/ (decrease) in cash and cash equivalents		(0.37)	-	(0.37)
Cash and cash equivalents at the start of year		49.48	-	49.48
Cash and cash equivalents at the end of year		49.11	-	49.11

For the year ended 31 March, 2024

Particulars	Note	Amount as per Previous GAAP	Effect of Transition to Ind AS	Amount as per Ind AS
Net cash generated from operating activities	36.4	152.22	-	152.22
Net cash used in investing activities	36.4	(42.77)	-	(42.77)
Net cash generated from financing activities	36.4	(61.02)	-	(61.02)
Net increase/ (decrease) in cash and cash equivalents		48.43	-	48.43
Cash and cash equivalents at the start of year		1.05	-	1.05
Cash and cash equivalents at the end of year		49.48	-	49.48

36.4 Notes to First-time adoption

a Actuarial gains and losses

The impact is on account of measurement of employee benefits obligations as per Ind AS 19. Under previous GAAP, actuarial gains and losses were recognised in profit and loss. Under Ind AS, the actuarial gains and losses forming part of remeasurement of the net defined benefit liability / asset, are recognised in the Other Comprehensive Income (OCI) under Ind AS instead of profit or loss.

b Deferred Tax

The previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using balance sheet approach which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Various transitional adjustments has resulted in recognition of temporary differences.



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37 Ratio Analysis and its elements

Ratio	Numerator	Denominator	Year ended 31 March 2025	Year ended 31 March 2024	% change	Reason for variance
Current ratio Debt: Equity Ratio	Current Assets Total Debt	Current Liabilities Shareholder's Equity	0.75 1.58	0.65 3.98	17% -58%	Refer note 1 below Change in ratio is mainly on account of inter Company loan been repaid amounting to 50 Millions
Debt Service Coverage ratio	Earnings for debt service = Net profit before taxes + Non-cash operating expenses : (EBITDA)	Debt service = Interest & Lease Payments + Principal Repayments	5.75	2.11	172%	Improvement in ratio is primarily due to higher profits available for debt service and a reduction in debt repayments.
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	68.81%	3.21%	2045%	Change in ratio is mainly on account of increase in profits during the year as compared to previous years.
Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	4.75	4.45	7%	Refer note 1 below
Trade Receivable Turnover Ratio	Revenue from operations	Average Trade Receivable	5.29	5.29	0%	Refer note 1 below
Trade Payable Turnover Ratio Net Capital Turnover Ratio	Purchases Revenue from operations	Average Trade Payables Working capital = Current assets - Current liabilities	2.98 (7.77)	3.28 (5.28)	-9% 47%	Refer note 1 below Significant increase in account receivable and revenue from operations has increased against working capital during the year.
Net Profit ratio	Net profit after taxes	Revenue from operations	8.73%	0.28%	2882%	Ratio has improved substantially due to higher profits in the current period compared to previous period.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.26	0.09	183%	Improvement in ratio is primarily due to increased earnings and reduction in debt repayments.

Note: 1. Schedule III require explanation where the change in the ratio is more than 25% as compared to the preceding year.



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38 As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up on daily basis of such books of account and other relevant books and papers maintained in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create back-up of accounts or servers physically located in India on a daily basis. The books of accounts along with other relevant records and papers of the Company are maintained in electronic mode. These books of accounts are readily accessible in India at all times however, the back-up of such books of account is not maintained in India.

39 Additional Disclosures

- a) The Company has a net profit of ₹ 93.18 millions for year ended 31 March 2025 (31 March 2024 profit of ₹ 2.84 Millions) and the accumulated profits is ₹ 19.86 millions for year ended 31 March 2025 (and accumulated losses of ₹ 72.47 Millions as at 31 March 2024). However, the Company will be able to operate uninterrupted with the continued technical & financial support from the group companies with infusion of funds and also meet its financial obligations for the next twelve months Also, based on the strategy adopted and future business plans and continued support from the group companies, in the opinion of the management, as there is no material uncertainty relating to going concern, the financial statements have been prepared on a going concern basis.
- b) The Company has not 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, 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.
- c) The Company has not received any fund 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, 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.
- d) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- e) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- f) 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.
- g) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- h) The Company has not revalued its property, plant and equipment or Intangible assets or both during the year.
- i) The Company has no transactions/balances with companies struck off under section 248 of the Companies Act, 2013.
- j) The Company does not have any charges or satisfaction which is yet to be registered with Registrars of Companies (ROC) beyond the statutory period.
- k) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- l) The Company has not granted loans or advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) which are repayable on demand or without specifying any terms or period of repayments.
- m) The Company has not taken Loans or Advances in the nature of loan from any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) which are repayable on demand or without specifying any terms or period of repayments.

40 Additional disclosure in terms of Department of Scientific and Industrial Research (DSIR) requirements in respect of capital expenditure and revenue expenditure incurred at Chakan, unit recognised by the DSIR.

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Revenue expenditure:		
Cost of raw materials	625.75	658.37
Employee benefit expenses	101.14	105.50
Total revenue expenditure	726.89	764.87

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

42 In the Company accounting software used for maintaining its books of account for the year ended 31 March 2025 which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year, except that, the audit trail feature was not enabled at the database level for the accounting software to log any direct data changes. Here management has not come across any instance of the audit trail feature being tampered with in respect of the accounting software for the period for which the audit trail feature was operating and the audit trail was preserved as per the statutory requirement for record retention.

43 Rounding off

Amounts mentioned as '0' in the financial statements denote amounts rounded off being less than ₹ one lakh.

The accompanying material accounting policies and other explanatory notes (1-43) form an integral part of the Financial Statements.

For and on behalf of Board of Directors
 Federal-Mogul Sealings India Limited (formerly known as "Federal-Mogul Anand Sealings India Limited")

Manish Chadha
 Manish Chadha
 Director
 DIN: 07195552

Place: Gurugram
 Date: 18 June 2025

Kapil Arora
 Director
 DIN: 06837647

Kapil Arora
 Place: Gurugram
 Date: 18 June 2025

