

## INDEPENDENT AUDITOR'S REPORT

To The Members of Federal-Mogul Ignition Products India Limited

### Report on the Audit of the Financial Statement

#### Opinion

We have audited the accompanying financial statements of **Federal Mogul Ignition Products 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.

#### Emphasis of Matter

We draw attention to Note 41 to the financial statements, which describes the status of convening the Company's Annual General Meeting (AGM) within the prescribed timelines as specified under the Companies Act, 2013. On 17 June 2025, the Company filed the compounding application under section 441 of the Companies Act, 2013 before the Registrar of Companies. The potential impact (including penalties or other regulatory consequences, if any) arising from said non-compliance and consequential non-compliances is currently not fully ascertainable, as the compounding proceedings are yet to be concluded by the authorities. Based on management's assessment, the Company has recognised a provision towards potential penal charges on an estimated basis in the financial statement for the year ended 31 March 2025.

Our opinion is not modified in respect of this matter.

#### 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 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and 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.
- 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, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company 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 37 to the financial statements) and not complying with the requirement of audit trail as stated in note 38(xv) to the financial statements.
  - 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 relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 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 observations 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.

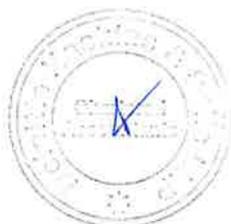


- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

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 31(b) 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- Refer note 38 (xii) to the financial statements.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company - Refer note 38 (xvi) to the financial statements.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 38(xiii) 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 38(xiv) 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.  
  
(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 interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable except opening a separate account with scheduled bank within five days from declaration of dividend. The Company has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31 March, 2025 which has the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that: (a) audit trail feature is not enabled for certain changes made using privileged/administrative access rights, and (b) the feature of recording audit trail (edit log) facility 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.



**Deloitte  
Haskins & Sells LLP**

Additionally, the audit trail that was enabled and operated for the year ended 31 March 2024, has been preserved by the Company as per the statutory requirements for record retention, as stated in Note 38(xv) to the financial statements.

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)



*Jyoti*

**Jyoti Vaish**  
Partner

(Membership No. 096521)

UDIN: 25096521BMOJKI9958

Place: Gurugram  
Date: June 19, 2025

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report on the financial statements for the year ended 31 March 2025 to the Members of Federal-Mogul Ignition Products India Limited 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 Ignition Products India Limited** (the "Company") as at 31 March 2025 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

**Managements and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's management and the 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.

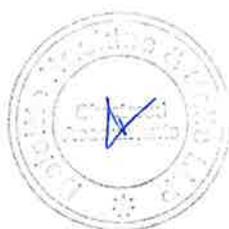
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding 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.

**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 authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to 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.

Place: Gurugram  
Date: June 19, 2025

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



*Jyoti*

**Jyoti Vaish**  
Partner

(Membership No. 096521)

UDIN. 25096521BMOJKI9958

**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 on the financial statements for the year ended 31 March 2025 to the Members of **Federal-Mogul Ignition Products India Limited** 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, capital work-in-progress and relevant details of right-of-use assets.  
(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, capital-work in progress and right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, such assets has been physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold land and buildings. In respect of immovable properties where the Company is the lessee and leases are disclosed as leasehold land in the financial statements, the lease agreements are duly executed in favour of the Company.
- (d) The Company has not revalued any of its property, plant and equipment (including Right-of-Use assets) 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 and stocks held with third parties), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations 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 and discrepancies of 10% or more in the aggregate for each class of inventories noticed on such physical verification of inventories when compared with books of account, have been properly dealt with in the books of account. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year-end or confirmations have been obtained from the parties.
- (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 institutions and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) (a) The Company has not made any investments in, provided any guarantee or security, and granted any loans other than extending the period of repayment term of a loan granted in earlier periods or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.
- (b) The terms and conditions of the extension of the above-mentioned loan, during the year, in our opinion, is not prejudicial to the Company's interest.



- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations except for the following:

Name of the entity	Nature	Month	Amount (Rs. in million)	Due date	Extent of delay (in Days)
Federal-Mogul Sealing India Limited	Repayment of Interest	May	1.34	15 June 2024	25
Federal-Mogul Sealing India Limited	Repayment of Interest	June	1.30	15 July 2024	03
Federal-Mogul Sealing India Limited	Repayment of Interest	August	1.34	15 September 2024	93
Federal-Mogul Sealing India Limited	Repayment of Interest	September	1.30	15 October 2024	63
Federal-Mogul Sealing India Limited	Repayment of Interest	October	1.34	15 November 2024	32
Federal-Mogul Sealing India Limited	Repayment of Interest	November	1.30	15 December 2024	2
Federal-Mogul Sealing India Limited	Repayment of Interest	December	1.30	15 January 2025	22

- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loan granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) According to the information and explanations given to us and based on the audit procedures performed, in respect of loan granted by the Company that have fallen due during the year, the Company has renewed/extended the repayment term of the following loan as given below:

Name of the party	Aggregate amount of loan that has fallen due during the year (Rs. in million)	Date they fell due	Percentage of the aggregate to the total loans granted during the Year
Federal-Mogul Sealing India Limited	200.00	12 February 2025	100%

There are no fresh loans granted by the Company during the year.

- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (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 been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of other machinery and mechanical appliances. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



(vii) In respect of statutory dues:

- (a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs, 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 Services 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.

Sales tax, Service tax, Duty of Excise and Value Added Tax are not applicable to the Company.

- (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 Dues	Amount (Rs In million) *	Amount paid under protest (Rs. In million)	Period to which the Amount Relates (Financial year)	Forum where dispute is Pending
The Income Tax Act, 1961	Income Tax	6.24	-	2004-05	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	5.53	-	2008-09	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	8.83	-	2011-12	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	10.3	3.20	2012-13	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	3.52	0.30	2013-14	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	6.93	2.34	2015-16	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	2.89	0.74	2016-17	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	5.12	-	2017-18	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	17.26	-	2019-20	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	22.52	-	2020-21	Income Tax Appellate Tribunal

\*Includes amount paid under protest. Also refer note 9 to the financial statements.

- (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.
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (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) The Company has not raised any funds on short-term basis during the year and hence, reporting under clause 3(ix)(d) of the Order is not applicable.



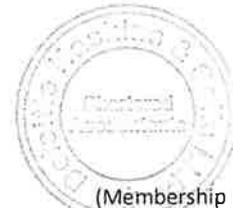
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not issued 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.  
  
(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 upto the date of this report.  
  
(c) We have taken into consideration the whistle blower complaints received by the Company during the year and upto the date of this report and provided to us, when performing our audit.
- (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) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
  
(b) We have considered the internal audit reports issued to the Company during the year and the final of the internal audit reports issued after the balance sheet date, for the period under audit.
- (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) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) 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.



## **Deloitte Haskins & Sells LLP**

- (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.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. 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)



*Jyoti*

**Jyoti Vaish**  
Partner

(Membership No. 096521)

UDIN: 25096521BMOJKI9958

Place: Gurugram  
Date: June 19, 2025

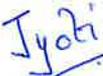
Federal-Mogul Ignition Products India Limited  
CIN: U51109DL1998PLC195010  
Balance Sheet as at 31 March 2025  
(All amounts in Rs Millions, unless otherwise stated)

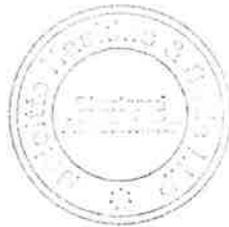
Particulars	Notes	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3(a)	290.64	305.13	344.48
Capital work-in-progress	3(b)	39.68	44.85	11.22
Right-of-use assets	4	9.49	9.99	10.49
Other intangible assets	5	-	0.77	1.66
Financial assets				
i. Other financial assets	6(a)	13.28	15.62	13.44
Deferred tax assets (net)	7	23.18	6.03	-
Income tax assets (net)	8	27.73	27.73	28.11
Other non-current assets	9	14.19	7.00	6.59
<b>Total non-current assets</b>		<b>418.19</b>	<b>417.12</b>	<b>415.99</b>
<b>Current assets</b>				
Inventories	10	428.65	388.97	418.11
Financial assets				
i. Trade receivables	6(b)	417.78	368.59	348.64
ii. Cash and cash equivalents	6(c)	160.74	268.27	86.06
iii. Loans	6(d)	-	200.00	160.00
iv. Other financial assets	6(a)	24.02	44.29	28.12
Other current assets	11	22.38	8.18	14.41
<b>Total current assets</b>		<b>1,053.57</b>	<b>1,278.30</b>	<b>1,055.34</b>
<b>Total assets</b>		<b>1,471.76</b>	<b>1,695.42</b>	<b>1,471.33</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
i. Equity share capital	12(a)	427.89	427.89	427.89
ii. Other Equity	12(b)	406.73	746.59	607.42
<b>Total equity</b>		<b>834.62</b>	<b>1,174.48</b>	<b>1,035.31</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
i. Lease Liabilities	13(a)	0.04	0.36	0.74
Provisions	15	56.90	46.03	32.22
Deferred tax liabilities (net)	7	-	-	0.95
		<b>56.94</b>	<b>46.39</b>	<b>33.91</b>
<b>Current liabilities</b>				
Financial liabilities				
i. Lease liabilities	13(a)	0.32	0.38	0.34
ii. Trade payables	13(b)			
(a) total outstanding dues of micro enterprises and small enterprises		46.91	43.31	43.79
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		491.11	363.88	319.71
iii. Other financial liabilities	13(c)	3.97	15.88	9.38
Other current liabilities	14	27.98	27.17	20.97
Provisions	15	4.38	9.30	7.92
Current tax liabilities (net)	16	5.53	14.63	-
<b>Total current liabilities</b>		<b>580.20</b>	<b>474.55</b>	<b>402.11</b>
<b>Total equity and liabilities</b>		<b>1,471.76</b>	<b>1,695.42</b>	<b>1,471.33</b>

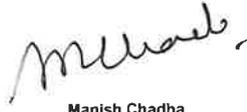
See accompanying notes forming part of the financial statements.

As per our report of even date attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm Registration No. 117366WW-100018)

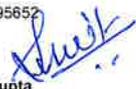
For and on behalf of the Board of Directors of  
Federal-Mogul Ignition Products India Limited

  
**Jyoti Vaish**  
Partner  
Membership No : 096521



  
**Manish Chadha**  
Director  
DIN: 07195852

  
**Upkar Singh Randhawa**  
Whole Time Director  
DIN: 10834630

  
**Sumit Gupta**  
Chief Financial Officer

Place: Gurugram  
Date: 19 June 2025

Place: Gurugram  
Date: 19 June 2025





Federal-Mogul Ignition Products India Limited  
CIN: U51109DL1998PLC195010  
Statement of Profit and Loss for the year ended 31 March 2025  
(All amounts in Rs Millions, unless otherwise stated)

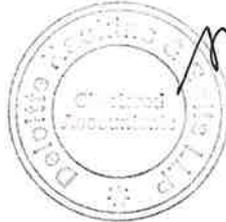
Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024
<b>Income</b>			
Revenue from operations	17	2,638.62	2,363.85
Other income	18	29.88	44.36
<b>Total income</b>		<b>2,668.50</b>	<b>2,408.21</b>
<b>Expenses</b>			
Cost of materials consumed	19	1,514.78	1,466.23
Change in inventories of finished goods and work-in-progress	20	(13.38)	(32.07)
Employee benefits expense	21	168.26	154.73
Finance costs	22	2.67	2.02
Depreciation and amortisation expense	23	62.47	56.50
Other expenses	24	665.52	558.03
<b>Total expenses</b>		<b>2,400.32</b>	<b>2,205.44</b>
<b>Profit before tax</b>		<b>268.18</b>	<b>202.77</b>
<b>Income tax expense</b>			
Current tax	25	86.11	69.69
Deferred tax	7	(16.40)	(6.85)
Adjustments relating to earlier years		(2.45)	0.38
<b>Total tax expense</b>		<b>67.26</b>	<b>63.22</b>
<b>Profit for the year</b>		<b>200.92</b>	<b>139.55</b>
<b>Other comprehensive (loss) / income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Remeasurement of post-employment benefit obligations		(2.96)	(0.51)
- Income tax Impact		0.75	0.13
<b>Other comprehensive loss for the year</b>		<b>(2.21)</b>	<b>(0.38)</b>
<b>Total comprehensive income for the year</b>		<b>198.71</b>	<b>139.17</b>
<b>Earnings per equity share (of Rs 10 each)</b>			
Basic (Rs)	26	4.70	3.26
Diluted (Rs)		4.70	3.26

See accompanying notes forming part of the financial statements.

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

For and on behalf of the Board of Directors of  
Federal-Mogul Ignition Products India Limited

  
**Jyoti Vaish**  
Partner  
Membership No.: 096521



  
**Manish Chadha**  
Director  
DIN: 07195652

  
**Upkar Singh Randhawa**  
Whole Time Director  
DIN: 10834630

  
**Sumit Gupta**  
Chief Financial Officer

Place: Gurugram  
Date: 19 June 2025

Place: Gurugram  
Date: 19 June 2025





Federal-Mogul Ignition Products India Limited  
CIN: U51109DL1998PLC195010  
Statement of cash flows for the year ended 31 March 2025  
(All amounts in Rs Millions, unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>Cash flow from operating activities</b>		
Profit before tax	268.18	202.77
<b>Adjustments for:</b>		
Depreciation and amortisation expense	62.47	56.50
Loss/(Profit) on of property, plant and equipment	(1.82)	1.55
Interest income	(23.90)	(24.04)
Capital creditor no longer payable, written back	-	(4.89)
Provision no longer payable, written back	-	(1.34)
Excess provision on expected credit loss written back	-	(3.47)
Finance costs	2.67	2.02
Warranty claim expense	3.18	0.45
Bad debts written off	0.41	0.04
Unrealised forex (gain)/loss (net)	4.81	1.89
Provision for expected credit loss	0.92	-
<b>Operating profit before working capital changes</b>	<b>316.92</b>	<b>231.48</b>
<b>Change in operating assets and liabilities</b>		
(Increase) in trade receivables	(55.70)	(17.06)
(Increase)/decrease in inventories	(39.68)	29.14
Decrease in financial and other assets:	2.48	(14.71)
Increase in trade payables	127.41	47.97
Increase in financial and other current liability	0.92	7.29
Increase in provisions	7.83	1.53
<b>Cash generated from operations</b>	<b>360.19</b>	<b>285.64</b>
Direct taxes paid (net of refunds)	(99.60)	(44.26)
<b>Net cash generated from operating activities (A)</b>	<b>260.59</b>	<b>241.38</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(60.87)	(39.92)
Proceeds from sale of property, plant and equipment	1.95	-
Inter-corporate deposit given during the year	-	(40.00)
Inter-corporate deposit received back during the year	200.00	-
Interest received	27.48	21.28
Movement in deposit	2.34	(0.08)
<b>Net cash inflow/(used in) investing activities (B)</b>	<b>170.90</b>	<b>(58.72)</b>
<b>Cash flows from financing activities:</b>		
Payment of principal portion of lease liabilities (refer note 4)	(0.45)	(0.45)
Dividend paid (refer note 12(b))	(538.57)	-
<b>Net cash (used in) financing activities (C)</b>	<b>(539.02)</b>	<b>(0.45)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(107.53)</b>	<b>182.21</b>
Cash and cash equivalents at the beginning of the financial year	268.27	86.06
<b>Cash and cash equivalents at end of the year</b>	<b>160.74</b>	<b>268.27</b>

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

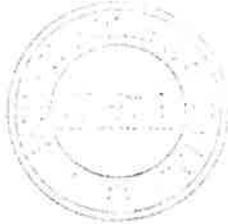
Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks:		
On current accounts (Refer Note 6 (c))	16.68	44.26
Bank deposits with original maturity of less than three months (Refer Note 6 (c))	144.06	224.01
	<b>160.74</b>	<b>268.27</b>

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.

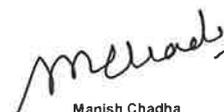
See accompanying notes forming part of the financial statements.

As per our report of even date attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm Registration No. 117366WW-100018)

  
**Jyoti Vaish**  
Partner  
Membership No.: 096521



For and on behalf of the Board of Directors of  
Federal-Mogul Ignition Products India Limited

  
**Manish Chadha**  
Director  
DIN: 07195652

  
**Upkar Singh Randhawa**  
Whole Time Director  
DIN: 10834630

  
**Sumit Gupta**  
Chief Financial Officer

Place: Gurugram  
Date: 19 June 2025

Place: Gurugram  
Date: 19 June 2025





Federal-Mogul Ignition Products India Limited  
 CIN: U51109DL1998PLC195010  
 Statement of Changes in Equity for the year ended 31 March 2025  
 (All amounts in Rs Millions, unless otherwise stated)

A) Equity share capital

Particulars	No. of shares	Amount
Balance as at 01 April 2023	4,27,89,036	427.89
Changes in equity share capital during the year	-	-
Balance as at 31 March 2024	4,27,89,036	427.89
Changes in equity share capital during the year	-	-
Balance as at 31 March 2025	4,27,89,036	427.89

B) Other equity

Particulars	Reserves and Surplus		Total Equity
	Securities Premium	Retained Earnings	
Balance as at 01 April 2023	67.91	539.51	607.42
Profit for the year	-	139.55	139.55
Other comprehensive (loss) (net of taxes)	-	(0.38)	(0.38)
Balance as at 31 March 2024	67.91	678.68	746.59
Balance as at 01 April 2024	67.91	678.68	746.59
Profit for the year	-	200.92	200.92
Dividend paid during the year	-	(538.57)	(538.57)
Other comprehensive (loss) (net of taxes)	-	(2.21)	(2.21)
Balance as at 31 March 2025	67.91	338.82	406.73

See accompanying notes forming part of the financial statements.

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

For and on behalf of the Board of Directors of  
 Federal-Mogul Ignition Products India Limited

*Jyoti*

Jyoti Vaish  
 Partner  
 Membership No.: 096521



*Manish Chadha*

Manish Chadha  
 Director  
 DIN: 07195652

*Upkar Singh Randhawa*

Upkar Singh Randhawa  
 Whole Time Director  
 DIN: 10834630

*Sumit Gupta*

Sumit Gupta  
 Chief Financial Officer

Place: Gurugram  
 Date: 19 June 2025

Place: Gurugram  
 Date: 19 June 2025



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**1 Corporate Information**

Federal-Mogul Ignition Products India Limited ('the Company') was incorporated in July 1997 and is engaged in the business of manufacture and trading of spark plugs, its accessories and caters to both the Indian market and International market. The Company also trades in auto-ignition systems and auto components. The Company has its registered office at New Delhi and manufacturing facility in Bhiwadi, Rajasthan.

**2 Basis of preparation, measurement and material accounting policies**

**2.1 Basis of preparation**

These financial statements for the year ended 31 March 2025 have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act. These financial statements comprise balance sheet, statement of Profit and Loss, statement of changes in equity, statement of cash flow, and Summary of Material Accounting Policies and other explanatory notes (collectively, the "Financial Statements").

The financial statements have been prepared on a historical cost basis, except for certain financial instruments and plan assets that are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Functional & Presentational currency: The financial statements are presented in Indian Rupee and all values are rounded to the nearest million (Rs 000,000), except when otherwise indicated.

**Measurement of fair value:**

The Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

**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.

**(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 and judgements**

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 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.

<b>Asset Class</b>	<b>Management estimated useful life (in years)</b>
Plant and machinery	5 to 15 years
Furniture and fixtures	10 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years
Buildings	30 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 Statement of Profit and Loss 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.

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

**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.

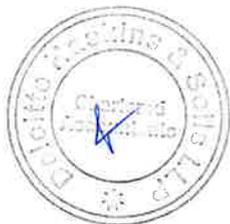
For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

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 Statement of Profit and 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.



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**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.

**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.

**i) Leases**

*The Company as a lessee*

The Company's leased asset classes primarily consist of leases for land and building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

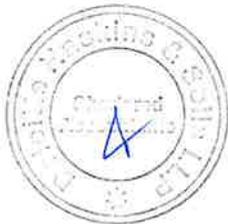
At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and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

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

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

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

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.



j) Inventories

**Inventories are valued as follows:**

Raw materials, components, stores and spares and packing material.	Lower of cost or 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 or 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 or 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 the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods is net of variable consideration on account 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.

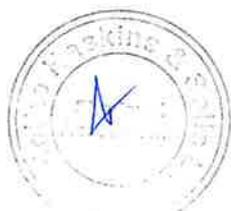
Whether the customer has obtained control over the asset depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms. For the Company, generally the criteria to recognise revenue has been met when its products are delivered to 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 30-60 days.

(ii) 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.



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**(iii) 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 14

**l) Other Income**

**(i) Interest:**

Interest income is recorded on accrual basis.

**(ii) Export Benefits/Incentives:**

Export entitlements under the Remission of Duty and Taxes on Exported Products Pass Book (RODTEP) Scheme/ Duty Drawback scheme are recognised in the Statement of Profit and Loss when the same is received by the company.

**m) 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.

**n) Foreign Currency Transactions**

*Functional and presentation currency*

The financial statements are presented in Indian Rupee ('INR or Rs') 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.

**o) Retirement and other employee benefits**

**(i) Defined Contribution Plans:**

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 Plans:**

The Group's gratuity benefit scheme is a defined benefit plan. The liability is recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gain losses and past service costs. The defined benefit/obligation are calculated at balance sheet date by an independent actuary using the projected unit credit method.

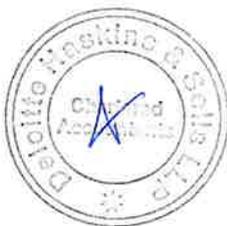
Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI).

(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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**p) Income Taxes**

Income tax expense /income comprises current tax expense /income and deferred tax expense /income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income. In which case, the tax is also recognised directly in equity or other comprehensive income, respectively.

Current tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured at the amount expected to be paid to (recovered from) the taxation authorities using the applicable tax rates and tax laws.

Current tax assets and liabilities are offset only if,

- the Company has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amount considered for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized. Such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting year.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**q) 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.

**r) 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.



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**s) 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.

**t) 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*

**Impairment of trade receivables basis Expected credit loss (ECL)** – 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*

**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.

**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 board of directors assess the financial performance and position of the Company, and makes strategic decisions and therefore the board would be the chief operating decision maker or 'CODM, within the meaning of Ind AS 108. The CODM evaluates the Company's performance and allocates resources based on the dominant source, nature of product and nature of risks and returns.

The directors of Federal-Mogul Ignition Products India Limited assess the financial performance and position of the Company and make strategic decisions. Refer Note 32 for segment information.

**w) I. Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has not notified any new standards or amendments to existing standards applicable to the Company

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**Federal-Mogul Ignition Products India Limited**  
**CIN: U51109DL1998PLC195010**  
**Notes to financial statements for the year ended 31 March 2025**  
**(All amounts in Rs Millions, unless otherwise stated)**

**3(a). Property, plant and equipment**

Particulars	Buildings	Plant and Machinery	Office equipment	Furniture and fixtures	Computer	Vehicles	Total
<b>Gross carrying Amount</b>							
Balance as at 1 April 2023 (Deemed cost)	30.84	307.11	0.53	0.99	4.09	0.92	344.48
Additions during the year	-	13.41	-	-	3.90	-	17.31
Disposals during the year	-	(1.55)	-	-	-	-	(1.55)
<b>Balance as at 31 March 2024</b>	<b>30.84</b>	<b>318.97</b>	<b>0.53</b>	<b>0.99</b>	<b>7.99</b>	<b>0.92</b>	<b>360.24</b>
Balance as at 1 April 2024	30.84	318.97	0.53	0.99	7.99	0.92	360.24
Additions during the year	-	46.22	-	-	0.62	-	46.84
Disposals during the year	-	(0.13)	-	-	-	-	(0.13)
<b>Balance as at 31 March 2025</b>	<b>30.84</b>	<b>365.06</b>	<b>0.53</b>	<b>0.99</b>	<b>8.61</b>	<b>0.92</b>	<b>406.95</b>
<b>Accumulated depreciation</b>							
Balance as at 1 April 2023	-	-	-	-	-	-	-
Depreciation charge for the year (refer note 23)	2.00	51.05	0.20	0.18	1.54	0.14	55.11
<b>Balance as at 31 March 2024</b>	<b>2.00</b>	<b>51.05</b>	<b>0.20</b>	<b>0.18</b>	<b>1.54</b>	<b>0.14</b>	<b>55.11</b>
Balance as at 1 April 2024	2.00	51.05	0.20	0.18	1.54	0.14	55.11
Depreciation charge for the year (refer note 23)	2.00	55.92	0.10	0.18	2.86	0.14	61.20
<b>Balance as at 31 March 2025</b>	<b>4.00</b>	<b>106.97</b>	<b>0.30</b>	<b>0.36</b>	<b>4.40</b>	<b>0.28</b>	<b>116.31</b>
<b>Net carrying amount as on 1 April 2023</b>	<b>30.84</b>	<b>307.11</b>	<b>0.53</b>	<b>0.99</b>	<b>4.09</b>	<b>0.92</b>	<b>344.48</b>
<b>Net carrying amount as on 31 March 2024</b>	<b>28.84</b>	<b>267.92</b>	<b>0.33</b>	<b>0.81</b>	<b>6.45</b>	<b>0.78</b>	<b>305.13</b>
<b>Net carrying amount as on 31 March 2025</b>	<b>26.84</b>	<b>258.09</b>	<b>0.23</b>	<b>0.63</b>	<b>4.21</b>	<b>0.64</b>	<b>290.64</b>

**3(b) Capital work-in-progress (CWIP)**

Particulars	Amount
<b>Balance as at 1 April 2023</b>	<b>11.22</b>
Additions during the year	48.86
Capitalised during the year	(15.23)
<b>Balance as at 31 March 2024</b>	<b>44.85</b>
<b>Balance as at 1 April 2024</b>	<b>44.85</b>
Additions during the year	41.67
Capitalised during the year	(46.84)
<b>Balance as at 31 March 2025</b>	<b>39.68</b>



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**Federal-Mogul Ignition Products India Limited**  
**CIN: U51109DL1998PLC195010**  
**Notes to financial statements for the year ended 31 March 2025**  
**(All amounts in Rs Millions, unless otherwise stated)**  
**Capital work-in-progress (CWIP) ageing schedule**  
**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	20.36	19.32	-	39.68
Projects temporarily suspended	-	-	-	-

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	43.94	0.91	-	44.85
Projects temporarily suspended	-	-	-	-

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	11.22	-	-	11.22
Projects temporarily suspended	-	-	-	-

**For Capital-work-in progress, whose completion is overdue\* or has exceeded its cost compared to its original plan ,following is the CWIP completion schedule:**

**As at March 31, 2025**

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years More than 3 years	
Plant and Machinery	7.62	13.82	-	21.64

\* There were no CWIP whose completion was overdue or has exceeded its cost compared to its original plan as at 31 March 2024 and 31 March 2023.

**Notes:**

- 1.) For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 01 April 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 31(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 3.) Buildings includes buildings which are developed on the leasehold land classified under right of use assets (refer note 4).
- 4.) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during each reporting period.
- 5) There are no property, plant and equipment which are pledged or under lien.
- 6) There are no impairment losses recognised during each reporting period.



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Federal-Mogul Ignition Products India Limited  
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Notes to financial statements for the year ended 31 March 2025  
(All amounts in Rs Millions, unless otherwise stated)

4. Leases

(i) Right-of-use assets (ROU)

Following are the changes in the carrying value of right-of-use assets:

Particulars	Leasehold land	Buildings	Total
<b>Gross carrying value</b>			
As at 1 April 2023	9.46	1.03	10.49
Additions during the year	-	-	-
Disposals during the year	-	-	-
<b>As at 31 March 2024</b>	<b>9.46</b>	<b>1.03</b>	<b>10.49</b>
As at 1 April 2024	9.46	1.03	10.49
Additions during the year	-	-	-
Disposals during the year	-	-	-
<b>As at 31 March 2025</b>	<b>9.46</b>	<b>1.03</b>	<b>10.49</b>
<b>Accumulated depreciation</b>			
<b>As at 1 April 2023</b>	-	-	-
Depreciation charged for the year (refer note 23)	0.13	0.37	0.50
<b>As at 31 March 2024</b>	<b>0.13</b>	<b>0.37</b>	<b>0.50</b>
As at 1 April 2024	0.13	0.37	0.50
Depreciation charged for the year (refer note 23)	0.13	0.37	0.50
<b>As at 31 March 2025</b>	<b>0.26</b>	<b>0.74</b>	<b>1.00</b>
<b>Net carrying amount as on 1 April 2023</b>	<b>9.46</b>	<b>1.03</b>	<b>10.49</b>
<b>Net carrying amount as on 31 March 2024</b>	<b>9.33</b>	<b>0.66</b>	<b>9.99</b>
<b>Net carrying amount as on 31 March 2025</b>	<b>9.20</b>	<b>0.29</b>	<b>9.49</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the Statement of Profit and Loss (Refer note 23)

The following is the break-up of current and non-current lease liabilities:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Non-current lease liabilities	0.04	0.36	0.74
Current lease liabilities	0.32	0.38	0.34
<b>Total</b>	<b>0.36</b>	<b>0.74</b>	<b>1.08</b>

The Company has taken premises on lease for an average lease term of 2.7 years. Gross carrying value of leasehold land includes amounts which were paid upfront, at the commencement date of the lease along with relevant initial direct costs to acquire leasehold rights. The Company has entered into long term leases of around 99 years for land leases.

The following is the movement in lease liabilities:

Particulars	Amount
<b>As at 1 April 2023</b>	1.08
Finance cost accrued during the year (refer note 22)	0.11
Payment of lease liabilities	(0.45)
<b>Balance as at 31 March 2024</b>	<b>0.74</b>
As at 1 April 2024	0.74
Finance cost accrued during the year (refer note 22)	0.07
Payment of lease liabilities	(0.45)
<b>Balance as at 31 March 2025</b>	<b>0.36</b>



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**Federal-Mogul Ignition Products India Limited**  
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**Notes to financial statements for the year ended 31 March 2025**  
**(All amounts in Rs Millions, unless otherwise stated)**

The table below provides details regarding the contractual maturities of lease liabilities of non-cancellable contractual commitments as on an undiscounted basis.

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Less than one year	0.34	0.45	0.45
One to five years	0.01	0.35	0.80
More than five years	1.22	1.22	1.22

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The following are the amounts recognised in Statement of Profit and Loss:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation expense of right-of-use assets (refer note 23)	0.50	0.50
Interest expense on lease liabilities (refer note 22)	0.07	0.11
Expense relating to short-term leases (included in other expenses) (refer note 24)	0.62	0.54
<b>Total</b>	<b>1.19</b>	<b>1.15</b>

**(ii) Lease related disclosures**

- (a) The Company has leases for Land and buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.
- (b) Total cash outflow for leases for the year ended 31 March 2025 was Rs. 0.45 million (31 March 2024 Rs. 0.45 million).
- (c) Other than leasehold land the Company has short term lease agreements in which there are no lock in periods. The disclosure requirement related to total commitment of short term leases is thus not applicable to the Company.
- (d) There are no leases which are yet to commence as on 31 March 2025 and 31 March 2024.

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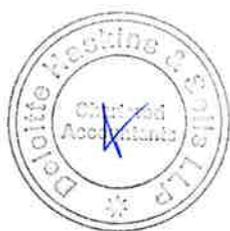
**Federal-Mogul Ignition Products India Limited**  
**CIN: U51109DL1998PLC195010**  
**Notes to financial statements for the year ended 31 March 2025**  
**(All amounts in Rs Millions, unless otherwise stated)**

**5. Other intangible assets**

<b>Particulars</b>	<b>Computer Software (acquired)</b>	<b>Total</b>
Balance as at 1 April 2023 (Deemed cost)	1.66	1.66
Additions during the year	-	-
Disposals during the year	-	-
<b>Balance as at 31 March 2024</b>	<b>1.66</b>	<b>1.66</b>
Balance as at 1 April 2024	1.66	1.66
Additions during the year	-	-
Disposals during the year	-	-
<b>Balance as at 31 March 2025</b>	<b>1.66</b>	<b>1.66</b>
<b>Accumulated amortisation</b>		
Balance as at 01 April 2023	-	-
Amortisation charged for the year (refer note 23)	0.89	0.89
<b>Balance as at 31 March 2024</b>	<b>0.89</b>	<b>0.89</b>
Balance as at 1 April 2024	0.89	0.89
Amortisation charged for the year (refer note 23)	0.77	0.77
<b>Balance as at 31 March 2025</b>	<b>1.66</b>	<b>1.66</b>
<b>Net carrying amount as on 1 April 2023</b>	<b>1.66</b>	<b>1.66</b>
<b>Net carrying amount as on 31 March 2024</b>	<b>0.77</b>	<b>0.77</b>
<b>Net carrying amount as on 31 March 2025</b>	<b>-</b>	<b>-</b>

**Notes:**

Note: There are no Intangible assets under development as at each reporting period.



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6. Financial Assets  
6(a) Other Financial assets

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
<b>Non-Current</b>			
At amortised cost			
Unsecured, considered good			
Security deposits	11.97	11.97	9.87
Deposits with original maturity more than 12 months <sup>#</sup>	1.31	3.65	3.57
<b>Total</b>	<b>13.28</b>	<b>15.62</b>	<b>13.44</b>
<b>Current</b>			
At amortised cost			
Unsecured, considered good			
Interest accrued on bank deposits	0.62	1.61	0.41
Interest accrued on inter-corporate deposit (refer note 27(c))	-	2.59	1.02
Export incentive recoverable	3.89	0.78	2.73
Other receivables*	19.51	39.31	23.96
<b>Total</b>	<b>24.02</b>	<b>44.29</b>	<b>28.12</b>

\*includes recoverable from related parties (refer note 27)

<sup>#</sup> Includes deposits given as security for bank guarantees furnished to custom and excise authorities.

6(b) Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
<b>Trade receivables from contract with customers</b>			
Unsecured trade receivables - Considered good	417.78	368.59	348.64
Unsecured trade receivables which have a significant increase in credit risk	0.92	5.31	11.38
<b>Gross Trade receivables</b>	<b>418.70</b>	<b>373.90</b>	<b>360.02</b>
Less: Allowance for expected credit loss (refer note 29)	(0.92)	(5.31)	(11.38)
<b>Net Trade receivables</b>	<b>417.78</b>	<b>368.59</b>	<b>348.64</b>

The average credit period on sales of goods is upto 90 days.

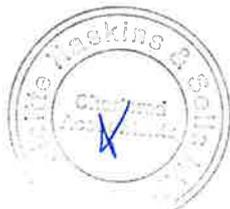
Trade Receivables Ageing (on the basis of due date of payment):

As at 31 March 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed trade receivables – considered good	363.75	53.48	0.55	-	-	-	417.78
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	0.92	-	-	-	0.92
(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	-	-	-	-	-	-	-
<b>Gross amount</b>	<b>363.75</b>	<b>53.48</b>	<b>1.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>418.70</b>
Less: Expected credit loss allowance	-	-	(0.92)	-	-	-	(0.92)
<b>Total</b>	<b>363.75</b>	<b>53.48</b>	<b>0.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>417.78</b>

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed trade receivables – considered good	294.25	66.37	5.73	2.19	-	0.05	368.59
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	1.26	1.16	2.24	0.65	-	5.31
(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	-	-	-	-	-	-	-
<b>Gross amount</b>	<b>294.25</b>	<b>67.63</b>	<b>6.89</b>	<b>4.43</b>	<b>0.65</b>	<b>0.05</b>	<b>373.90</b>
Less: Expected credit loss allowance	-	(1.26)	(1.16)	(2.24)	(0.65)	-	(5.31)
<b>Total</b>	<b>294.25</b>	<b>67.63</b>	<b>6.89</b>	<b>4.43</b>	<b>0.65</b>	<b>0.05</b>	<b>368.59</b>



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As at 1 April 2023							
Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed trade receivables – considered good	318.77	28.13	0.07	0.47	0.58	0.62	348.64
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	6.20	3.21	1.39	0.43	0.15	11.38
(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	-	-	-	-	-	-	-
Gross amount	318.77	34.33	3.28	1.86	1.01	0.77	360.02
Less: Expected credit loss allowance	-	(6.20)	(3.21)	(1.39)	(0.43)	(0.15)	(11.38)
<b>Total</b>	<b>318.77</b>	<b>34.33</b>	<b>3.28</b>	<b>1.86</b>	<b>1.01</b>	<b>0.77</b>	<b>348.64</b>

Notes:

- (1) Refer note no. 29 for allowance for expected credit loss.  
(2) Refer note no. 27(c) for balances due from related parties.

6(c) 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	16.68	44.26	61.06
Deposits with original maturity of less than three months	144.06	224.01	25.00
<b>Total</b>	<b>160.74</b>	<b>268.27</b>	<b>86.06</b>

6(d) Loans

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Unsecured, considered good At amortised cost	-	-	-
Intercompany deposit [Refer Note 27(c)]	-	200.00	160.00
<b>Total</b>	<b>-</b>	<b>200.00</b>	<b>160.00</b>

Disclosure as per Section 186(4) of the Companies Act, 2013

	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Federal-Mogul Sealings India Limited (fellow subsidiary)#			
Outstanding at the beginning of the year	200.00	160.00	-
Given during the year	-	40.00	160.00
Received back during the year	(200.00)	-	-
<b>Outstanding at the end of the year</b>	<b>-</b>	<b>200.00</b>	<b>160.00</b>

#The above amount has been provided for business purpose. Further, the Company has not entered into any transaction in respect of any guarantee or investments during the year.



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Federal-Mogul Ignition Products India Limited  
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Notes to financial statements for the year ended 31 March 2025  
(All amounts in Rs Millions, unless otherwise stated)

**7 Deferred tax Asset/(liabilities)**

Particulars	Opening as at 01 April 2023	Recognised in Statement of Profit and Loss	Recognised in OCI	Closing balance as at 31 March 2024
<b>Deferred tax assets</b>				
Provision for employee benefits	8.55	0.48	0.13	9.16
Expected credit loss	2.87	(1.53)	-	1.34
Lease liabilities	0.26	(0.09)	-	0.17
Others	2.21	4.73	-	6.94
	<b>13.89</b>	<b>3.59</b>	<b>0.13</b>	<b>17.61</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment and Intangible assets on account of difference in Written Down Value (WDV) of books of accounts and tax base	14.58	(3.16)	-	11.42
Right-of-use assets	0.26	(0.10)	-	0.16
	<b>14.84</b>	<b>(3.26)</b>	<b>-</b>	<b>11.58</b>
<b>Net deferred tax (liabilities)/assets</b>	<b>(0.95)</b>	<b>6.85</b>	<b>0.13</b>	<b>6.03</b>

Particulars	Opening as at 01 April 2024	Recognised in statement of profit and loss	Recognised in OCI	Closing balance as at 31 March 2025
<b>Deferred tax assets</b>				
Provision for employee benefits	9.16	1.41	0.75	11.32
Expected credit loss	1.34	(1.11)	-	0.23
Lease liabilities	0.17	(0.10)	-	0.07
Others	6.94	11.74	-	18.68
	<b>17.61</b>	<b>11.94</b>	<b>0.75</b>	<b>30.30</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment and Intangible assets on account of difference in Written Down Value (WDV) of books of accounts and tax base	11.42	(4.37)	-	7.05
Right-of-use assets	0.16	(0.09)	-	0.07
	<b>11.58</b>	<b>(4.46)</b>	<b>-</b>	<b>7.12</b>
<b>Net deferred tax assets</b>	<b>6.03</b>	<b>16.40</b>	<b>0.75</b>	<b>23.18</b>

Note: Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

**8. Income 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)	27.73	27.73	28.11
<b>Total</b>	<b>27.73</b>	<b>27.73</b>	<b>28.11</b>

**9. Other non-current assets**

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
<b>Unsecured, considered good, unless otherwise stated</b>			
Capital advances	7.60	0.41	-
Amount paid under protest	6.59	6.59	6.59
<b>Total</b>	<b>14.19</b>	<b>7.00</b>	<b>6.59</b>

**10. Inventories (Valued at lower of cost or net realisable value)**

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Raw materials (includes stock in transit of Rs. 124.64 Million (31 March 2024: Rs 122.26 Million, 01 April 2023: Rs 125.57 Million)	240.31	213.12	261.96
Work-in-progress	125.05	125.40	108.40
Finished Goods (includes stock in transit of Rs. 21.95 Million (31 March 2024: Rs. 20.12 Million, 01 April 2023: Rs 10.25 Million)	46.17	32.44	17.37
Stores and spares	14.31	15.20	28.01
Packing materials	2.81	2.81	2.37
<b>Total</b>	<b>428.65</b>	<b>388.97</b>	<b>418.11</b>

Note: The cost of inventories recognised as an expense during the year was ₹ 1,501.40 million. (31 March 2024: 1,434.16 Million)

**11. Other current assets**

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Prepaid expenses	4.44	3.54	4.63
Advance to suppliers	7.90	2.86	8.29
Others	10.04	1.78	1.49
<b>Total</b>	<b>22.38</b>	<b>8.18</b>	<b>14.41</b>



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Federal-Mogul Ignition Products India Limited  
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 Notes to financial statements for the year ended 31 March 2025  
 (All amounts in Rs Millions, unless otherwise stated)

12. Share Capital and Other Equity

(a) Share Capital

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
<b>Authorised share capital</b>			
Equity shares of Rs 10 each (As at March, 31 2024 - Rs 10 each (absolute amount) , April, 1 2023- Rs 10 each (absolute amount))	500.00	500.00	500.00
	500.00	500.00	500.00
<b>Issued, subscribed and fully paid share capital</b>			
Equity shares of Rs 10 each (As at March, 31 2024 - Rs 10 each (absolute amount) , April, 1 2023- Rs 10 each (absolute amount))	427.89	427.89	427.89
	427.89	427.89	427.89

(i) Movement in share capital

Particulars	Number of shares (Absolute value)	Amount
<b>As at 01 April 2023</b>		
Movement during the year	4,27,89,036	427.89
<b>As at 31 March 2024</b>		
Movement during the year	4,27,89,036	427.89
<b>As at 31 March 2025</b>		
	4,27,89,036	427.89

**Terms/rights attached to equity shares**

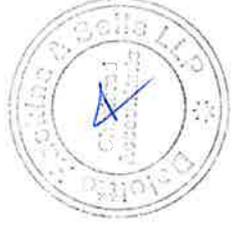
Equity Shares: The Company has only one class of equity shares having a par value of ₹ 10 (absolute amount) per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Shares held by 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
<b>Equity Shares of Rs 10/- fully paid:</b>						
Tenneco Clean Air India Limited (formerly known as Tenneco Clean Air India Private Limited) (the Holding Company)*	4,27,89,034	99.99%	-	0.00%	-	0.00%
Federal-Mogul PTY Limited*	-	0.00%	4,27,89,034	99.99%	4,27,89,034	99.99%

\*Note: Includes five shares jointly held with five other individuals.

\* Pursuant to the approval of Board of Directors in their meeting held on 25 March 2025 and 26 March 2025. Share swap agreement dated 25 March 2025 has been executed amongst Tenneco Clean Air India Limited, Federal Mogul Ignition Products India Limited, Federal-Mogul PTY Limited and Tenneco Inc. (Collectively known as "Sellers"). Subject to and in accordance with the terms and conditions specified in the agreement, Tenneco Clean Air India Limited has acquired swap shares from sellers. The Company has completed applicable regulatory compliance in respect of the transaction during year ended 31 March 2025.



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Federal-Mogul Ignition Products India Limited  
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 Notes to financial statements for the year ended 31 March 2025  
 (All amounts in Rs Millions, unless otherwise stated)

(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 Rs 10 (absolute amount) each fully paid Tenneco Clean Air India Limited (formerly known as Tenneco Clean Air India Private Limited) (the Holding Company)* Federal-Mogul PTY Limited*	4,27,89,034	99.99%	-	0.00%	-	0.00%
	-	0.00%	4,27,89,034	99.99%	4,27,89,034	99.99%

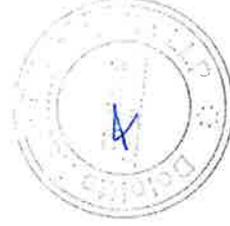
\*Note: including five shares jointly held with five other individuals  
 The Company has not issued any equity shares pursuant to any contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back any equity shares during the last five years.

(iv) Details of shares held by Promoter\*

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 Rs 10 (absolute amount) each fully paid Tenneco Clean Air India Limited (formerly known as Tenneco Clean Air India Private Limited) (the Holding Company)* Federal-Mogul PTY Limited	4,27,89,034	99.99%	-	0.00%	-	0.00%
	-	0.00%	4,27,89,034	99.99%	4,27,89,034	99.99%

\*Promoters here means promoter as defined under Companies Act, 2013.

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Federal-Mogul Ignition Products India Limited  
CIN: U51109DL1998PLC195010  
Notes to financial statements for the year ended 31 March 2025  
(All amounts in Rs Millions, unless otherwise stated)

(b) Other Equity

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Securities Premium	67.91	67.91	67.91
Retained Earnings	338.82	678.68	539.51
<b>Total Reserves and Surplus</b>	<b>406.73</b>	<b>746.59</b>	<b>607.42</b>

(i) 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	67.91	67.91	67.91
Add: movement during the year	-	-	-
<b>Balance at the end of the year</b>	<b>67.91</b>	<b>67.91</b>	<b>67.91</b>

(ii) Retained earnings:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Balance as at the beginning of the year	678.68	539.51	404.91
Profit for the year	200.92	139.55	133.72
Remeasurement gain / (loss) (net of taxes)	(2.21)	(0.38)	0.88
Dividend paid*	(538.57)	-	-
<b>Balance as at the end of the year</b>	<b>338.82</b>	<b>678.68</b>	<b>539.51</b>

\*The Company during the year paid an interim dividend of Rs 12.58 per equity share (31 March 2024: Rs. Nil per equity shares)

Nature and Purpose of reserves

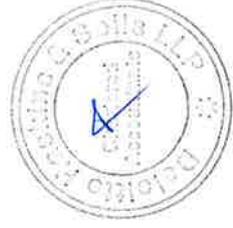
(i) Securities Premium

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.

(ii) Retained earnings:

Retained earnings are the profits/(loss) that the Company has earned/incurred 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 reclassified to Statement of Profit and Loss.

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Federal-Mogul Ignition Products India Limited  
CIN: U51109DL1998PLC195010  
Notes to financial statements for the year ended 31 March 2025  
(All amounts in Rs Millions, unless otherwise stated)

13. Financial Liabilities

13 (a) Lease Liabilities

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Non-current	0.04	0.36	0.74
<b>Total</b>	<b>0.04</b>	<b>0.36</b>	<b>0.74</b>
Current	0.32	0.38	0.34
<b>Total</b>	<b>0.32</b>	<b>0.38</b>	<b>0.34</b>

13 (b) Trade Payables

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Total outstanding due of micro enterprises and small enterprises	46.91	43.31	43.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	174.40	169.31	158.82
Dues of related parties [Refer Note 27(c)]	316.71	194.57	160.89
<b>Total</b>	<b>538.02</b>	<b>407.19</b>	<b>363.50</b>

Trade Payables Ageing:

Particulars	Outstanding as at 31 March 2025 from due date of payment						Total
	Unbilled	Not due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
<b>Undisputed trade payables</b>							
Micro enterprises and small enterprises	-	44.54	1.22	0.29	0.27	0.60	<b>46.92</b>
Others	199.34	216.51	74.07	1.09	-	0.09	<b>491.10</b>
<b>Disputed trade payables</b>							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Total</b>	<b>199.34</b>	<b>261.05</b>	<b>75.29</b>	<b>1.38</b>	<b>0.27</b>	<b>0.69</b>	<b>538.02</b>

Particulars	Outstanding as at 31 March 2024 from due date of payment						Total
	Unbilled	Not due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
<b>Undisputed trade payables</b>							
Micro enterprises and small enterprises	-	42.74	0.57	-	-	-	<b>43.31</b>
Others	47.26	186.81	119.72	8.72	0.26	1.11	<b>363.88</b>
<b>Disputed trade payables</b>							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Total</b>	<b>47.26</b>	<b>229.55</b>	<b>120.29</b>	<b>8.72</b>	<b>0.26</b>	<b>1.11</b>	<b>407.19</b>

Particulars	Outstanding as at 1 April 2023 from due date of payment						Total
	Unbilled	Not due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
<b>Undisputed trade payables</b>							
Micro enterprises and small enterprises	-	42.29	1.50	-	-	-	<b>43.79</b>
Others	51.90	223.05	32.15	0.27	-	12.34	<b>319.71</b>
<b>Disputed trade payables</b>							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Total</b>	<b>51.90</b>	<b>265.34</b>	<b>33.65</b>	<b>0.27</b>	<b>-</b>	<b>12.34</b>	<b>363.50</b>

The average credit period on purchases is upto 90 days approx.  
For explanations on the Company's liquidity risk management processes refer note 29  
Trade payables from related parties are disclosed separately under note 27(c)



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**Federal-Mogul Ignition Products India Limited**  
**CIN: U51109DL1998PLC195010**  
**Notes to financial statements for the year ended 31 March 2025**  
**(All amounts in Rs Millions, unless otherwise stated)**

**Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises 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	46.80	43.30	43.70
b. Interest due on above principal and remaining unpaid as at the end of the year	0.12	0.01	0.09
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.	1.65	1.14	0.77
e. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	1.77	1.15	0.86
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	1.77	1.15	0.86

**13 (c) Other financial liabilities (current)**

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
<b>At amortised cost</b>			
Capital creditors	3.67	15.68	9.13
Security deposits	0.30	0.20	0.25
<b>Total</b>	<b>3.97</b>	<b>15.88</b>	<b>9.38</b>

**14. Other current liabilities**

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Statutory dues	18.10	27.12	20.51
Advance from customers (refer note 17(d))	9.88	0.05	0.46
<b>Total</b>	<b>27.98</b>	<b>27.17</b>	<b>20.97</b>

**15. 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 33)						
Gratuity	34.43	1.68	27.37	2.10	25.77	1.04
Compensated absences	7.55	1.32	5.96	0.96	6.45	0.64
Provision for regulatory matters (refer note(a) below and 34(b))	14.92	1.38	12.70	6.24	-	6.24
<b>Total</b>	<b>56.90</b>	<b>4.38</b>	<b>46.03</b>	<b>9.30</b>	<b>32.22</b>	<b>7.92</b>

**(a) Provision for regulatory matters (refer note 34b)**

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
<b>Opening balance</b>	18.94	6.24	5.33
Add: Provision made during the year	3.60	12.70	1.50
Less: Provision utilised / written back during the year	(6.24)	-	(0.59)
<b>Closing balance</b>	<b>16.30</b>	<b>18.94</b>	<b>6.24</b>

**16. Current tax liabilities (net)**

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Current tax liabilities (net of advance tax)	5.53	14.63	-
<b>Total</b>	<b>5.53</b>	<b>14.63</b>	<b>-</b>



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Federal-Mogul Ignition Products India Limited  
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**17. Revenue from operations**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>Revenue from contracts with customers</b>		
Sale of products (Manufactured goods)	2,615.40	2,346.56
	<b>2,615.40</b>	<b>2,346.56</b>
<b>Other operating revenue</b>		
Scrap sales	18.56	13.88
Export Incentives	4.66	3.41
	<b>23.22</b>	<b>17.29</b>
<b>Total</b>	<b>2,638.62</b>	<b>2,363.85</b>

**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 spark plugs, ignition coil and others. 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
<b>Revenue from contracts with customers</b>		
Sale of products		
Domestic	2,375.72	2,165.66
Export	239.68	180.90
<b>Total revenue covered under Ind AS 115</b>	<b>2,615.40</b>	<b>2,346.56</b>

**c. Timing of revenue recognition**

The Company presently recognises its revenue from contract with customers for the transfer of goods at a point in time.

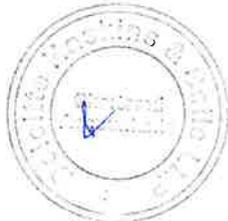
**d. Contract balances**

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the Company's obligation to transfer goods or services to a customer for which the Company 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.

Refer details of trade receivables in note 6(b) and contract liabilities (advance from customers) in note 14.

**e. 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	2,627.64	2,351.04
Reduction towards variable considerations (Discounts, rebates, refunds, credits, price concessions)	(12.24)	(4.48)
<b>Revenue from contract with customers (as per Statement of Profit and Loss)</b>	<b>2,615.40</b>	<b>2,346.56</b>



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**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.

There are no performance obligations that are unsatisfied or partially unsatisfied as at 31 March 2025 and 31 March 2024.

**g. Payment terms**

The sale of products is typically made under credit payment terms differing from customer to customer and ranges between 30-90 days (excluding transit days).

**18. Other Income**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>Interest income from financial assets measured at amortized cost</b>		
- On deposits with bank	7.08	7.00
- On inter corporate deposits	16.15	17.04
- On electricity deposits	0.67	-
Management services (Refer note 27(b))	4.16	3.38
Capital creditor no longer payable, written back	-	4.89
Provision no longer payable, written back	-	1.34
Excess provision on expected credit loss written back	-	3.48
Net gain on disposal of property, plant and equipment	1.82	-
Foreign currency fluctuation gain (net)	-	7.23
<b>Total</b>	<b>29.88</b>	<b>44.36</b>

**19. Cost of materials consumed**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Raw materials at the beginning of the year	213.12	261.96
Add : Purchases	1,541.97	1,417.39
Less: Raw materials at the end of the year	(240.31)	(213.12)
<b>Total cost of materials consumed</b>	<b>1,514.78</b>	<b>1,466.23</b>

**20. Change in inventories of finished goods and work-in-progress**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Inventories at the beginning of the year		
Finished goods	32.44	17.37
Work-in-progress	125.40	108.40
<b>Total (A)</b>	<b>157.84</b>	<b>125.77</b>
Inventories at the end of the year		
Finished goods	46.17	32.44
Work-in-progress	125.05	125.40
<b>Total (B)</b>	<b>171.22</b>	<b>157.84</b>
<b>Increase in inventories of work-in-progress and finished goods (A-B)</b>	<b>(13.38)</b>	<b>(32.07)</b>

**21. Employee benefits expense**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and wages	136.42	120.11
Contribution to provident fund and other funds [refer note 33]	7.13	6.45
Gratuity expense [refer note 33]	5.11	4.76
Staff welfare expenses	19.60	23.41
<b>Total</b>	<b>168.26</b>	<b>154.73</b>



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**22. Finance costs**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest on		
- delayed payment of taxes	1.98	1.62
- lease liability	0.07	0.11
- others (Micro enterprises and small enterprises)	0.62	0.29
<b>Total</b>	<b>2.67</b>	<b>2.02</b>

**23. Depreciation and amortisation expense**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation on property, plant and equipment (refer note 3(a))	61.20	55.11
Amortisation on intangible assets (refer note 5)	0.77	0.89
Depreciation on right of use asset (refer note 4)	0.50	0.50
<b>Total</b>	<b>62.47</b>	<b>56.50</b>

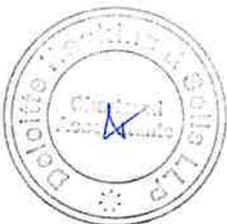
**24. Other expenses**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Stores and spares consumed	163.51	180.96
Packing materials consumed	33.01	37.30
Job-work services	20.02	16.63
Sub-contract charges	56.38	40.24
Power and fuel	69.52	67.73
Freight and Forwarding charges	20.78	18.08
Rent (refer note 4)	0.62	0.54
Rates and taxes	5.21	4.38
Insurance	3.29	1.36
Repairs and maintenance:		
- Buildings	2.73	0.76
- Plant and machinery	58.95	40.73
Travelling expenses	5.93	3.74
Communication expenses	0.87	1.15
Printing and stationery	1.52	1.54
Professional and consultancy charges	80.00	3.97
Payment to auditors (Refer note (a) below)	1.64	13.22
Loss on sale/disposal of property, plant and equipment	-	1.55
Provision for expected credit loss	0.92	-
Bad debts written off	0.41	0.04
Corporate support service charges (refer note 27(b))	63.96	62.93
Security Service charges	3.58	3.08
Royalty expense (refer note 27(b))	55.38	49.05
Foreign currency fluctuation loss (net)	3.05	-
Corporate social responsibility expenditure (refer note (b) below)	3.43	2.45
Warranty expenses	3.18	0.45
Miscellaneous expenses	7.63	6.15
<b>Total</b>	<b>665.52</b>	<b>558.03</b>

**Notes:**

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
As auditor:		
-Audit fee	1.29	13.07
-Tax audit fee	0.20	-
-Reimbursement of expenses	0.15	0.15
<b>Total</b>	<b>1.64</b>	<b>13.22</b>



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**(b) Corporate Social Responsibility Expenditure**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
a) Amount required to be spent by the Company during the year	3.43	2.29
b) Amount spent during the year	3.43	2.45
c) Total of previous year shortfall	-	-
d) (Excess)/shortfall by the year end	-	-0.16

Particulars	Year ended 31 March 2025		
	In cash	Yet to be paid in	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above*	3.43	-	3.43
	3.43	-	3.43

Particulars	Year ended 31 March 2024		
	In cash	Yet to be paid in	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above*	2.45	-	2.45
	2.45	-	2.45

Note: The Company does not have ongoing projects as at 31 March 2025 and 31 March 2024.

\*The Company's Corporate social responsibility activities involve promotion of education, environment protection, protection of wild life and preventive healthcare.

**25. Income tax expense**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current tax expenses	86.11	69.69
Adjustment of current tax related to earlier years	(2.45)	0.38
<b>Total current tax expense</b>	<b>83.66</b>	<b>70.07</b>
Deferred tax	(16.40)	(6.85)
<b>Income tax expense reported in the Statement of Profit and Loss</b>	<b>67.26</b>	<b>63.22</b>

**Income Tax relating to Other Comprehensive Income**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Remeasurement gain of post employment benefit obligations	0.75	0.13
<b>Income tax expense recognized to Other Comprehensive Income</b>	<b>0.75</b>	<b>0.13</b>

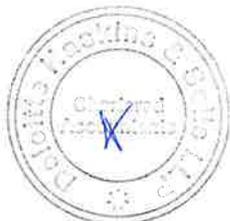
**(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Accounting profit before income tax	268.18	202.77
Applicable domestic effective income tax rate	25.17%	25.17%
Computed Tax Expense	67.50	51.03
<b>Tax effect on permanent non deductible expenses:</b>		
Current tax relating to prior years	(2.45)	0.38
Effect of expenses/provision not deductible in determining taxable profit	1.89	11.81
Others	0.32	-
<b>Income tax expense reported in the Statement of Profit and Loss</b>	<b>67.26</b>	<b>63.22</b>
<b>Tax rate( refer note below)</b>		
Base rate	22.00%	22.00%
Surcharge	2.20%	2.20%
Education cess	0.97%	0.97%
<b>Total</b>	<b>25.17%</b>	<b>25.17%</b>

The Company does not have any unused tax losses, unabsorbed depreciation and uncertain tax positions as on reporting date.

Note: In the periods reported, the Company has elected to exercise the option permitted under section 115 BAA of the income tax act, 1961 as introduced by the taxation laws (Amendment) ordinance, 2019, hence the effective rate for the above years is 25.17%.

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**26. Earnings per Share**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Profit for the year as per Statement of Profit and Loss	200.92	139.55
No of equity shares outstanding at the beginning of the year (absolute value)	4,27,89,036	4,27,89,036
No of equity shares outstanding at the end of the year (absolute value)	4,27,89,036	4,27,89,036
Weighted average number of equity shares for calculating basic and diluted EPS	4,27,89,036	4,27,89,036
Weighted average equity shares outstanding	10	10
Face value of per equity share (Rs)		
<b>Basic and Diluted Earnings per share (Rs)</b>	<b>4.70</b>	<b>3.26</b>

The Company has not issued any dilutive equity instruments and therefore Diluted EPS is same as Basic EPS.

**27. Related Party Disclosures**

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

(i) Description of relationship	Name of related parties
Ultimate Parent Company:	Pegasus Holdings One, LLC (w.e.f. 17 November 2022)
Intermediate Parent Company	Tenneco LLC (formerly known as Tenneco Inc. upto 30 April 2025) (ultimate holding company upto 16 November 2022 and Intermediate holding company w.e.f. 17 November 2022)
Immediate Parent Company	Federal Mogul PTY Ltd upto 24 March 2025 and Tenneco Clean Air India Limited (formerly known as Tenneco Clean Air India Private Limited) with effect from 25 March 2025.

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

Description of relationship	Name of related parties
Fellow Subsidiaries	Federal Mogul Motorparts LLC Federal Mogul PTY Ltd (Parent company upto 24 March 2025) Federal Mogul Global Aftermarket EMEA Federal Mogul Yura Qingdao Ignition Co. Ltd. Federal Mogul Goetze (India) Limited Federal Mogul Powertrain Solutions India Private Limited Federal Mogul Italy S.R.L. Federal-Mogul de Mexico S. de RL de CV Federal-Mogul Holding Deutschland GmbH Motocare India Private Limited Yura Federal Mogul Sejong Ignition LLC Federal Mogul Sealings India Limited Federal Mogul Powertrain LLC Advanced Suspension Technology LLC (formerly, Driv Automotive Inc.) Federal Mogul Ignition LLC Cooperative Federal-Mogul Dutch Investments B.A Federal Mogul Ignition GmbH
(iii) Key Management Personnel	Thiagarajan Kannan (w.e.f. 1 February 2024 upto 18 October 2024), Director Jasbir Singh (w.e.f 22 October 2024), Director Dr. Khalid Iqbal Khan (upto 19 May 2025), Director Manish Chadha (w.e.f. 24 May 2023), Director Sanjeev Kumar Bhardwaj (upto 10 May 2023), Whole Time Director Pankaj Dhir (w.e.f. 7 August 2023 upto 18 October 2024), Whole Time Director Upkar Singh Randhawa (w.e.f. 11 November 2024), Whole Time Director Amit Gandhi (upto 23 June 2023), Chief Financial Officer Hitesh Kumar (upto 29 February 2024), Chief Financial Officer Sumit Gupta (w.e.f 1 March 2024), Chief Financial Officer Lalita Sanjay Notani (upto 12 November 2024), Company Secretary Pulkit Verma (w.e.f 9 May 2025 upto 10 June 2025), Company



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**Federal-Mogul Ignition Products India Limited**  
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**27 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
<b>(i) Sale of products</b>			
Federal Mogul Global Aftermarket EMEA	Fellow subsidiary	49.23	38.60
Yura Federal Mogul Sejong Ignition LLC	Fellow subsidiary	0.32	-
Federal Mogul Motorparts LLC	Fellow subsidiary	2.15	2.53
Motocare India Private Limited	Fellow subsidiary	603.36	653.27
Federal Mogul Goetze (India) Limited	Fellow subsidiary	1.02	1.27
Federal Mogul Ignition LLC	Fellow subsidiary	45.07	55.25
		<b>701.15</b>	<b>750.92</b>
<b>(ii) Loan Given</b>			
Federal Mogul Sealings India Limited	Fellow subsidiary	-	40.00
		-	<b>40.00</b>
<b>(iii) Loan received back</b>			
Federal Mogul Sealings India Limited	Fellow subsidiary	200.00	-
		<b>200.00</b>	-
<b>(iv) Interest income on intercorporate deposit</b>			
Federal Mogul Sealings India Limited	Fellow subsidiary	16.15	17.04
		<b>16.15</b>	<b>17.04</b>
<b>(v) Amount recoverable by the Company in respect of expenditure incurred by the Company</b>			
Federal Mogul Yura Qingdao Ignition Co. Ltd.	Fellow subsidiary	-	0.18
Federal Mogul Powertrain LLC	Fellow subsidiary	27.30	12.99
Advanced Suspension Technology LLC ( formerly, DriV Automotive Inc.)	Fellow subsidiary	1.09	3.77
Federal Mogul Ignition GmbH	Fellow subsidiary	-	2.75
Federal Mogul Goetze (India) Limited	Fellow subsidiary	1.62	3.66
Yura Federal Mogul Sejong Ignition LLC	Fellow subsidiary	-	1.28
		<b>30.01</b>	<b>24.63</b>
<b>(vi) Management services</b>			
Federal Mogul Powertrain LLC	Fellow subsidiary	4.00	1.95
Federal Mogul Ignition GmbH	Fellow subsidiary	-	0.41
Advanced Suspension Technology LLC ( formerly, DriV Automotive Inc.)	Fellow subsidiary	0.16	0.57
Federal Mogul Goetze (India) Limited	Fellow subsidiary	-	0.45
		<b>4.16</b>	<b>3.38</b>
<b>(vii) Royalty expenses</b>			
Federal Mogul Powertrain LLC	Fellow subsidiary	55.38	49.05
		<b>55.38</b>	<b>49.05</b>
<b>(viii) Purchase of raw materials</b>			
Federal Mogul Yura Qingdao Ignition Co. Ltd.	Fellow subsidiary	54.24	36.63
Federal-Mogul de Mexico S. de RL de CV	Fellow subsidiary	38.28	41.77
Federal Mogul Italy S.R.L.	Fellow subsidiary	80.89	69.67
Federal Mogul Ignition Products SAS- France	Fellow subsidiary	0.08	0.07
Federal Mogul Ignition GmbH	Fellow subsidiary	1.25	1.60
Yura Federal Mogul Sejong Ignition LLC	Fellow subsidiary	2.34	-
Federal Mogul Ignition LLC	Fellow subsidiary	747.70	694.97
		<b>924.78</b>	<b>844.71</b>



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**Notes to financial statements for the year ended 31 March 2025**  
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**27 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
<b>(ix) Corporate support service charges</b>			
Federal Mogul Holding Deutschland GmbH	Fellow subsidiary	63.96	62.93
		<b>63.96</b>	<b>62.93</b>
<b>(x) Dividend paid</b>			
Cooperative Federal-Mogul Dutch Investments B.A	Fellow subsidiary	0.00	-
Federal Mogul PTY Ltd (Parent Company till 24 March 2025)	Fellow subsidiary	538.57	-
		<b>538.57</b>	<b>-</b>
<b>(xi) Purchase of capital goods</b>			
Federal Mogul Powertrain LLC	Fellow subsidiary	-	1.06
Federal Mogul Yura Qingdao Ignition Co. Ltd.	Fellow subsidiary	1.26	-
Federal Mogul Ignition GmbH	Fellow subsidiary	1.48	-
		<b>2.74</b>	<b>1.06</b>
<b>(xii) Dividend Received*</b>			
Federal Mogul Powertrain Solutions India Private Limited	Fellow subsidiary	0.00	-
		<b>0.00</b>	<b>-</b>
<b>(xiii) Balance written off</b>			
Motocare India Private Limited	Fellow subsidiary	0.13	-
Federal Mogul Yura Qingdao Ignition Co.	Fellow subsidiary	0.07	-
		<b>0.20</b>	<b>-</b>
<b>(xiv) Reimbursement of expenses incurred on behalf of Company</b>			
Federal Mogul Powertrain LLC	Fellow subsidiary	60.67	-
		<b>60.67</b>	<b>-</b>
<b>(xv) Balance write back during year</b>			
Federal Mogul Ignition LLC	Fellow subsidiary	-	4.89
		<b>-</b>	<b>4.89</b>

\* rounded off to Rs nil

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27 Related Party Disclosures (contd...)

(c) Balances with related parties

Nature of outstanding	Nature of related party relationship	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
<b>(i) Trade Payables</b>				
Federal Mogul Goetze (India) Limited	Fellow Subsidiary	1.61	-	-
Federal Mogul Yura Qingdao Ignition Co. Ltd.	Fellow Subsidiary	17.39	7.30	13.19
Federal Mogul Holding Deutschland GmbH	Fellow Subsidiary	63.96	14.86	-
Federal-Mogul de Mexico S. de RL de CV	Fellow Subsidiary	11.61	16.63	7.51
Federal Mogul Italy S.R.L.	Fellow Subsidiary	8.38	9.54	2.05
Federal Mogul Ignition Products SAS- France	Fellow Subsidiary	0.08	-	-
Federal Mogul Powertrain LLC	Fellow Subsidiary	65.28	46.25	3.26
Federal Mogul Ignition GmbH	Fellow Subsidiary	1.48	-	0.53
Federal Mogul Ignition LLC	Fellow Subsidiary	146.92	99.99	134.35
<b>Total</b>		<b>316.71</b>	<b>194.57</b>	<b>160.89</b>
<b>ii) Trade Receivables</b>				
Federal Mogul Global Aftermarket EMEA	Fellow Subsidiary	19.95	15.42	6.03
Yura Federal Mogul Sejong Ignition LLC	Fellow Subsidiary	-	0.04	0.04
Federal Mogul Motorparts LLC	Fellow Subsidiary	1.18	6.89	4.34
Federal Mogul Yura Qingdao Ignition Co. Ltd.	Fellow Subsidiary	-	0.07	0.07
Federal Mogul Holding Deutschland GmbH	Fellow Subsidiary	7.82	7.82	5.57
Motocare India Private Limited	Fellow Subsidiary	52.33	59.51	98.19
Federal Mogul Ignition GmbH	Fellow Subsidiary	-	0.05	-
Federal Mogul Ignition LLC	Fellow Subsidiary	22.46	22.36	10.39
		<b>103.74</b>	<b>112.16</b>	<b>124.63</b>
<b>iii) Other receivables</b>				
Advanced Suspension Technology LLC ( formerly, Driv Automotive Inc.)	Fellow Subsidiary	10.51	9.02	4.62
Federal Mogul Powertrain LLC	Fellow Subsidiary	9.00	16.20	11.07
Federal Mogul Ignition GmbH	Fellow Subsidiary	-	1.40	-
Federal Mogul Goetze (India) Limited	Fellow Subsidiary	-	12.69	8.27
		<b>19.51</b>	<b>39.31</b>	<b>23.96</b>
<b>iv) Loans- intercorporate deposit and interest accrued thereon</b>				
Federal Mogul Sealings India Limited	Fellow Subsidiary	-	202.59	161.02
		<b>-</b>	<b>202.59</b>	<b>161.02</b>

(d) Key Managerial Personnel ("KMP"):

Remuneration to KMP	Designation	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Sanjeev Kumar Bhardwaj	Whole Time Director	-	1.61	3.76
Pankaj Dhir	Whole Time Director	3.46	2.84	-
Amit Gandhi	Chief Financial Officer	-	0.67	1.84
Sumit Gupta	Chief Financial Officer	3.09	0.47	-
Lalita Sanjay Notani	Company Secretary	0.18	0.24	0.24
Upkar Singh	Whole Time Director	2.10	-	-
		<b>8.83</b>	<b>5.83</b>	<b>5.84</b>

\* 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.

(e) Additional information:

- The information above has been determined to the extent such parties have been identified by the Company and relied upon by the
- Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.
- There are no commitments in respect of related party transactions.
- There are no provisions for doubtful debts related to the amount of outstanding balances.

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**28. 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, loans, 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.

**Financial instruments by category**

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
<b>Financial assets</b>			
<b>Measured at Amortised cost</b>			
Loans	-	200.00	160.00
Trade receivables	417.78	368.59	348.64
Cash and cash equivalents	160.74	268.27	86.06
Other bank balances	-	-	-
Other financial assets	37.30	59.91	41.56
<b>Total</b>	<b>615.82</b>	<b>896.77</b>	<b>636.26</b>

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
<b>Financial liabilities</b>			
<b>Measured at Amortised cost</b>			
Trade payable	538.02	407.19	363.50
Lease Liabilities	0.36	0.74	1.08
Other financial liabilities	3.97	15.88	9.38
<b>Total</b>	<b>542.35</b>	<b>423.81</b>	<b>373.96</b>

**29. Financial risk management**

**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 counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

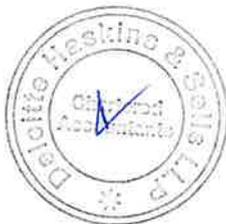
The Company is exposed to credit risk from its operating activities (primarily trade receivables).

**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.



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**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.

**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. However, this policy is not applicable to Transactions with related parties.

**As at 31 March 2025**

Particulars	Not due	< 6 months	6 months to 1	1 to 2 years	2 to 3 years	> 3 years
Gross amount of trade receivables where no default (as defined above) has occurred	363.75	53.48	1.47	-	-	-
ECL as a percentage of gross trade receivables	-	-	62.59%	-	-	-
Expected credit loss( loss allowance provision) (refer note 6(a))	-	-	0.92	-	-	-

**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	294.25	67.63	6.89	4.43	0.65	0.05
ECL as a percentage of gross trade receivables	-	1.86%	16.81%	50.61%	100.00%	-
Expected credit loss( loss allowance provision) (refer note 6(a))	-	1.26	1.16	2.24	0.65	-

**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	318.77	34.33	3.28	1.86	1.01	0.77
ECL as a percentage of gross trade receivables	-	18%	98%	75%	43%	20%
Expected credit loss( loss allowance provision) (refer note 6(a))	-	6.20	3.21	1.39	0.43	0.15

**Reconciliation of loss allowance**

Particulars	Amount
<b>Balance as at April 1, 2023</b>	<b>11.38</b>
Impairment loss recognised/reversed during the year	(6.07)
<b>Balance as at March 31, 2024</b>	<b>5.31</b>
Impairment loss recognised/reversed during the year	(4.39)
<b>Loss allowance as on 31 March 2025</b>	<b>0.92</b>

**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.



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**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
<b>31 March 2025</b>				
Trade payable	538.02	-	-	538.02
Lease liabilities	0.34	0.01	1.22	1.57
Other financial liabilities	3.97	-	-	3.97
<b>Total</b>	<b>542.33</b>	<b>0.01</b>	<b>1.22</b>	<b>543.56</b>

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
<b>31 March 2024</b>				
Trade payable	407.19	-	-	407.19
Lease liabilities	0.45	0.35	1.22	2.02
Other financial liabilities	15.88	-	-	15.88
<b>Total</b>	<b>423.52</b>	<b>0.35</b>	<b>1.22</b>	<b>425.09</b>

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
<b>1 April 2023</b>				
Trade payable	363.50	-	-	363.50
Lease liabilities	0.45	0.80	1.22	2.47
Other financial liabilities	9.38	-	-	9.38
<b>Total</b>	<b>373.33</b>	<b>0.80</b>	<b>1.22</b>	<b>375.35</b>

**C) Market Risk**

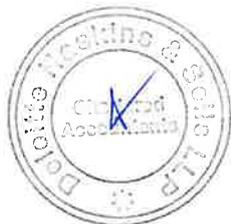
**a) Foreign currency risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, GBP, 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 are as follows

Particulars	Foreign currency	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
<b>Financial liabilities</b>				
Trade payables	USD	2.19	2.11	2.00
	Equivalent in Rs. Millions	190.65	178.29	166.69
	EUR	0.10	0.12	0.03
	Equivalent in Rs. Millions	9.55	10.86	2.63
	GBP	0.00	0.01	0.01
	Equivalent in Rs. Millions	0.31	1.18	1.14
	CNY	3.13	4.33	2.40
	Equivalent in Rs. Millions	38.55	51.95	29.95



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<b>Financial assets</b>					
Trade receivables	USD	0.66	0.85	0.56	
	Equivalent in Rs. Millions	55.33	69.33	45.56	
	EUR	0.22	0.17	0.13	
	Equivalent in Rs. Millions	19.95	15.42	11.67	
	EEFC Bank a/c	USD	0.11	-	0.41
	Equivalent in Rs. Millions	9.54	-	18.77	
	EUR	0.03	0.02	0.01	
	Equivalent in Rs. Millions	2.59	1.57	0.50	

**Sensitivity**

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

<b>Particulars</b>	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>	<b>As at 1 April 2023</b>
<b>(a) Trade payables*</b>			
<b>USD sensitivity</b>			
Rs/USD- increase by 0.50%	(0.95)	(0.89)	(0.83)
Rs/USD- decrease by 0.50%	0.95	0.89	0.83
<b>EUR sensitivity</b>			
Rs/EUR- increase by 0.50%	(0.05)	(0.05)	(0.01)
Rs/EUR- decrease by 0.50%	0.00	-	0.01
<b>GBP sensitivity</b>			
Rs/GBP- increase by 0.50%	(0.00)	(0.01)	(0.01)
Rs/GBP- decrease by 0.50%	0.00	0.01	0.01
<b>CNY sensitivity</b>			
Rs/CNY- increase by 0.50%	(0.19)	(0.26)	(0.15)
Rs/CNY- decrease by 0.50%	0.19	0.26	0.15
<b>(b) Trade receivables*</b>			
<b>USD sensitivity</b>			
Rs/USD- increase by 0.50%	0.28	0.35	0.23
Rs/USD- decrease by 0.50%	(0.28)	(0.35)	(0.23)
<b>EUR sensitivity</b>			
Rs/EUR- increase by 0.50%	0.10	0.08	0.06
Rs/EUR- decrease by 0.50%	(0.10)	(0.08)	(0.06)
<b>(c) EEFC Bank a/c*</b>			
<b>USD sensitivity</b>			
Rs/USD- increase by 0.50%	0.05	-	0.09
Rs/USD- decrease by 0.50%	(0.05)	-	(0.09)
<b>EUR sensitivity</b>			
Rs/EUR- increase by 0.50%	0.01	0.01	0.00
Rs/EUR- decrease by 0.50%	(0.01)	(0.01)	(0.00)

\* Holding all other variables constant



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**b) Interest rate risk**

**i) Liabilities**

The Company does not have any long term or short 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.

**c) Price risk**

The Company does not have any investments in equity instruments which create an exposure to price risk.

**30. 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 lease liabilities)	0.36	0.74	1.08
Less: Cash and cash equivalents	0.36	0.74	1.08
<b>Net debt</b>	-	-	-

Total equity (as shown on the face of balance sheet)	<b>834.62</b>	<b>1,174.48</b>	<b>1,035.31</b>
<b>Debt to equity ratio:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Net debt to equity ratio:</b>	-	-	-

**31. Commitments and Contingent liabilities**

**a) Capital commitments**

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Estimated amount of contracts, remaining to be executed on capital account and not provided [net of capital advances of Rs 7.60 millions (31 March 2024: Rs. 0.41 millions; 1 April 2023: Nil)]	6.17	1.96	1.13
	<b>6.17</b>	<b>1.96</b>	<b>1.13</b>

**b) Contingent liabilities\***

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Direct Tax litigations pending for disposal by the Income tax authorities	87.80	76.44	45.55
Litigations related to labour law	2.80	2.39	8.91
	<b>90.60</b>	<b>78.83</b>	<b>54.46</b>

\* The management is of the opinion that appeals will be allowed in the favour of the Company and hence no provision is required for the above.

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. Also, Refer note 34(b).

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### 32. Segment information

The business activities fall within a single operating segment viz. manufacturing and sale of auto components. There are no separate business reportable segment.

The analysis of geographical segment is based on the geographical location of the customers. The table shows the distribution of the Company's sales by geographical market, regardless of where the goods were produced.

The following are the transactions by the Company with external customers individually contributing 10 % or more of revenue from operations:

- a) Customer A represented approximately 9.63% of revenue from operations in financial year 2024-25 (2023-24: 13.52%)  
b) Customer B represented approximately 22.88% of revenue from operations in financial year 2024-25 (2023-24: 27.84%)

#### (c) Geographical information in respect of Revenue from external customers is given below:

Particulars	Year ended	Year ended
	31 March 2025	31 March 2024
India	2,398.94	2,182.95
Other countries	239.68	180.90
	<b>2,638.62</b>	<b>2,363.85</b>

#### Carrying amount of segment trade receivables by geographical market (net of provision)

Particulars	As at	As at	As at
	31 March 2025	31 March 2024	1 April 2023
India	342.50	283.84	291.41
Other countries	75.28	84.75	57.23
	<b>417.78</b>	<b>368.59</b>	<b>348.64</b>

The Company has common assets for producing goods for India and outside countries. Hence, separate figures for non-current assets cannot be furnished.

### 33. Employee benefit obligations

The Company has recognized the following amount in statement of profit and loss:

#### (i) Defined Contribution Plans

Particulars	Year ended	Year ended
	31 March 2025	31 March 2024
i) Employer's Contribution to Provident fund	6.62	5.78
ii) Employer's Contribution to National Pension Scheme	0.51	0.67
<b>Total (refer note 21)</b>	<b>7.13</b>	<b>6.45</b>

#### (ii) Defined Benefit Plan

##### A. Gratuity (unfunded)

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 present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

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

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment
Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.



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The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and amounts recognized in the balance sheet for the 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	3.04	2.76
Interest expense on defined benefit obligation	2.07	2.00
<b>Amount recognised in the Statement of Profit and Loss (refer note 21)</b>	<b>5.11</b>	<b>4.76</b>

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

Description	Year ended 31 March 2025	Year ended 31 March 2024
Actuarial (gain)/loss on obligations arising from changes in demographic adjustments	-	(0.99)
Actuarial (gain)/loss on obligations arising from changes in experience adjustments	0.78	(1.62)
Actuarial (gain)/loss on obligations arising from changes in financial assumptions	2.18	3.12
<b>Remeasurements of the post employment defined benefit plans (gain)/loss</b>	<b>2.96</b>	<b>0.51</b>
Return on plan assets	-	-
<b>Remeasurements of the post employment defined benefit plans (gain)/loss recognised in OCI</b>	<b>2.96</b>	<b>0.51</b>

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

Description	Year ended 31 March 2025	Year ended 31 March 2024
Present value of defined benefit obligation as at the beginning of the year	29.46	26.80
Current service cost	3.04	2.76
Interest cost	2.07	2.00
Remeasurements of the post employment defined benefit plans (gain)/loss	2.96	0.51
Benefits paid directly by the company	(1.43)	(2.61)
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>36.10</b>	<b>29.46</b>
<b>Current liability (refer note 15)</b>	<b>1.68</b>	<b>2.10</b>
<b>Non-current liability (refer note 15)</b>	<b>34.42</b>	<b>27.37</b>

(iv) Actuarial assumptions

Description	As at 31 March 2025	As at 31 March 2024
Discount rate	6.50% p.a.	7.20% p.a.
Normal retirement age	58 years	58 years
Mortality rate	Indian Assured Lives Mortality (IALM) (2006-08) (modified) Ult.	Indian Assured Lives Mortality (IALM) (2006-08) (modified) Ult.
Disability rate	5.0% of mortality rate	5.0% of mortality rate
Employee turnover#	Upto 24 years: 1%, 25-34 years: 10%, 35-49 years: 6.5%, 50 years & above: 0.5%	Upto 24 years: 1%, 25-34 years: 10%, 35-49 years: 6.5%, 50 years & above: 0.5%
Expected rate of return on Plan Assets	NA	NA
Salary increase rate*#	10%p.a.	10%p.a.

\*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.



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(v) A quantitative sensitivity analysis for gratuity liability:

Description	As at 31 March 2025	As at 31 March 2024
<b>Impact of the change in discount rate</b>		
- Impact due to increase of 0.50 %	(34.52)	(28.23)
- Impact due to decrease of 0.50 %	37.79	30.81
<b>Impact of the change in salary increase</b>		
- Impact due to increase of 0.50 %	(37.73)	(30.70)
- Impact due to decrease of 0.50 %	34.56	28.32

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 8 years as on 31 March 2025 (31 March 2024: 9 years).

The above sensitivity analysis are based on a change in an assumptions while holding all other assumption constant. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The weighted average duration of the defined benefit obligation is 8 years. The expected maturity analysis of defined benefit plan (gratuity) (on as undiscounted basis) is as follows:

Description	As at 31 March 2025
Year ended 31 March 2026	1.73
Year ended 31 March 2027	4.24
Year ended 31 March 2028	2.61
Year ended 31 March 2029	2.10
Year ended 31 March 2030 and above (Next 5 years)	29.79

Description	As at 31 March 2024
Year ended 31 March 2025	2.10
Year ended 31 March 2026	1.79
Year ended 31 March 2027	3.63
Year ended 31 March 2028	1.55
Year ended 31 March 2029 and above (Next 5 years)	16.35

Description	As at 1 April 2023
Year ended 31 March 2024	1.04
Year ended 31 March 2025	0.66
Year ended 31 March 2026	1.07
Year ended 31 March 2027	2.88
Year ended 31 March 2028 and above (Next 5 years)	9.75

**B. Compensated absences**

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

The Company has an unconditional right, at the end of reporting period, to defer settlement for any of these obligation beyond 12 months and therefore, such obligation as at year end has been shown in note no.15 as per actuarial certificates.



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The following pay-outs(on an undiscounted basis) are expected in future years:

Description	As at 31 March 2025
Year ended 31 March 2026	1.36
Year ended 31 March 2027	1.56
Year ended 31 March 2028	1.23
Year ended 31 March 2029	1.13
Year ended 31 March 2030 and above (Next 5 years)	6.32

Description	As at 31 March 2024
Year ended 31 March 2025	0.96
Year ended 31 March 2026	0.90
Year ended 31 March 2027	0.84
Year ended 31 March 2028	0.71
Year ended 31 March 2029 and above (Next 5 years)	3.95

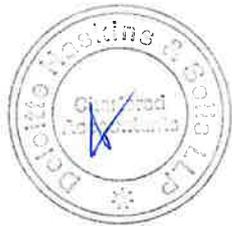
Description	As at 1 April 2023
Year ended 31 March 2024	0.64
Year ended 31 March 2025	0.63
Year ended 31 March 2026	0.70
Year ended 31 March 2027	0.66
Year ended 31 March 2028 and above (Next 5 years)	3.62

34.a As 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". Basis the ongoing study by an independent consultants, the management is of the opinion that the Company's international transactions are at arm's length and are not expected to result in any transfer pricing adjustments having impact on the tax expenses recognized on the financial statements .

34.b The Company is involved in certain legal, tax (direct and indirect taxes) and other regulatory matters ('litigations'), the outcome of which may not be favourable to the Company. The Company is actively seeking to resolve these actual and potential statutory, taxation and regulatory matters. Management is in consultation with the legal, tax and other advisers to assess the likelihood that a pending claim will succeed. The Company has applied its judgement and has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities where economic outflows are considered possible but not probable. Based on management assessment on likelihood, timing of cash outflows (current/non-current), interpretation of local laws, pending disposal of these matters and consultations obtained from the management experts, where considered necessary in respect of these matters, the management has recognised for provision for contingencies towards legal, tax and other regulatory matters amounting to Rs. 16.30 millions as at 31 March 2025 (31 March 2024: Rs. 18.94 millions and 01 April 2023: Rs. 6.24 millions).

34. c) The tax compliances related to filing of tax audit report, tax return and transfer pricing report for year ended March 31, 2024 were done based on the management accounts. The revised return/reports would be filed by the management with the tax authorities in accordance with the applicable provisions of the Income Tax Act, 1961. The management is of view that the aforesaid revisions are not expected to have any consequential impact on the financial statements and tax expenses was appropriately recognized in the financial statements for the year ended 31 March 2024.

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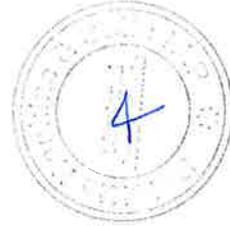
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35 Ratio as per schedule III requirements

Ratio	Numerator	Denominator	Year ended 31 March 2025	Year ended 31 March 2024	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.82	2.69	-32%	Due to increase in trade payable at year end.
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	20.00%	12.63%	58%	Improved due to increase in profit from operations.
Inventory Turnover ratio	Cost of goods sold	Average Inventories	6.45	5.86	10%	Refer note 1 below
Trade Receivable Turnover Ratio	Revenue from operations	Average Trade Receivables	6.71	6.59	2%	Refer note 1 below
Trade Payable Turnover Ratio	Purchases	Average Trade Payables	3.26	3.68	-11%	Refer note 1 below
Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets - Current liabilities	5.57	2.94	90%	Improved due to increase in revenue during the year.
Net Profit ratio	Net profit after taxes	Revenue from operations	7.61%	5.90%	29%	Improved due to increase in profit from operations.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	32.45%	17.45%	86%	Improved due to increase in profit from operations.
Return on Investment (ROI)	Income generated from funds in fixed deposits	Average invested funds in fixed deposits	0.96%	1.41%	-32%	Variation is due to increase in average fixed deposit balance at year end.

Note 1: Schedule III require explanation where the change in the ratio is more than 25% as compared to the preceding year, hence explanation is given only for such ratios.

Note 2: As the Company does not have any debt, therefore debt-equity ratio and debt service coverage ratio have not been reported.



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### **36 First Time Adoption of Ind AS**

#### **A. First Time Adoption of Ind AS**

The Company has prepared financial statements for the year ended 31 March 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 31 March 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 31 March 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 01 April 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 01 April 2023, and the financial statements as at and for the year ended 31 March 2025.

#### **B. Exemptions applied**

##### **(a) Deemed Cost**

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38. Accordingly the Company has elected to measure all of its property, plant and equipment and intangible assets at their Previous GAAP carrying value.

##### **(b) Leases**

The Company has elected to measure the right of use assets at the date of transition an amount using modified retrospective approach, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance Sheet immediately before the date of transition to Ind AS. Further, the following expedients were used on transition to Ind AS:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- the accounting for operating leases with a remaining lease term of less than 12 months as on the transition date as short-term leases
- the exclusion of initial direct costs for the measurement of the right of use asset at the date of initial application.
- use of hindsight, such as in determining the lease term as the contract contains the options to extend and terminate the lease.

#### **C. Mandatory Exceptions**

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

##### **(a) Estimates**

The estimates as at 01 April 2023 and 31 March 2024 and 31 March 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 01 April 2023, the date of transition to Ind AS and as of 31 March 2024 and 31 March 2025.

##### **(b) Classification and measurement of financial assets**

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 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 01 April 2023.



Federal-Mogul Ignition Products India Limited  
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Notes to financial statements for the year ended 31 March 2025  
(All amounts in Rs Millions, unless otherwise stated)

36 First Time Adoption of Ind AS (contd...)

36.1 Reconciliation of total equity as at 31 March 2024 and 01 April 2023

Sr No	Particulars	Note	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
I	<b>Total equity (shareholder's funds) under previous GAAP</b>				
	Total equity (shareholder's funds) under previous GAAP		834.62	1,174.52	1,035.33
II	<b>Ind AS Adjustments:</b>				
	Depreciation and interest on ROU asset and lease liability	b	(0.45)	(0.49)	(0.13)
	Reversal of Rent expenses on account of Ind AS 116	b	0.45	0.45	0.11
	<b>Total</b>		-	<b>(0.04)</b>	<b>(0.02)</b>
	<b>Total equity under Ind AS (I+II)</b>		<b>834.62</b>	<b>1,174.48</b>	<b>1,035.31</b>

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

Sr No	Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
I	<b>Profit after tax as per previous GAAP</b>		<b>198.71</b>	<b>139.20</b>
II	<b>Ind AS Adjustments:</b>			
	Gratuity impact as per valuation	a	2.96	0.51
	Depreciation and interest on ROU asset and lease liability	b	(0.45)	(0.49)
	Reversal of Rent expenses on account of Ind AS 116	b	0.45	0.45
	Deferred tax impact	c	(0.75)	(0.12)
	<b>Total adjustment to profit or loss</b>		<b>2.21</b>	<b>0.35</b>
III	<b>Profit after tax under Ind AS (I+II)</b>		<b>200.92</b>	<b>139.55</b>
IV	<b>Other comprehensive income</b>			
	Remeasurement of defined benefit plans	a	(2.96)	(0.51)
	Deferred tax impact	c	0.75	0.13
	<b>Total adjustment to other comprehensive income</b>		<b>(2.21)</b>	<b>(0.38)</b>
	<b>Total comprehensive income under Ind AS (III+IV)</b>		<b>198.71</b>	<b>139.17</b>

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

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	260.14	0.45	260.59
Net cash used in investing activities	36.4	170.90	-	170.90
Net cash generated from financing activities	36.4	(538.57)	-	(538.57)
<b>Net increase/ (decrease) in cash and cash equivalents</b>		<b>(107.53)</b>	<b>0.45</b>	<b>(107.08)</b>
Cash and cash equivalents at the start of year		268.27	-	268.27
<b>Cash and cash equivalents at the end of year</b>		<b>160.74</b>	-	<b>160.74</b>



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**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.

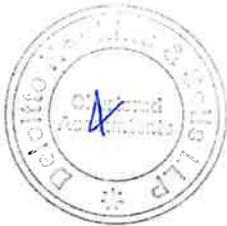
**b Leases**

Under previous GAAP, the lease payment made for the properties taken on lease is recognised as Rent Expenses in the Statement of Profit and Loss for the period. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. Under Ind AS, the Company should recognise right-to-use asset (ROU asset) and lease liability for the properties taken on lease subject to exemption provided in the Ind AS 116. On application of Ind AS 116, the nature of expenses has changed from lease rent to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability. There is no change in accounting by the lessor.

**c 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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**Federal-Mogul Ignition Products India Limited**

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**Notes to financial statements for the year ended 31 March 2025**

**(All amounts in Rs Millions, unless otherwise stated)**

37 As per the MCA notification dated 05 August 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 on servers physically located out of India. 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.

**38 Additional Disclosures**

- i) The Company does not have any title deeds of immovable properties, other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee held in its name.
- ii) 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.
- iii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- iv) The Company has not revalued its property, plant and equipment or intangible assets or both during the year.
- v) The Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets. So, there is no requirement to file monthly / quarterly return with banks.
- vi) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- vii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- viii) The Company does not have any charges or satisfaction which is yet to be registered with Registrars of Companies (ROC) beyond the statutory period.
- ix) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- x) The Company have not entered into any such transaction which is not recorded in the books of account 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.
- xi) 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.
- xii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- xiii) The Company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to 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 to or on behalf of the Ultimate Beneficiaries.
- xiv) 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.
- xv) As per the proviso to Rule 3(1) of Companies(Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023 every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.  
The Company uses SAP as its primary accounting softwares for recording all the accounting transactions viz., sales, purchases, production/costing, fixed assets, other expenses, payroll, cash and bank transactions, journal entries and all other general ledger accounting transactions for the year ended 31 March 2025. The Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that (a) audit trail feature is not enabled for certain changes made using privileged/administrative access rights, and (b) the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes.  
Additionally, the audit trail that was enabled and operated for the year ended 31st March 2024, has been preserved by the Company as per the statutory requirements for record retention.
- xvi) There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.



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**Federal-Mogul Ignition Products India Limited**  
**CIN: U51109DL1998PLC195010**  
**Notes to financial statements for the year ended 31 March 2025**  
**(All amounts in Rs Millions, unless otherwise stated)**

39 (a) The Company had overseas receivable from related parties and others on account of goods and services provided which included balances due for more than nine months as at March 31, 2025 amounting to Rs. 10.51 million (31 March 2024 Rs. 19.78 million, 01 April 2023: Rs. 7.44 million ). These amounts are overdue for a period beyond the time stipulated under Foreign Exchange Management Act 1999 ("FEMA"). The Company has intimated the AD banker in respect of aforesaid outstanding receivables. Management is of view that outstanding amount of Rs.10.51 million as on 31 March 2025 will be received in due course and consequential penalty, if any is not expected to be material to the financial statements and therefore, no provision has been recognized in the financial statements.

(b) The Company had payables to overseas parties on account of import of goods and services which include balance due for more than six months as at March 31, 2025 amounting to Rs. 1.77 million (31 March 2024: Rs. 9.41 million, 01 April 2023: Rs. 9.60 million). These amounts are overdue for a period beyond the time stipulated under Foreign Exchange Management Act 1999 ("FEMA"). The Company has intimated AD banker in respect of aforesaid outstanding payables. Management is of view, that outstanding amount of Rs. 1.77 million will be paid in due course and consequential penalty, if any is not expected to be material to the financial statements and therefore, no provision has been recognized in the financial statements.

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40 (a) Inventory

The management noted significant difference of Rs. 40.30 million between physical inventory counting conducted in December 2023 and perpetual inventory records of the Company. The management was unable to provide adequate quantification for the potential reasons identified for discrepancy, and the Company had charged the entire amount to the Statement of Profit and Loss under "Cost of raw materials consumed" during the year ended 31 March 2024. The Board of Directors of the Company, engaged an independent firm to investigate the reasons for such significant difference and concluded that there has not been any indication of wrong-doings by employees of the Company and all identified/required adjustments were recorded in the financial statements for the year ended 31 March 2024. Further, the Company did not have appropriate internal controls for maintenance of records evidencing the recording of consumption of materials which could result in potential misstatements in cost of raw materials consumed and the inventory, which have been remediated during the year ended 31 March 2025.

(b) Whistleblower Matters

(i) The Board of Directors engaged an independent firm to assist the Board of Directors for investigating the allegations (other than frivolous allegations from anonymous sources) involving misconduct of certain employees. Basis the investigation and Board's evaluation on all such matters, the management has determined the impact of Rs. 0.76 millions which is insignificant and has been recognized in the books of account till period ended 31 March 2024. The management had taken appropriate action involving termination of an employee and a vendor involved in such matter. The Board of Directors concluded that no further adjustments are required in the financial statements as at and for the year ended 31 March 2024 and 31 March 2025 in respect of these matters.

(ii) The Company is not required to implement vigil mechanism as per the provisions of section 177 of the Companies Act, 2013 and it implemented whistleblower policy laid by its ultimate holding company. However, during the year ended 31 March 2024, the Company did not have an appropriate Entity Level Control with reference to financial statements for timely communication of whistle-blower complaints received by its ultimate holding company along with outcome of investigations completed, to the Board of Directors which could lead to risk of undetected fraud and consequential implications on financial statements, not implementing remedial action in timely manner to prevent further occurrences, delay in preparation of financial statements and consequential non-compliance with regulatory requirements. However, the aforementioned deficiencies in the process have been remediated during the year ended March 31, 2025.

41 The Company could not convene Annual General Meeting of the shareholders within stipulated time period resulting in non-compliances with applicable provisions (such as section 92, 96 and 137) of the Companies Act, 2013 for the year ended 31 March 2024. On June 17, 2025, the Company filed the compounding application under section 441 of the Companies Act, 2013 before the Registrar of Companies, NCT of Delhi and Haryana for his onward submission to the Regional Director, Northern Region. The consequential impact (including penalty and other regulatory consequences, if any) of these non-compliances will be only known post conclusion of compounding proceedings. As at March 31, 2025, the Company has recognized provision of Rs 4.78 millions (31 March 2024: Rs 2.15 millions) towards potential penal charges on an estimated basis .

42 The Board of Directors is of view that there are no subsequent events requiring adjustments/disclosures to the financial statements for the year 31 March 2025.

43 The Company Secretary vacated his office with effect from 10 June 2025. As per Section 203 of the Companies Act 2013, the period of 6 months for the appointment of Company Secretary from date of resignation has not been since elapsed and therefore there is no consequential impact on the financial statements for the year ended 31 March 2024.

For and on behalf of the Board of Directors  
Federal-Mogul Ignition Products India Limited



Manish Chadha  
Director  
DIN: 07195652



Upkar Singh Randhawa  
Whole Time Director  
DIN: 10834630



Sumit Gupta  
Chief Financial Officer

Place: Gurugram  
Date: 19 June 2025

