STANDALONE BALANCE SHEET

AS AT 31ST March 2024

Walker Chandiok & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II,
Gurugram - 122 002
Haryana, India

T +91 124 462 8099
F +91 124 462 8001

Independent Auditor's Report

To the Members of Tenneco Automotive India Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Tenneco Automotive India Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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.

9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of Board of Directors' 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; and

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

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

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

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

13. Further to our comments in Annexure A, 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 purpose of our audit of the accompanying standalone financial statements;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)}. Further, the back-up of the books of accounts and other books and papers of the Company maintained in electronic mode has not been maintained on servers physically located in India, on a daily basis;

    c) The standalone financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the maintenance of accounts and other matters connected therewith refer to our comments in paragraph 13(b) above on reporting under section 143(3)(b) of the Act and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company, as detailed in note 42 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 49(m) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 49(n) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year ended 31 March 2024 and until the date of this audit report is in compliance with section 123 of the Act.

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS

vi. As stated in Note 51 to the standalone financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software, except that, the audit trail feature was not enabled at the database level for the accounting software to log any direct data changes. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with where such feature is enabled.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ankit Mehra
Partner
Membership No.: 507429

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

UDIN: 24507429BKCKMW6844

Place: Gurugram
Date: 19 September 2024

Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Tenneco Automotive India Private Limited on the standalone financial statements for the year ended 31 March 2024

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 report 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 regular programme of physical verification of its property, plant and equipment, capital work-in-progress and relevant details of 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. In accordance with this programme, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.

(c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has adopted cost model for its property, plant and equipment including right-of-use assets and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.

(b) As disclosed in Note 49(d) to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores, by banks. Pursuant to the terms of the sanction letters, the Company is not required to file any quarterly return or statement with such banks.

(iii) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans to companies, firms, limited liability partnerships during the year. Further, the Company has made investments in companies during the year, in respect of which:

(a) The Company has not provided any loans or provided any advances in the nature of loans, or guarantee, or security to any other entity during the year. Accordingly, reporting under clauses 3(iii)(a) of the Order is not applicable to the Company.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Tenneco Automotive India Private Limited on the standalone financial statements for the year ended 31 March 2024 (cont'd)

(b) The Company has not provided any guarantee or given any security or granted any loans or advances in the nature of loans during the year. However, the Company has made investment in two entities amounting to Rs. 14 lakhs (year-end balance Rs. 89 lakhs) and in our opinion, and according to the information and explanations given to us, such investments made are, prima facie, not prejudicial to the interest of the Company.

(c) The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii)(a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in lacs)	Amount paid under Protest (₹ in lacs)	Period to which the amount relates (FY)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	100	-	2003-2004	High Court of India
Income Tax Act, 1961	Income Tax	25	-	2004-2005	High Court of India
Income Tax Act, 1961	Income Tax	39	-	2004-2005	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	53	-	2005-2006	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	3	-	2006-2007	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	78	-	2007-2008	Commissioner of Income Tax (Appeals)

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Tenneco Automotive India Private Limited on the standalone financial statements for the year ended 31 March 2024 (cont'd)

Income Tax Act, 1961	Income Tax	1,483	-	2008-2009	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	109	-	2009-2010	Transfer Pricing Officer
Income Tax Act, 1961	Income Tax	8	-	2009-2010	Deputy Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	405	-	2009-2010	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	134	-	2010-2011	Transfer Pricing Officer
Income Tax Act, 1961	Income Tax	345	-	2010-2011	Deputy Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	53	-	2011-2012	Transfer Pricing Officer
Income Tax Act, 1961	Income Tax	2,244	-	2017-2018	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	11	-	2020-21	Commissioner of Income Tax (Appeals)
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	257	-	1990-1991, 1992-1993, 1993-1994, 1996-1997 and 1999-2000	Commercial Tax Officer, Hosur
Goods and Services Tax Act, 2017	Goods and Services Tax	18	-	2017-2018	Deputy Commissioner
Goods and Services Tax Act, 2017	Goods and Services Tax	61	-	2018-2019	Deputy Commissioner
Central Excise Act, 1944	Excise Duty	1,118	-	Nov'2013 - Jun'2017	Additional Director General- DGGSTI, New Delhi
Customs Act, 1962	Customs Duty	1	-	1987-1988	Assisstant Commissioner of Central Excise, Hosur
Customs Act, 1962	Customs Duty	200	-	2008	Commissioner of Customs
Customs Act, 1962	Customs Duty	141	-	2007-2008	Commissioner of Customs

(viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Tenneco Automotive India Private Limited on the standalone financial statements for the year ended 31 March 2024 (cont'd)

(ix) According to the information and explanations given to us, we report that the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit, except for misappropriation of funds by an employee of the Company, through manipulation of existing controls around vendor payments on multiple occasions during the current and preceding financial years as identified by the management subsequent to 31 March 2023 but before the adoption of financial statements for FY 2022-2023, causing losses to the Company aggregating to Rs. 1,944 lakhs as further explained under Note 50 to the accompanying standalone financial statements. Further, the Company has taken disciplinary proceeding against the concerned employee and has implemented additional supervisory and monitoring controls around vendor payment process during the year.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

(xiv)(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Tenneco Automotive India Private Limited on the standalone financial statements for the year ended 31 March 2024 (cont'd)

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management 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) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Ankit Mehra
Partner
Membership No.: 507429

UDIN: 24507429BKCKMW6844

Place: Gurugram
Date: 19 September 2024

Annexure B to the Independent Auditor's Report of even date to the members of Tenneco Automotive India Private Limited on the standalone financial statements for the year ended 31 March 2024

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Tenneco Automotive India Private Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls 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 (the "Guidance Note") issued by the Institute of Chartered Accountant of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. 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 includes obtaining an understanding of such internal financial controls, 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.

5. 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.

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Annexure B to the Independent Auditor's Report of even date to the members of Tenneco Automotive India Private Limited on the standalone financial statements for the year ended 31 March 2024 (cont'd)

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. 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 controls 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

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Ankit Mehra
Partner
Membership No.: 507429

UDIN: 24507429BKCKMW6844

Place: Gurugram
Date: 19 September 2024

Tenneco Automotive India Private Limited
Standalone Balance Sheet as at 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Notes	Amount as at 31 March 2024	Amount as at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	21,877	22,357
Capital work-in-progress	3	1,183	740
Right-of-use assets	3	1,776	1,878
Intangible assets	4	60	25
Financial assets			
- Investments	5	25,679	25,665
- Loans	6	26	23
- Other financial assets	7	234	231
Deferred tax assets (net)	8	412	467
Income-tax assets (net)	9	1,729	882
Other non-current assets	10	570	670
		53,546	**52,938**
Current assets			
Inventories	11	8,278	9,408
Financial assets			
- Trade receivables	12	20,580	17,471
- Cash and cash equivalents	13(a)	9,565	18,047
- Other bank balances	13(b)	5	58
- Loans	6	93	101
- Other financial assets	7	51	55
Other current assets	14	1,051	791
		39,623	**45,931**
Total Assets		**93,169**	**98,869**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	10	10
Other equity	16	45,241	57,398
		45,251	**57,408**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	17	255	340
Provisions	18	264	311
Other non-current liabilities	19	1,766	1,671
		2,285	**2,322**
Current liabilities			
Financial liabilities			
- Borrowings	20	-	86
- Lease liabilities	17	165	149
- Trade payables			
- total outstanding dues of micro enterprises and small enterprises	21	7,084	4,801
- total outstanding dues of creditors other than micro enterprises and small enterprises	21	26,030	22,544
- Other financial liabilities	22	6,006	6,469
Other current liabilities	23	3,487	2,129
Provisions	18	2,545	2,961
Current tax liabilities (net)	24	316	-
		45,633	**39,139**
Total Equity and Liabilities		**93,169**	**98,869**

The above Standalone Balance Sheet should be read in conjunction with the accompanying notes

This is the Standalone Balance Sheet referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number: 001076N/N500013

Ankit Mehra
Partner
Membership Number: 505429
Place: Gurugram
Date: 19 September 2024

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Tenneco Automotive India Private Limited

R. C. Subramaniam
Managing Director
DIN: 00844540
Place: Pune
Date: 18 September 2024

Praveen Kumar Singh
Director
DIN: 08444582
Place: Pune
Date: 18 September 2024

Mayuri Ramdasi
Company Secretary
Membership Number: A53332
Place: Pune
Date: 18 September 2024

Tenneco Automotive India Private Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Revenue from operations	25	1,86,241	1,78,310
Other income	26	5,647	5,866
Total Income		**1,91,888**	**1,84,176**
Expenses			
Cost of materials consumed	27	1,27,241	1,22,117
Change in inventories of finished goods and work-in-progress	28	1,453	(876)
Employee benefits expense	29	12,681	12,589
Finance costs	30	402	203
Depreciation and amortisation expense	31	3,748	3,988
Other expenses	32	28,628	24,984
Total Expenses		**1,74,153**	**1,63,005**
Profit before tax		**17,735**	**21,171**
Tax expense			
- Current tax	33	3,331	5,016
- Tax pertaining to earlier years	33	44	-
- Deferred tax	33	55	(173)
Total tax expense		**3,430**	**4,843**
Profit for the year		**14,305**	**16,328**
Other comprehensive income for the year			
Items that will not be reclassified to profit or loss			
- Remeasurements of the post employment defined benefit plans (gain)		(94)	(29)
- Income tax relating to items that will not be reclassified to profit or loss		24	7
Total other comprehensive income for the year		**(70)**	**(22)**
Total comprehensive income for the year		**14,375**	**16,350**
Earnings per equity share (of ₹ 10 each)			
Basic and diluted earnings per share (₹) :	45	14,305	16,328

The above Standalone Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number: 001076N/N500013

Ankit Mehra
Partner
Membership Number: 507429
Place: Gurugram
Date: 19 September 2024

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Tenneco Automotive India Private Limited

R. C. Subramaniam
Managing Director
DIN: 06844540
Place: Pune
Date: 18 September 2024

Praveen Kumar Singh
Director
DIN: 08444682
Place: Pune
Date: 18 September 2024

Mayuri Randasi
Company Secretary
Membership Number: A53332
Place: Pune
Date: 18 September 2024

Tenneco Automotive India Private Limited
Standalone Statement of Cash Flows for the year ended 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

Particulars		For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flow from operating activities			
Profit before tax		17,735	21,171
Adjustments for:			
Depreciation and amortisation expense		3,748	3,988
Provision for doubtful advances		42	62
Loss/(Gain) on allowance of trade receivables		129	(89)
Advance - write off		-	(158)
Provision for warranty expenses		138	829
Interest income on fixed deposits with banks (gross)		(356)	(197)
Interest income from financial assets		(3)	(3)
Unwinding of discount on security deposits		(11)	(4)
Finance Cost		357	161
Interest on lease liabilities		45	42
Loss on disposal of property, plant and equipment		4	19
Unrealised foreign exchange gain		52	(173)
Dividend Income		(4,975)	(4,319)
Employee share based expenses		-	65
Operating profit before working capital changes		**16,905**	**21,394**
Movements in working capital			
(Increase)/decrease in assets			
- trade receivables		(2,886)	5,907
- inventories		1,131	(1,705)
- other current and non-current financial assets		10	(67)
- current and non-current loans		(3)	(15)
- other current and non-current assets		(324)	(350)
Increase/(decrease) in liabilities			
- trade payables		5,435	4,511
- current and non-current provisions		(602)	(581)
- other current financial liabilities		(846)	1,409
- other current and non-current liabilities		1,454	1,024
Cash generated from operations post working capital changes		**20,374**	**31,527**
Income taxes paid (net)		(3,979)	(5,558)
Net cash inflow from operating activities (A)		**16,395**	**25,969**
Cash flows from investing activities:			
Purchase of property, plant and equipment (including capital work-in-progress)		(3,448)	(2,017)
Proceeds from sale of property, plant and equipment		9	1
Dividend received from subsidiary company		4,975	4,319
Movement in other bank balances (net)		53	(53)
Interest received		356	197
Net cash outflow from investing activities (B)		**1,945**	**2,447**
Cash flows from financing activities:			
Repayment of borrowings		(86)	(3,302)
Repayment of lease liabilities		(200)	(173)
Interest paid		(4)	(3)
Dividend paid		(26,532)	(12,458)
Net cash inflow (outflow) from financing activities (C)		**(26,822)**	**(15,936)**
Net increase (decrease)/(increase) in cash and cash equivalents (A)+(B)+(C)		**(8,482)**	**12,480**
Cash and cash equivalents at the beginning of the financial year		18,047	5,567
Cash and cash equivalents at end of the year		**9,565**	**18,047**
Reconciliation of cash and cash equivalents as per the cash flow			
Cash and Cash Equivalents as per above comprise of the following:			
Cash and Cash Equivalents	13	9,565	18,047
Balances per statement of cash flows		**9,565**	**18,047**

The above Standalone Cash Flow Statement should be read in conjunction with the accompanying notes.

This is the Standalone Cash Flow Statement referred to in our report of even date.

The Standalone Cash Flow Statement have been prepared under the indirect method as set out in Ind AS 7, 'Statement of Cash Flows'.

Refer note 17(c) for movement of liabilities arising from financing activities

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number: 001076N/N500013

Ankit Mehra
Partner
Membership Number: 507[illegible]
Place: Gurugram
Date: 19 September 2024

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the Board of Directors
Tenneco Automotive India Private Limited

C Subramaniam

R. C. Subramaniam
Managing Director
DIN: 00844540
Place: Pune
Date: 18 September 2024

Praveen Kumar Singh
Director
DIN: 08444682
Place: Pune
Date: 18 September 2024

M.S. Rundasi

Mayuri Rundasi
Company Secretary
Membership Number: A53312
Place: Pune
Date: 18 September 2024

Tenneco Automotive India Private Limited
Standalone Statement of Changes in Equity for the year ended 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

A. Equity share capital

Particulars	Balance as at 01 April 2022	Change in equity share capital during the year	Balance as at 31 March 2023	Change in equity share capital during the year	Balance as at 31 March 2024
Equity share capital	10	-	10	-	10

B. Other equity

	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	Retained Earnings	Stock Compensation	Other reserves (Demerger adjustment reserve)*	Total
Balance as at 1 April 2022	38	7	60	52,782	554	-	53,441
Profit for the year	-	-	-	16,328	-	-	16,328
Other comprehensive income	-	-	-	22	-	-	22
Total comprehensive income for the year	38	7	60	69,132	554	-	69,791
Employee stock option	-	-	-	619	(554)	-	65
Dividend paid during the year	-	-	-	(12,458)	-	-	(12,458)
Balance as at 31 March 2023	38	7	60	57,293	-	-	57,398
Profit for the year	-	-	-	14,305	-	-	14,305
Other comprehensive income	-	-	-	70	-	-	70
Total comprehensive income for the year	38	7	60	71,668	-	-	71,773
Dividend paid during the year	-	-	-	(26,532)	-	-	(26,532)
Balance as at 31 March 2024	38	7	60	45,136	-	-	45,241

The above Standalone Statement of Changes in Equity should be read in conjunction the accompanying notes.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

[illegible] Mehra
Partner
Membership Number: 507429
Place: Gurugram
Date: 19 September 2024

For and on behalf of the Board of Directors
Tenneco Automotive India Private Limited

C Subramanian

R. C. Subramanian
Managing Director
DIN: 06844540
Place: Pune
Date: 18 September 2024

Praveen Kumar Singh
Director
DIN: 08444582
Place: Pune
Date: 18 September 2024

M.S. Ramdasi

Mayuri Ramdasi
Company Secretary
Membership Number: A53332
Place: Pune
Date: 18 September 2024

(All amounts in ₹ lacs, unless otherwise stated)

1 Company overview

Tenneco Automotive India Private Limited (the Company) was incorporated as a Private Limited Company on 12 January 1998 under the Companies Act, 1956. The Company was formed by Tenneco Inc., USA (the Ultimate holding company) to manufacture, distribute and/ or otherwise deal in automobile parts and components and other related activities including establishment of a comprehensive research and development centre. Pursuant to a Scheme of amalgamation as per the order of Honourable Madras High Court dated 9 July 2010, Tenneco RC India Private Limited (TRCIPL), Tenneco Exhaust India Private Limited (TEIPL), Tenneco India Engineering and Shared Services Private Limited (TIESS) and Renowned Auto Products Mfrs Private Limited (RAPS) were amalgamated with the Company effective from April 1, 2008.

The Company is engaged in the manufacture of shock absorbers and struts.

2 Statement of material accounting policies

2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. Presentation requirements of Division II of Schedule III to the Companies Act, 2013, "as amended", as applicable to the Standalone Financial Statements have been followed. These financial statements are separate financial statements of the Company. The Company has also prepared consolidated financial statements for the year ended 31 March 2024 in accordance with Ind AS 110 and the same were also approved for issue by the Board of Directors, along with these financial statements on 19 September 2024. The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

• Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
• Defined benefit plans – plan assets measured at fair value.

2.2 Material accounting policies

a) Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

b) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises the purchase price, borrowing cost (if capitalisation criteria are met) and any attributable costs of bringing the asset to its working condition for its 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 attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method prescribed under Schedule II of the Act, computed on the basis of useful lives prescribed under Schedule II of the Act or technical evaluation of the property, plant and equipment by the management and/or external technical expert which are mentioned below:

Category	Management estimated Useful Life (in years)	Useful Life as per schedule II (in years)
Buildings (on leasehold land)		
Factory buildings	30	30
Fences, wells, tube wells	5	5
Temporary structures	3	3
Roads	10	10
Plant and machinery:		
Plant and Machinery other than continuous process plant	15	15
Continuous process plant*	25	8
Others	1-10	1-10
Computers*	4-6	3-6
Office equipments*	3-10	5
Furniture and fixtures	10	10
Vehicles	8	8

*The useful lives have been determined based on technical evaluation done by the management's expert which differ from those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

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

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

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

c) **Intangible assets**
Recognition and initial measurement
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Subsequent measurement (amortisation)
All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Residual values and useful lives are reviewed at each reporting date. The cost of capitalised software is amortised over a period in the range of 3-6 years from the date of its acquisition.

The amortisation period and the amortisation method for intangible assets are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

De-recognition
Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

d) **Impairment of non-financial assets**
For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

To determine value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

e) **Borrowing costs**
Borrowing costs directly/generally attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest calculated using the effective interest method that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Eligible transaction/ancillary costs incurred in connection with the arrangement of borrowings are adjusted with the proceeds of the borrowings.

f) **Inventories**
Inventories are stated at lower of cost or net realisable value. The cost in respect of the various items of inventory is computed as under:

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

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories.

The amount of any write-down of inventories to net realisable value and all losses of inventories is recognized as an expense in the period the writedown or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

g) **Foreign currency translation**
Functional and presentation currency
The financial statements are presented in Indian Rupees (INR or ₹) and are rounded to two decimal places of lacs, which is also the Company's functional currency.

Transactions and balances
Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items as at reporting date are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ('OCI') or profit or loss are also recognised in OCI or statement of profit and loss, respectively).

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

(This space has been intentionally left blank)

h) Right-of-use assets and lease liabilities

As a lessee

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.

Recognition and initial measurement of right-of-use assets
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 recognizes 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.

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

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.

Lease liabilities
The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease 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.

i) Fair Value of financial instrument
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

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

j) 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. The Company recognises revenue when it transfers control of a product to a customer. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments and excludes tax and duties collected on behalf of the government. The Company recognises revenue from the following major sources:

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

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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 30-120 days.

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

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

Revenue from development of tools:
The Company develops customised tools for its customers and recognises its revenue over time using an input method to measure progress towards complete satisfaction of the tool development.
The Company recognises revenue from development of tools over time if it can reasonably measure its progress towards complete satisfaction of the performance obligation.
Where the Company cannot reasonably measure the outcome of a performance obligation, but the Company expects to recover the costs incurred in satisfying the performance obligation, in those circumstances, the Company recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.
If the unavoidable costs of developing the tool exceed the economic benefits expected to be received from it, a provision is made for the loss.

Determining the timing of satisfaction of development of tools
The revenue for development of tools is to be recognised over time because the Company's performance does not create asset with an alternative use to the Company since the tools are customised for each customer and the Company has a legally enforceable right to payment of fair value for performance completed to date.
The input method is the best method in measuring progress of the development of tools because there is a direct relationship between the Company's effort (i.e., costs incurred) and the transfer of tooling to the customer. The Company recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

Export Benefits/Incentives:
Income from export incentives is recognised as and when the right to receive such an income is established and no uncertainty exists on its ultimate collection.

k) Income recognition

Interest:
Interest income on financial assets at amortised cost and financial assets at fair value through other comprehensive income (FVOCI) is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends:
Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (j) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

(This space has been intentionally left blank)

Subsequent measurement of financial assets and financial liabilities is described below:

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

i. **Financial assets at amortised cost** - a financial instrument is measured at 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 method. Effective interest rate (EIR) is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

ii. **Investments in equity instruments of subsidiaries** - Investments in equity instruments of subsidiaries are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements. On disposal of these investments, the difference between net disposal proceeds and the carrying amount are recognised in the statement of profit and loss.

iii. **Financial assets at fair value**
Investments in equity instruments other than above - All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.
Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in profit or loss.
Derivative assets - All derivative assets are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets
A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Reclassification of financial assets
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method (EIR).
Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

All derivative liabilities are measured at fair value through profit and loss (FVTPL).

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 or 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 realize the assets and settle the liabilities simultaneously.

m) **Impairment of financial assets**

All financial assets except for those at FVTPL are subject to review for impairment at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider –

• All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
• Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

(This space has been intentionally left blank)

Trade receivables

i. **For debtors that are not past due** – The Company applies approach required by Ind AS 109 'Financial Instruments', which requires lifetime expected credit losses to be recognised upon initial recognition of receivables. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. Lifetime expected credit losses are assessed and accounted based on company's historical counter party default rates and forecast of macro-economic factors, by dividing receivables that are not considered to be individually significant by reference to the business segment of the counter party and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counter party default rates. The Company defines default as an event when the financial asset is past due for more than 365 days. This definition is based on management's expectation of the time period beyond which if a receivable is outstanding, it is objective evidence of impairment.

ii. **For debtors considered past due** – any enhancement in the accrual done for expected credit loss on individually significant receivables is made to recognise any additional expected credit loss on amount recoverable. The Company writes off trade receivables when there is objective evidence that such amounts would not be recovered. Financial assets that are written-off are still subject to enforcement activity by the Company.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to twelve month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

n) Post- employment and other employee benefit

Defined contribution plans

A defined contribution plan is a plan under which the Company pays fixed contributions into an independent fund administered by the government, for example, contribution towards Employees' Provident Fund Scheme, Employees' State Insurance Scheme and National Pension Scheme. The Company has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution, which are recognised as an expense in the year that related employee services are received.

Defined benefit plans

The Gratuity and Provident Fund (Funded) are defined benefit plans. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. Gratuity fund is administered through Life Insurance Corporation of India.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Other employee benefits
Long-term employee benefits: Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated based on an actuarial valuation performed by an independent actuary using the 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.

Other short-term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

Share based payments

Share-based compensation benefits are provided to employees via plans of Tenneco Inc., Restricted Stock Units and Share appreciation rights.

Restricted Stock Units (RSUs)

The fair value of RSUs is recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the RSUs vested.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of RSUs that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Share appreciation rights

Liabilities for the company's share appreciation rights are recognised as employee benefit expense over the relevant service period. The liabilities are remeasured to fair value at each reporting date and are presented as employee benefit obligations in the balance sheet.

o) Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When provisions are discounted, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

p) Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

q) Taxes

Current income-tax

Current income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income-tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and any unused tax credits and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. The carrying amount of deferred tax assets are reviewed at each balance sheet date and derecognized to the extent it is no longer probable that sufficient future taxable profits will be available against which such deferred tax assets can be realized.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

r) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments:

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified based on information reviewed by the Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components. Results of the operating segments are reviewed regularly by the management team which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

s) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

2.3 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.

The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:

Significant management judgements

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

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

Classification of leases - The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

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

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Contingent Liabilities - The Company is the subject of certain legal proceedings which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

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

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

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

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

2.4 New and amended standards
The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023.

i. Definition of Accounting Estimates - Amendments to Ind AS 8
The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

ii. Disclosure of Accounting Policies - Amendments to Ind AS 1
The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

iii. Deferred Tax related to Assets and Liabilities arising from a Single Transaction- Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.
The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

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 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the company.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in ₹ lacs, unless otherwise stated)

3(a) Property, plant and equipment

Particulars	Buildings	Plant and Machinery	Computers	Office Equipments	Furniture and Fixtures	Vehicles	Total	Right-to-use asset (ROU)	Capital work-in-progress
Gross carrying amount									
Opening gross carrying amount as on 1 April 2022	6,662	30,834	799	78	498	150	39,021	2,888	834
Additions	60	1,771	118	-	-	5	1,954	202	1,855
Disposals/Adjustment	-	(1,449)	(274)	(9)	(207)	(6)	(1,945)	-	(1,949)
Closing gross carrying amount as on 31 March 2023	**6,722**	**31,156**	**643**	**69**	**291**	**149**	**39,030**	**3,090**	**740**
Accumulated depreciation									
Opening accumulated depreciation as on 1 April 2022	1,074	12,880	375	30	316	57	14,732	1,055	-
Depreciation charge for the year	289	3,309	151	13	40	19	3,821	157	-
Disposals/Adjustment	-	(1,391)	(269)	(9)	(205)	(6)	(1,880)	-	-
Closing accumulated depreciation as on 31 March 2023	**1,363**	**14,798**	**257**	**34**	**151**	**70**	**16,673**	**1,212**	-
Net carrying amount as at 31 March 2023	**5,359**	**16,358**	**386**	**35**	**140**	**79**	**22,357**	**1,878**	**740**
Gross carrying amount									
Opening gross carrying amount as on 1 April 2023	6,722	31,156	643	69	291	149	39,030	3,090	740
Additions	82	2,878	143	9	2	-	3,114	86	3,442
Disposals/Adjustment	(6)	(108)	(4)	(7)	(2)	-	(127)	-	(2,999)
Closing gross carrying amount as on 31 March 2024	**6,798**	**33,926**	**782**	**71**	**291**	**149**	**42,017**	**3,176**	**1,183**
Accumulated depreciation									
Opening accumulated depreciation as on 1 April 2023	1,363	14,798	257	34	151	70	16,673	1,212	-
Depreciation charge for the year	292	3,037	152	10	37	19	3,547	188	-
Disposals/Adjustment	(5)	(63)	(4)	(7)	(1)	-	(80)	-	-
Closing accumulated depreciation as on 31 March 2024	**1,650**	**17,772**	**405**	**37**	**187**	**89**	**20,140**	**1,400**	-
Net carrying amount as at 31 March 2024	**5,148**	**16,154**	**377**	**34**	**104**	**60**	**21,877**	**1,776**	**1,183**

3(b) Capital work in progress

For capital work-in-progress (CWIP), following is the ageing schedule:

As at 31 March 2024	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 year	
Project in progress	1,087	94	-	-	1,181
Project temporarily suspended	-	-	2	-	2

As at 31 March 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 year	
Project in progress	656	74	-	-	730
Project temporarily suspended	-	-	10	-	10

Notes:

1. Refer note 43 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
2. Refer note 41 for disclosure of right of use assets
3. There is no property, plant and equipment which are pledged or under lien.

4 Intangible assets

Particulars	Computer Software	Total
Gross carrying amount		
Opening gross carrying amount as on 1 April 2022	396	396
Additions	21	21
Disposals	(297)	(297)
Closing gross carrying amount as on 31 March 2023	**120**	**120**
Accumulated amortisation		
Opening accumulated amortisation as on 1 April 2022	384	384
Amortisation charge for the year	8	8
Disposals	(297)	(297)
Closing accumulated amortisation as on 31 March 2023	**95**	**95**
Net carrying amount as at 31 March 2023	**25**	**25**
Gross carrying amount		
Opening gross carrying amount as on 1 April 2023	120	120
Additions	48	48
Disposals	(2)	(2)
Closing gross carrying amount as on 31 March 2024	**166**	**166**
Accumulated amortisation		
Opening accumulated amortisation as on 1 April 2023	95	95
Amortisation charge for the year	13	13
Disposals	(2)	(2)
Closing accumulated amortisation as on 31 March 2024	**106**	**106**
Net carrying amount as at 31 March 2024	**60**	**60**

Notes:

1. Refer note 43 for disclosure of contractual commitments for the acquisition of intangible assets.
2. There is no intangible assets which are pledged or under lien.

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

(All amounts in ₹ lacs, unless otherwise stated)

5 Investments

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Non-Current:		
(i) Investment in equity shares of subsidiary company, unquoted*		
20,664,039 equity shares (31 March 2023: 20,664,039) fully paid of ₹ 10 each of Motocare India Private Limited	25,590	25,590
(ii) Investment in equity shares of other entity, unquoted (at cost)		
869,900 equity shares (31 March 2023: 745,900) fully paid of ₹ 10 each in Maple Renewable Power Private Limited	87	75
(ii) Investment in equity shares of other entity, unquoted (at cost)		
3,545 equity shares (31 March 2023:Nil) fully paid of ₹ 53.03 each in Capro Engineering India Limited	2	-
	25,679	25,665
Aggregate amount of unquoted investments	25,679	25,665
Aggregate amount of impairment in the value of investments	-	-

*Investments in subsidiary is stated at cost in accordance with Ind AS 27 'Separate Financial Statements'.

6 Loans

Particulars	Non Current		Current	
	Amount as at 31 March 2024	Amount as at 31 March 2023	Amount as at 31 March 2024	Amount as at 31 March 2023
Unsecured, considered good				
Loan to employees*	26	23	93	101
	26	23	93	101

*Refer note 35(i) for disclosure of fair values in respect of financial assets

7 Other financial assets

Particulars	Non Current		Current	
	Amount as at 31 March 2024	Amount as at 31 March 2023	Amount as at 31 March 2024	Amount as at 31 March 2023
Unsecured, considered good				
Security deposits*	234	231	51	55
	234	231	51	55

*Refer note 35(i) for disclosure of fair values in respect of financial assets

8 Deferred tax assets/liabilities (net)

The balance comprises temporary difference attributable to:

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Deferred tax liabilities		
Property, plant and equipment and intangible assets	456	535
Right-of-use assets	88	110
	544	645
Deferred tax assets		
Defined benefit obligations	284	375
Provisions for doubtful debts, warranty and excess & obsolete inventory	567	614
Lease liabilities	105	123
	956	1,112
Deferred tax assets (net)	412	467

Movement in deferred tax assets/liabilities	Defined benefit obligations	Depreciation and amortisation	Right-of-use assets	Total
Deferred tax liabilities				
At 31 March 2022	-	673	95	768
Charged/(credited)				
-to profit or loss	-	(138)	15	(123)
-to other comprehensive income	-	-	-	-
At 31 March 2023	-	535	110	645
Charged/(credited)				
-to profit or loss	-	(79)	(22)	(101)
-to other comprehensive income	-	-	-	-
At 31 March 2024	-	456	88	544
	Defined benefit obligations	**Provisions**	**Lease liabilities**	**Total**
Deferred tax assets				
At 31 March 2022	359	598	105	1,062
Charged/(credited)				
-to profit or loss	9	16	18	43
-to other comprehensive income	7	-	-	7
At 31 March 2023	375	614	123	1,112
Charged/(credited)				
-to profit or loss	(115)	(47)	(18)	(180)
-to other comprehensive income	24	-	-	24
At 31 March 2024	284	567	105	956

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Tenneco Automotive India Private Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

9 Income tax assets (net)

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Income tax assets(net)	1,729	882
	1,729	882

10 Other non-current assets

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Capital advances - considered good	373	494
Prepaid expenses	10	3
CSR - excess spent*	173	159
Other advances	14	14
	570	670

* Refer note 32(b) for Corporate Social Responsibility (CSR).

11 Inventories (valued at lower of cost or net realisable value)

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Raw materials [includes stock in transit ₹736 lacs (previous year : ₹ 510 lacs)]	4,526	4,199
Work-in-progress	1,254	1,412
Finished goods [includes stock in transit ₹ 436 lacs (previous year : ₹ 331 lacs)]	1,666	2,961
Stores and spares	779	772
Packing materials	53	64
	8,278	9,408

Note: The above inventory is net off of the provision for obsolete and excess made in accordance with the policy of the Company amounting to ₹ 463 lacs (previous year ₹ 387 lacs).

12 Trade receivables

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Trade receivables- considered good, secured	9	65
Trade receivables- considered good, unsecured	17,072	15,992
Trade receivables from related parties- considered good, unsecured	3,499	1,414
Trade receivables- significant increase in credit risk, unsecured	378	249
	20,958	17,720
Less: allowances for expected credit losses	(378)	(249)
Total receivables	20,580	17,471

Refer note 35(i) for disclosure of fair values in respect of financial assets
Refer note 37 for related party balances.

Factored receivables
The carrying amounts of the trade receivables include receivables which are discounted and are subject to recourse. Under this arrangement, the Company has transferred the relevant receivables to the bank in exchange for cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the agreement to bank is presented as secured borrowing. This agreement were closed from March'2024 and hence no closing balances.

The relevant carrying amounts are as follows:		
Total factored receivables	-	86
Associated secured borrowing (refer note 20)	-	86

Trade receivables ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment						
	Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	15,242	4,881	457	-	-	-	20,580
(ii) Undisputed trade receivables - which have significant increase in credit risk	49	109	122	98	-	-	378
(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	-	-	-	-	-	-	-
Total	15,291	4,990	579	98	-	-	20,958
Less: Allowances for expected credit losses							(378)
Total							20,580

Trade receivables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						
	Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	13,865	3,576	30	-	-	-	17,471
(ii) Undisputed trade receivables - which have significant increase in credit risk	31	64	55	99	-	-	249
(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	-	-	-	-	-	-	-
Total	13,896	3,640	85	99	-	-	17,720
Less: Allowances for expected credit losses							(249)
Total							17,471

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

13 Cash and cash equivalents

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
a) Cash and cash equivalents		
Balances with scheduled banks:		
- on current accounts	9,565	18,047
	9,565	18,047
b) Other bank balances		
Deposits with original maturity more than 3 months but less than 12 months*	5	58
	5	58

* It includes earmarked CSR unspent balance (Refer note 32(b)) (31st Mar 2024 Nil and 31st Mar 2023: 53 lakhs)

Refer note 35(i) for disclosure of fair values in respect of financial assets

c) Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities (except dividend paid):

Particulars	Lease liabilities	Borrowings
Opening Balance as on 1 April 2022	417	3,388
Non cash changes due to		
- Recognition of liabilities	203	86
- Interest expense	42	-
- Deletion/adjustment of liabilities	-	(3,388)
Cash flows during the year due to		
- Repayment of liabilities	(173)	-
Closing Balance as on 31 March 2023	489	86
Non cash changes due to		
- Recognition of liabilities	86	-
- Interest expense	45	-
- Deletion/adjustment of liabilities	-	(86)
Cash flows during the year due to		
- Repayment of liabilities	(200)	-
Closing Balance as on 31 March 2024	420	-

14 Other current assets

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Balances with government authorities	141	131
Prepaid expenses	379	291
Goods and Services tax recoverable *	142	82
Advance to suppliers		
-Considered good	348	263
-Considered doubtful (with significant increase in credit risk)	113	71
	461	334
Less: loss allowance	(113)	(71)
	348	263
Export incentive receivable	31	10
Other advances	10	14
	1,051	791

* It represents Goods and Services tax paid on finished goods in transit as at the year end.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

(All amounts in ₹ lacs, unless otherwise stated)

15 Equity Share Capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised share capital		
22,500 (previous year : 22,500) 11% Cumulative Preference Share Capital (₹ 100 each)	23	23
254,275,000 (previous year : 254,275,000) Equity Share Capital (₹ 10 each)	25,428	25,428
	25,451	**25,451**
Issued share capital		
100,000 (previous year : 100,000) equity Share Capital (₹ 10 each)	10	10
	10	**10**

(a) Right/restriction attached to equity shares and 11% cumulative preference shares.
Equity Shares: The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Preference Shares: The authorised share capital includes 22,500 (actual number of shares), 11% Cumulative preference shares of ₹100 each which are not yet issued.

(b) Shares held by Holding/Ultimate Holding Company and/or their subsidiaries/associates

Name of the shareholders*	As at 31 March 2024		As at 31 March 2023	
	Number	% holding	Number	% holding
Equity Shares of ₹ 10/- each held by:				
Tenneco Mauritius Holdings Limited, Mauritius, the Holding Company	0.93	93%	0.93	93%
Tenneco Mauritius Limited, Mauritius, a fellow subsidiary	0.07	7%	0.07	7%
	1	**100%**	**1**	**100%**

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

Name of the shareholders*	As at 31 March 2024		As at 31 March 2023	
	Number	% holding	Number	% holding
Equity Shares of ₹ 10/- each held by:				
Tenneco Mauritius Holdings Limited, Mauritius, the Holding Company	0.93	93%	0.93	93%
Tenneco Mauritius Limited, Mauritius, a fellow subsidiary	0.07	7%	0.07	7%
	1	**100%**	**1**	**100%**

*The above information is furnished as per the shareholder register at the year end.

(d) Details of shares held by promoters of the Company

Name of the promoter	31 March 2024			31 March 2023		
	Number of shares	% of total Shares	Changes during the year	Number of shares	% of total Shares	Changes during the year
Tenneco Mauritius Holdings Limited, Mauritius, the Holding Company	0.93	93%	0%	0.93	93%	0%
Tenneco Mauritius Limited, Mauritius, a fellow subsidiary	0.07	7%	0%	0.07	7%	0%
	1	**100%**		**1**	**100%**	

(e) There are no shares reserved for issue under options and contracts or commitments. Further, there are no shares that have been issued during the last 5 years pursuant to a contract without payment being received in cash, no share allotted as fully paid up by way of bonus shares or no shares bought back.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

(All amounts in ₹ lacs, unless otherwise stated)

16 **Other equity**

Particulars	**Amount as at 31 March 2024**	**Amount as at 31 March 2023**
Capital reserve	38	38
Capital redemption reserve	7	7
Securities premium reserve	60	60
Stock compensation	-	-
Retained earnings	45,136	57,293
	45,241	**57,398**

(i) Capital reserve

Particulars	**Amount as at 31 March 2024**	**Amount as at 31 March 2023**
Balance as at the beginning of the year	38	38
Balance as at the end of the year	**38**	**38**

ii) Capital redemption reserve:

Particulars	**Amount as at 31 March 2024**	**Amount as at 31 March 2023**
Balance as at the beginning of the year	7	7
Balance as at the end of the year	**7**	**7**

(iii) Securities premium reserve:

Particulars	**Amount as at 31 March 2024**	**Amount as at 31 March 2023**
Balance as at the beginning of the year	60	60
Balance as at the end of the year	**60**	**60**

(iv) Stock compensation:

Particulars	**Amount as at 31 March 2024**	**Amount as at 31 March 2023**
Balance as at the beginning of the year	-	554
Add: movement during the year	-	65
Less: movement during the year	-	(619)
Balance as at the end of the year	-	-

(v) Retained Earnings:

Particulars	**Amount as at 31 March 2024**	**Amount as at 31 March 2023**
Balance as at the beginning of the year	57,293	52,782
Less: dividend paid during the year	(26,532)	(12,458)
Add: profit for the year	14,375	16,350
Less: stock compensation	-	619
Balance as at the end of the year	**45,136**	**57,293**

Nature and purpose of other reserves

(i) Capital reserve:
Capital reserve is attributable to merger in the prior years.

(ii) Capital redemption reserve:
Capital redemption reserve is the accumulation of profit on forfeiture of preference shares.

(iii) Securities premium reserve:
Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(iv) Stock compensation:
Stock compensation reserve is used to recognise the grant date fair value of Restricted Stock Units (RSUs) issued to employees by Tenneco Inc under 'Tenneco Inc.' Restricted Stock Units (RSUs) plan. Refer note 38.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

(All amounts in ₹ lacs, unless otherwise stated)

17 Lease liabilities

Particulars	Non current		Current	
	Amount as at 31 March 2024	Amount as at 31 March 2023	Amount as at 31 March 2024	Amount as at 31 March 2023
Lease liabilities (refer note 41)	255	340	165	149
	255	**340**	**165**	**149**

Refer note 35(i) for disclosure of fair values in respect of financial liabilities

18 Provisions

Particulars	Non current		Current	
	Amount as at 31 March 2024	Amount as at 31 March 2023	Amount as at 31 March 2024	Amount as at 31 March 2023
Provision for warranties (refer note (a) below)	-	-	1,282	1,726
Provision for employee benefits				
Provision for compensated absences (refer note (b) below)	-	-	1,135	1,105
Provision for gratuity (refer note (c) below)	264	311	128	130
	264	**311**	**2,545**	**2,961**

(a) Movement in provision for warranties :

Provisions movement	Amount as at 31 March 2024	Amount as at 31 March 2023
Opening balance	1,726	1,542
Add: additional provisions made during the year	138	829
Less: utilised during the year	582	645
Closing Balance	**1,282**	**1,726**

Warranty estimates are established using historical information on the nature, frequency and average cost of warranty claims and also management estimates regarding possible future outflow on servicing the customers for any corrective action in respect of product failure.

(b) Compensated absences
The amount of provision of ₹ 1,135 (previous year: ₹ 1,105) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

The assumptions used in determining the compensated absences benefit obligation are as given below:

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Financial assumptions		
Discount rate	7.20%	7.30%
Salary growth rate	8.00%	8.00%
Demographic assumptions		
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Disability rate	5% of Mortality Rate	5% of Mortality Rate
Withdrawal rate	6.35%	5.44%
Retirement age	58 years	58 years
Average future service (years)	25.09	25.97

(c) Gratuity (defined benefit plan)
The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised fund in India, Life Insurance Corporation (LIC), on behalf of the Tenneco Automotive India Private Limited Employees Gratuity Fund.

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
A. Change in defined benefit obligation (DBO)		
Defined benefit obligation at beginning of year	1,718	1,608
Current service cost	134	137
Interest cost	125	114
Benefit payments from plan assets	(140)	(111)
Actuarial loss/(gain)	(92)	(30)
Defined benefit obligation at the end of the year	**1,745**	**1,718**

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
B. Change in fair value of plan assets		
Fair value of plan assets at beginning of year	1,277	1,181
Interest income	92	84
Employer contributions	123	124
Benefit payments from plan assets	(140)	(111)
Remeasurements - return on assets (excluding interest income)	1	(1)
Fair value of plan assets at end of year	**1,353**	**1,277**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(This space has been intentionally left blank)

Tenneco Automotive India Private Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
C. Assets and liabilities recognised in the Balance Sheet		
Present value of funded defined benefit obligation	1,745	1,718
Fair value of plan assets	1,353	1,277
Net liability arising from defined benefit obligation	392	441
Net Liability recognised in the Balance Sheet		
Current liability	128	130
Non-current liability	264	311
Total	392	441

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
D. Reconciliation of amounts in Balance Sheet		
Net defined benefit liability at beginning of the year	441	427
Defined benefit cost included in Statement of Profit and Loss	167	167
Total remeasurements included in Other Comprehensive (Income) / Loss	(93)	(29)
Employer contributions to the fund	(123)	(124)
Net defined benefit liability	392	441

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
E. Total expense recognised in Statement of Profit & Loss Account		
Service cost		
a. Current service cost	134	137
Total service cost	134	137
Net interest cost		
a. Interest expense on defined benefit obligation	125	114
b. Interest (income) on plan assets	(92)	(84)
Total net interest cost	33	30
Defined benefit cost included in Statement of Profit and Loss	167	167
Remeasurement		
a. Actuarial (gain) / loss due to financial assumption changes in DBO	16	(24)
b. Actuarial (Gain) / Loss due to Experience on DBO	(109)	(6)
c. Return on Plan Assets (Excluding Interest Income)	(1)	1
Total actuarial (gain) included in other comprehensive income	(94)	(29)
Total expenses	73	138
F. Major category of plan assets as % of total plan assets		
Insurance managed funds	100%	100%
G. Expected contribution to the gratuity fund in the next year	183	178
H. Actuarial assumptions		
Financial assumptions		
Discount rate	7.20%	7.30%
Salary growth rate	8.00%	8.00%
Expected rate of return on plan assets	7.20%	7.30%
Demographic assumptions		
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Disability rate	5% of Mortality Rate	5% of Mortality Rate
Withdrawal rate	6.35%	5.44%
Retirement age	58 years	58 years
Average future service (years)	20.30	20.32
I. Weighted average duration of DBO (years)	5.88	5.70

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

(All amounts in ₹ lacs, unless otherwise stated)

J. Maturity analysis - Expected cash flow for following years		
Within 1 year	128	131
Between 1 to 3 years	79	75
Between 3 to 5 years	96	84
Later than 5 years	406	369
K. Sensitivity analysis*		
Gratuity		
Effect on DBO due to discount rates (up by 1%)	1,611	1,578
Effect on DBO due to discount rates (down by 1%)	1,907	1,888
Effect on DBO due to salary escalation (up by 1%)	1,901	1,891
Effect on DBO due to salary escalation (down by 1%)	1,612	1,572
Effect on DBO due to withdrawal rates (up by 1%)	1,740	1,713
Effect on DBO due to withdrawal rates (down by 1%)	1,758	1,731

* Discount rate, salary escalation rate and withdrawal rate are significant actuarial assumptions. The change in the present value of Defined Benefit Obligation for a change of 100 basis points in the significant actuarial assumption is given above.

Limitation of sensitivity analysis:
The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

There was no change in the methods used in preparing the sensitivity analysis from prior years.

L. Risk exposure
Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such valuation of the Company is exposed to following risks -

a) **Salary increases:** Higher than expected increases in salary will increase the defined benefit obligation.
b) **Investment risk:** Since the plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the defined benefit obligation.
c) **Longevity:** 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.
d) **Discount rate:** The defined benefit obligation calculated uses a discount rate based on government bands, If bond yields fall, the defined benefit obligation will tend to increase.
e) **Interest risk:** A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the value of the plan's debt investments.
f) **Mortality and disability:** If the actual deaths and disability cases are lower or higher than assumed in the valuation, it can impact the defined benefit obligation.
g) **Withdrawals:** If the actual withdrawals are higher or lower than the assumed withdrawals or there is a change in withdrawal rates at subsequent valuations, it can impact defined benefit obligation

19 Other non-current liabilities

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Deferred income (tooling contracts)	1,766	1,671
	1,766	**1,671**

20 Borrowings

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Secured :		
Factored receivables (refer note below)	-	86
	-	**86**

Refer note 35(i) for disclosure of fair values in respect of financial liabilities

Note:
From March'2024 onwards, the agreement has been terminated and hence no closing balance. Till previous year Factored receivables is secured by first charge on trade receivable subject to factoring arrangement. The Company therefore continues to continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement was presented as secured borrowing.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

(All amounts in ₹ lacs, unless otherwise stated)

21 Trade Payables

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 44)	7,084	4,801
Total outstanding dues of creditors other than micro enterprises and small enterprises*	26,030	22,544
	33,114	**27,345**

*Refer note 37 for related party balances.
Refer note 35(i) for disclosure of fair values in respect of financial liabilities

Trade payable ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME*	7,084	-	-	-	7,084
(ii) Others	25,821	163	26	20	26,030
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade payable ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME*	4,799	-	-	2	4,801
(ii) Others	21,779	526	90	149	22,544
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

22 Other financial liabilities

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Capital creditors*	365	382
Employee benefits payable	741	830
Others**	4,900	5,257
	6,006	**6,469**

*Refer note 37 for related party balances.
**Refer note 35(i) for disclosure of fair values in respect of financial liabilities

23 Other current liabilities:

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Advance from customers	746	170
Deferred income (tooling contracts)	346	276
Customer security deposit	9	65
Statutory dues	2,312	1,544
Payable to related party (refer note 37)	74	74
	3,487	**2,129**

24 Current tax liabilities (net)

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Current tax liabilities (net)	316	-
	316	**-**

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS

(This space has been intentionally left blank)

(All amounts in ₹ lacs, unless otherwise stated)

25 Revenue from operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of goods	182,887	175,417
Sale of services :		
Information technology enabled services	1,546	1,486
Engineering services	715	252
	185,148	177,155
Other operating revenue		
Scrap sales	336	403
Income from business support services	757	752
	1,093	1,155
	186,241	178,310

Reconciliation of revenue recognised with contract price:	For the year ended 31 March 2024	For the year ended 31 March 2023
Contracted price	187,485	180,225
Adjustments:		
Less: discounts, rebates, refunds and credits	1,244	1,915
Revenue from operations	186,241	178,310

26 Other income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on		
- fixed deposits with bank	356	197
- financial assets at amortised cost	3	3
Export incentives	210	392
Loss allowance- trade receivables	-	89
Unwinding of discount on security deposits	11	4
Advance written back	-	158
Foreign exchange fluctuation (net)	77	699
Dividend from Subsidiary*	4,975	4,319
Miscellaneous income	15	5
	5,647	5,866

*Refer note 36(b)

27 Cost of materials consumed

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening stock	4,199	3,533
Add : Purchases	127,568	122,783
Less: Closing stock	(4,526)	(4,199)
Raw materials consumption	127,241	122,117

28 Change in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening stock		
Work in progress	1,412	1,171
Finished goods	2,961	2,326
	4,373	3,497
Less: Closing stock		
Work in progress	(1,254)	(1,412)
Finished goods	(1,666)	(2,961)
	(2,920)	(4,373)
	1,453	(876)

29 Employee benefits expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	10,631	10,565
Contribution to provident and other funds [refer note (a) below]	490	475
Gratuity expense [refer note 38(c)]	167	167
Employee share-based payments (refer note 38)	-	65
Staff welfare expenses	1,393	1,317
	12,681	12,589
(a) Defined contribution plans		
Amount recognised in the Statement of Profit and Loss :		
(i) Provident fund	452	434
(ii) Employee state insurance	38	41
	490	475

30 Finance costs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on lease liability	45	42
Interest on delayed payment of taxes	18	-
Interest on amount due to MSME suppliers	335	158
Other interests	4	3
	402	203

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Tenneco Automotive India Private Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

31 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment (refer note 3)	3,547	3,823
Depreciation on right-of-use assets (refer note 3)	188	157
Amortisation of intangible assets (refer note 4)	13	8
	3,748	3,988

32 Other expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Consumption of stores and spares	2,374	2,519
Packing materials consumed	2,656	2,792
Power and fuel	2,014	2,102
Freight and forwarding charges	1,505	1,937
Repairs and maintenance:		
- Buildings	96	179
- Plant and machinery	1,372	1,214
- Others	218	266
Rent (refer note 41)	148	366
Rates and taxes	77	107
Travelling expenses	802	611
Insurance	158	115
Communication expenses	110	90
Printing and stationery	121	110
Professional and consultancy charges	455	377
Payment to auditors [refer note (a) below]	51	80
Loss allowance- trade receivables	129	-
Provision for doubtful advances	42	62
Provision for accounts payables (refer note 50)	-	1,944
Research and development expenses	607	550
Contractual labour cost	3,333	2,659
Warranty expenses	138	829
Loss on sale of property, plant and equipment (net)	4	19
Expenditure towards corporate social responsibility (CSR) (refer note(b) below)	327	267
Royalty Expense (refer note 37)	9,084	2,838
Management support charges (refer note 37)	1,828	1,923
Miscellaneous expenses	979	1,028
	28,628	24,984

(a) Auditors remuneration (excluding applicable taxes)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Statutory audit fee	48	75
Others	3	5
	51	80

(b) Corporate Social Responsibility (CSR)

a) Gross amount required to be spent by the Company during the year in compliance with section 135 of the Act is ₹ 327 lacs (previous year ₹ 267 lacs)

b) Amount spent during the year on-

Particulars	For the year ended 31 March 2024			For the year ended 31 March 2023		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above	341		341	267		267
	341	-	341	267	-	267

c) Above expenses does not include contribution to any related party of the Company.

d) Details of Excess amount spent:

Opening balance	Amount required to be spent during the year	Amount spent during the year	Closing balance
159	327	341	173

e) The Company's Board of Directors in its meeting held on 05 August 2024 passed a resolution for utilisation of excess amount spent during the year in accordance with provision of section 135(5) of Companies Act, 2013

f) The Company had provision for corporate social responsibility expense at the end of the previous year. Further the Company does not have provision in respect of ongoing project in separate CSR unspent account for the year ended 31 March 2024.

Opening balance	Amount required to be spent during the year	Amount spent during the year	In separate CSR unspent A/c
53	-	53	-

g) Details of ongoing projects:

Opening balance		Amount required to be spent during the year	Amount spent during the year		Closing balance	
With Company	In separate CSR unspent A/c		From Company's bank account	From separate CSR unspent A/c	With Company	In separate CSR unspent A/c
-	53	-	-	53	-	-

h) The Company's corporate social responsibility involve promotion of education, preventive healthcare, employment enhancing vocation skills and rural development projects.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in ₹ lacs, unless otherwise stated)

33 Tax expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax	3,331	5,016
Tax pertaining to earlier years	44	-
Deferred tax	55	(173)
	3,430	4,843

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.168% and the reported tax expense in profit or loss are as follows:

Profit before income tax expenses	17,735	21,171
Prevalent tax rate of 25.168% (previous year : 25.168%)	4,464	5,328
Tax effects of amounts which are not deductible / (allowable) in calculating taxable income:		
Non-deductible expenses for Tax purpose	172	107
Dividend Income	(1,252)	(1,087)
Tax related to earlier years	44	-
Provision for accounts payable	-	489
Others	2	6
Income tax expense	3,430	4,843

34 Fair value measurement

(i) Fair value 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) Valuation technique used for fair valuation

The fair value of loans to employees and security deposits are determined using the discounted cash flow analysis.

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed	Note	At Level 3	
		31 March 2024	31 March 2023
Financial assets			
Loan to employees	6	26	23
Security deposit	7	234	231
Total		260	254

The Company's policy is to recognize transfer into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(iii) Fair value of financial assets and liabilities measured at amortised cost

The fair values for security deposits and loans to employees were calculated based on cash flows discounted using the borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, loans to employees (current), security deposit (current), current borrowings, other financial assets and other financial liabilities are considered to be the same as their fair values, due to their short term nature.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS

(All amounts in ₹ lacs, unless otherwise stated)

35 Financial risk management

i) Financial instruments by category

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
	Amortised cost	Amortised cost
Financial assets*		
Loan to employees	119	124
Security deposit	285	286
Trade receivables	20,580	17,471
Cash and cash equivalents	9,565	18,047
Other bank balances	5	58
Total financial assets	**30,554**	**35,986**
Financial liabilities*		
Lease liabilities	420	488
Borrowings	-	86
Trade payables	33,114	27,345
Other financial liabilities	6,006	6,469
Total financial liabilities	**39,540**	**34,388**

Note:
1. Investment in equity instrument of subsidiary has been accounted at cost in accordance with Ind AS 27, therefore not within scope of Ind AS 109, hence, not included here.
2. The Company has an investment in Maple Renewable Power Private Limited and Capro Engineering India Limited which is carried at cost and which is equivalent to the fair value of investments.

*There are no financial assets and liabilities which are measured at fair value through profit or loss or fair value through other comprehensive income.

ii) Risk management

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

(A) Credit risk management

Credit risk in the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.
- cash and cash equivalents,
- trade receivables,
- loans and receivables measured at amortised cost, and
- deposits with banks

a) Credit risk management

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

A: Low
B: Medium
C: High

Assets under credit risk –

Credit rating	Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
A: Low	Cash and cash equivalents	9,565	18,047
	Other financial assets	285	286
	Trade receivables	20,580	17,471
	Loan	119	124
B: High	Trade receivables	378	249

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

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

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

b) Expected credit losses

The Company 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 such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables.

Reconciliation of loss provision – lifetime expected credit losses

Reconciliation of loss allowance	Trade receivable
Loss allowance on 1 April 2022	338
Impairment loss recognised/reversed during the year	(89)
Amounts written off	-
Loss allowance on 31 March 2023	249
Impairment loss recognised/reversed during the year	129
Amounts written off	-
Loss allowance on 31 March 2024	378

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Tenneco Automotive India Private Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

(iii) Loans and Financial Assets

No expected credit loss provision has been created for security deposits for leased premises, loan to employees and loans to related parties, since the Company considers the credit risk of these financial assets to be very low.
Management considers the loans to related parties to be low credit risk since they have a low risk of default and the related parties has a strong capacity to meet its contractual cash flow obligations in the near term.

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.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31 March 2024	31 March 2023
Floating rate		
-Expiring within one year (bank overdraft, short term credit and other facilities)	16,177	20,304
	16,177	20,304

(ii) Maturities of financial Liabilities

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

Contractual maturities of financial liabilities

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
As at 31 March 2024					
Non derivatives					
Lease liabilities	204	257	5	-	466
Trade payables	33,114	-	-	-	33,114
Other financial liabilities	6,006	-	-	-	6,006
Total non derivative liabilities	39,324	257	5	-	39,586

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
As at 31 March 2023					
Non derivatives					
Borrowings (including factored receivables)	86	-	-	-	86
Lease liabilities	189	328	51	-	568
Trade payables	27,345	-	-	-	27,345
Other financial liabilities	6,469	-	-	-	6,469
Total non derivative liabilities	34,089	328	51	-	34,468

C Market Risk

(i) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, Euro, Great Britain Pound and Chinese Yuan. Foreign exchange risk arises from recognized 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.

(a) Foreign currency risk exposure

The Company exposure to foreign currency risk at the end of the reporting period expressed in ₹ lacs as follows

Particulars	Currency	Amount as at 31 March 2024		Amount as at 31 March 2023	
		In FC	In ₹	In FC	In ₹
Financial asset					
Cash in Bank	USD	9	711	28	2,297
	EUR	0	1	-	-
Trade receivables	EUR	1	104	0	41
	USD	29	2,415	32	2,669
Exposure to foreign currency risk (assets)		39	3,231	60	5,007
Financial liability					
Trade Payables	EUR	6	555	5	439
	GBP	0	7	0	5
	USD	103	8,629	24	1,935
Other financial liability					
Capital creditors	EUR	1	69	1	95
	USD	0	14	1	120
Exposure to foreign currency risk (liabilities)		110	9,274	31	2,594
Net exposure to foreign currency risk			(6,043)		2,413

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Sensitivity

A reasonably possible strengthening (weakening) of the ₹ against all other foreign currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amount shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecast sales and purchases.

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
USD Sensitivity		
INR /USD - Increase by 2%	(82.57)	43.58
INR /USD - decrease by 2%	82.57	(43.58)

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
EURO Sensitivity		
INR /EUR - Increase by 2%	(7.76)	(7.38)
INR /EUR - decrease by 2%	7.76	7.38

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
GBP Sensitivity		
INR /GBP - Increase by 2%	(0.10)	(0.08)
INR /GBP - decrease by 2%	0.10	0.08

(ii) Interest rate risk

(a) Liabilities

The Company does not have any borrowings and hence there is no interest rate risk.

(b) 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 significant investments in equity instruments which create an exposure to price risk.

36 Capital Management

(a) 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	Amount as at 31 March 2024	Amount as at 31 March 2023
Total debt	-	86
Less: Cash and cash equivalents	9,565	18,047
Net debt	(9,565)	(17,961)
Total equity	45,251	57,408
Net debt to equity ratio	0.00%	0.00%

Note:

Debt to equity ratio has been shown as Nil as the calculated amount depicts a negative balance.

(b) Dividend

Particulars	31 March 2024	31 March 2023
Equity shares		
Interim dividend of 26,532 per equity share for the year ended 31 March 2024 (31 March 2023: 12,458)	26,532	12,458

The Board of Directors in its meeting held on 21 April 2023, 27 November 2023 and 20 March 2024 have declared and paid an interim dividend of ₹ 6,572, ₹ 8,340 and ₹11,620 respectively per each fully paid equity share, aggregating to ₹ 26,532 lacs for the financial year ended 31 March 2024.

Subsequent to the year end, the Board of Directors in its meeting held 26 June 2024 have declared and paid interim dividend of ₹ 1,252 lacs per each fully paid equity share. The same has not been recognised as liabilities and considered as non adjusting event.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

37 Related party disclosures

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

(i)	**Parent entities:** Ultimate holding company:	Pegasus Holdings One LLC, Ultimate Holding Company (with effect from 17 Nov 2022) Tenneco Inc., USA Ultimate Holding Company (upto 16 Nov 2022 and Intermediate holding company with effect from 17 Nov 2022)
	Immediate holding company:	Tenneco Mauritius Holdings Limited, Mauritius
	Intermediate holding companies:	Tenneco Automotive Operating Company Inc, USA Tenneco International Holdings Corp., USA Tenneco Global Holdings Inc., USA Tenneco Mauritius Limited, Mauritius
(ii)	**Subsidiary company:**	Motocare India Private Limited, India
(iii)	**Parties under common control with whom transactions have taken place during the year**	
	Fellow subsidiaries	Tenneco Automotive Trading Company., Singapore Tenneco Automotive Europe BVBA., Belgium Driv Automotive Inc., USA Tenneco Automotive Brasil Ltd., Brazil Monroe Mexico.S.A.C.V., Mexico Tenneco Monroe Hodkovice., Czech Republic Fric Rot S.A.I.C., Argentina Tenneco Automotive Eastern Europe, Poland Tenneco Automotive Eastern Europe SP. ZOO, Poland Tenneco Ride Control South Africa (PTY) Ltd., South Africa Monroe Czechia SRO., Czech Republic Tenneco (Suzhou) Co. Ltd., China Tenneco Silesia SP ZOO, Poland Tenneco Korea Limited, South Korea Tenneco (Beijing) Ride Control System Co,Ltd, China Tenneco (Changzhou) Ride Performance, China Federal Mogul Coventry Limited, UK Tenneco Clean Air India Private Limited, India Federal-Mogul Motorparts LLC Driv Japan Ltd., Japan Tenneco (Suzhou) Ride Control Co.,Ltd China Monroe Australia The Pullman Company Tenneco Automotive Iberica S.A
(iv)	**Employees' benefit plans:**	Tenneco Automotive India Private Limited Employees Gratuity Fund
(v)	**Key management personnel**	Mr. R.C. Subramaniam, Managing Director Mr. Praveen Kumar Singh, Director Ms. Mayuri Ramdasi, Company Secretary

The above listing includes the related parties with whom transactions have taken place in the current year or previous year.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

Tenneco Automotive India Private Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

Related party disclosures (cont'd)

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

Nature of transaction	Nature of related party relationship	For the year ended 31 March 2024	For the year ended 31 March 2023
(i) Sale of goods			
Tenneco Automotive Operating Company Inc., USA	Intermediate holding company	456	634
Driv Automotive Inc., USA	Fellow subsidiary	730	2,595
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	503	577
Tenneco Automotive Trading Company, Singapore	Fellow subsidiary	16	52
Tenneco Ride Control South Africa (PTY) Ltd., South Africa	Fellow subsidiary	215	378
Tenneco Automotive Eastern Europe SP. ZOO, Poland	Fellow subsidiary	3	3
Monroe Mexico S.A.C.V., Mexico	Fellow subsidiary	641	553
Motocare India Private Limited, India	Subsidiary	11,040	-
Driv Japan Ltd., Japan	Fellow subsidiary	294	60
Tenneco Automotive Brazil Ltd., Brazil	Fellow subsidiary	246	301
Fric Rot S.A.I.C., Argentina	Fellow subsidiary	130	49
Total		**14,274**	**5,202**
(ii) Sale of services			
Tenneco Inc., USA	Intermediate holding company	1,546	1,487
Total		**1,546**	**1,487**
(iii) Income from Business Support Services			
Tenneco Inc., USA	Intermediate holding company	133	188
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	408	301
Tenneco Automotive Operating Company Inc., USA	Intermediate holding company	197	263
Federal-Mogul Motorparts LLC	Fellow subsidiary	19	-
Total		**757**	**752**
(iv) Purchase of goods			
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	1,189	994
Tenneco Monroe Hodkovice., Czech Republic	Fellow subsidiary	9	30
Tenneco Ride Control South Africa (PTY) Ltd., South Africa	Fellow subsidiary	32	17
Driv Automotive Inc., USA	Fellow subsidiary	95	64
Tenneco (Suzhou) Co. Ltd., China	Fellow subsidiary	7	32
Tenneco (Changzhou) Ride Performance, China	Fellow subsidiary	2	5
Tenneco Automotive Brazil Ltd., Brazil	Fellow subsidiary	22	9
Monroe Mexico S.A.C.V., Mexico	Fellow subsidiary	-	1
Driv Japan Ltd., Japan	Fellow subsidiary	3	-
Tenneco (Beijing) Ride Control System Co., Ltd., China	Fellow subsidiary	-	4
Tenneco Silesia SP ZOO, Poland	Fellow subsidiary	-	4
Tenneco (Suzhou) Ride Control Co.,Ltd China	Fellow subsidiary	26	-
Tenneco Automotive Eastern Europe., Poland	Fellow subsidiary	5	2
Federal Mogul Coventry Limited, UK	Fellow subsidiary	34	16
The Pullman Company	Fellow subsidiary	17	55
Total		**1,441**	**1,233**
(v) Purchase of property, plant and equipment			
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	-	4
Driv Automotive Inc., USA	Fellow subsidiary	73	113
Tenneco Automotive Eastern Europe., Poland	Fellow subsidiary	-	18
Monroe Australia	Fellow subsidiary	116	-
Total		**189**	**135**
(vi) Re-imbursement of expenses paid			
Driv Japan Ltd., Japan	Fellow subsidiary	-	10
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	5	1
Total		**5**	**11**
(vii) Re-imbursement of expenses received			
Motocare India Private Limited, India	Subsidiary	98	-
Total		**98**	-
(viii) Technical support services			
Driv Japan Ltd., Japan	Fellow subsidiary	-	7
Fric Rot S.A.I.C., Argentina	Fellow subsidiary	-	2
Total		-	**9**
(ix) Contribution to employee benefit plans			
Tenneco Automotive India Private Limited Employees Gratuity Fund	Employee benefits plan	123	124
Total		**123**	**124**
(x) Dividend Received			
Motocare India Private Limited, India	Subsidiary	4,975	4,319
Total		**4,975**	**4,319**
(xi) Dividend Paid			
Tenneco Mauritius Holdings Limited, Mauritius	Immediate holding company	24,623	11,561
Tenneco Mauritius Limited, Mauritius	Intermediate holding company	1,909	897
Total		**26,532**	**12,458**
(xii) Royalty			
Tenneco Automotive Operating Company Inc, USA	Intermediate holding company	9,084	2,838
Total		**9,084**	**2,838**
(xiii) Management support charges			
Tenneco Automotive Operating Company Inc, USA	Intermediate holding company	1,828	1,923
Total		**1,828**	**1,923**
(xiv) Remuneration to key managerial personnel			
Mr. R.C. Subramaniam	Managing Director	327	232
Mr. Praveen Kumar Singh	Director	179	107
Ms. Mayuri Randini	Company Secretary	12	11
Total		**518**	**350**

Notes:
1) All sales and purchase above are inclusive of GST (wherever applicable). Sales and purchases are net of the returns.

2) 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 sum amounts provided on the basis of actuarial valuation, the same is not included above.

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

(All amounts in ₹ lacs, unless otherwise stated)

Related party disclosures (cont'd)

(c) Balances with related parties as at the year end 31 March 2024:

Particulars	Nature of related party relationship	Amount as at 31 March 2024	Amount as at 31 March 2023
(i) Trade payable			
Tenneco Automotive Operating Company Inc, USA	Intermediate holding company	8,401	1,471
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	290	193
Driv Automotive Inc.,USA	Fellow subsidiary	17	29
Tenneco Monroe Hodkovice, Czech Republic	Fellow subsidiary	2	14
Tenneco Automotive Eastern Europe., Poland	Fellow subsidiary	4	-
Tenneco Ride Control South Africa (PTY) Ltd., South Africa	Fellow subsidiary	9	6
Driv Japan Ltd., Japan	Fellow subsidiary	21	23
Tenneco (Suzhou) Co., Ltd., China	Fellow subsidiary	1	2
Tenneco Automotive Brazil Ltd., Brazil	Fellow subsidiary	10	5
Tenneco Korea Ltd., South Korea	Fellow subsidiary	5	5
Tenneco (Changzhou) Ride Performance, China	Fellow subsidiary	1	-
Tenneco (Suzhou) Ride Control Co., Ltd China	Fellow subsidiary	-	19
Federal Mogul Coventry Limited, UK	Fellow subsidiary	5	1
Tenneco Automotive Eastern Europe SP. ZOO, Poland	Fellow subsidiary	6	-
The Pullman Company	Fellow subsidiary	-	36
Total		8,772	1,824
(ii) Capital creditors			
Tenneco Automotive Europe BVBA, Belgium	Fellow subsidiary	3	-
Tenneco Automotive Eastern Europe., Poland	Fellow subsidiary	18	21
Driv Automotive Inc., USA	Fellow subsidiary	5	113
Total		26	134
(iii) Payables to related party			
Tenneco Clean Air India Private Limited, India	Fellow subsidiary	74	74
Total		74	74
(iv) Trade receivables			
Tenneco Inc., USA	Intermediate holding company	120	179
Tenneco Automotive Operating Company Inc, USA	Intermediate holding company	101	265
Driv Automotive Inc.,USA	Fellow subsidiary	59	380
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	310	195
Tenneco Automotive Trading Company., Singapore	Fellow subsidiary	-	18
Tenneco Ride Control South Africa (PTY) Ltd., South Africa	Fellow subsidiary	31	88
Monroe Mexico S.A.C.V., Mexico	Fellow subsidiary	91	171
Driv Japan Ltd., Japan	Fellow subsidiary	295	16
Tenneco Automotive Brazil Ltd, Brazil	Fellow subsidiary	74	76
Motocare India Private Limited, India	Subsidiary	2,292	-
FRIC-ROT S.A.I.C, Argentina	Fellow subsidiary	123	24
Federal-Mogul Motorparts LLC	Fellow subsidiary	4	-
Tenneco Automotive Eastern Europe sp Zoo., Poland	Fellow subsidiary	1	2
Total		3,499	1,414
(v) Investment			
Motocare India Private Limited, India	Subsidiary	25,590	25,590
Total		25,590	25,590
(vi) Employee gratuity fund - plant assets			
Tenneco Automotive India Private Limited Employees Gratuity Fund	Employee benefits plan	1,353	1,277
Total		1,353	1,277
(vii) Loss allowance for trade receivables:			
Loss allowance	Intermediate holding company/ Fellow subsidiary	121	10
Total		121	10

Note (i): Loss allowance has been determined by applying expected credit loss model. Loss allowance has been determined on the entire trade receivable balance from related parties.

The Company's material related party transactions are at arm's length and in the ordinary course of business.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

(All amounts in ₹ lacs, unless otherwise stated)

38 Share based payments

A. Restricted Stock Units (RSUs)

Tenneco Inc. (Intermediate Holding Company) had granted restricted stock units to directors and certain key employees of the Company which were settled in cash and shares by Tenneco Inc. These awards (i.e., RSUs) generally required, among other things, that the award holder remain in service with the Company during the restriction period, which was three years, with a portion of the award vesting equally each year. The fair value of restricted stock units, determined by Tenneco Inc., was equal to the average of the high and low trading price of Tenneco Inc., stock at the date of grant. RSUs (both cash-settled and share-settled) were time based service awards and generally vested according to a three year graded vesting schedule.

RSUs (cash-settled and share settled) granted would participate in any dividends, eligible during the vesting period, which were subject to the same vesting terms of RSUs. The dividends were generally paid in cash by Tenneco Inc. on settlement of the RSUs.

Since the Company did not had an obligation to settle Tenneco Inc.'s RSUs to its (i.e., Company's) employees, the Company measured the services received from its employees in accordance with the requirements applicable to equity-settled share-based payment transactions and recognized a corresponding increase in equity as a contribution from Tenneco Inc.

Details of number and weighted average grant date fair value of RSUs:

Particulars	For the year ended 31 March 2024			For the year ended 31 March 2023		
	Number of RSUs	Weighted average grant date fair value ($)	Weighted average grant date fair value (₹)	Number of RSUs	Weighted average grant date fair value ($)	Weighted average grant date fair value (₹)
Unvested at the beginning of the year	-	-	-	3,991	10	780
Granted during the year	-	-	-	-	-	-
Vested during the year	-	-	-	3,991	10	780
Unvested at the end of the year	-	-	-	-		-

Note: The grant date fair value of RSUs granted to employees was estimated by Tenneco Inc. on the basis of the average of the high and low trading price of Tenneco Inc. stock at the date of grant and no adjustment was required for expected dividends since the employees were entitled to receive dividends paid by Tenneco Inc. during the vesting period.

In FY 22-23, Tenneco Inc. underwent acquisition by Pegasus Holdings One LLC. As a result of which the RSU scheme was discontinued and the unvested shares outstanding as on 31 March 2022, was disbursed in cash at a rate of $20 per share to eligible employees who held unvested shares as at 31 March 2022.

B. Expenses arising from share based payment transactions recognised during the year as part of employee benefit expense is as follows :

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Restricted stock units	-	65
	-	65

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

(All amounts in ₹ lacs, except share data, unless otherwise stated)

39 Revenue related disclosures

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 shock absorbers and other auto components. Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from contracts with customers		
Sale of products		
Domestic	171,751	156,940
Export	13,397	20,215
Other operating income		
Domestic	336	403
Export	757	752
Total revenue covered under Ind AS 115	**186,241**	**178,310**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue by time		
Revenue recognised at point in time	183,222	175,820
Services transferred over time	3,019	2,490
Total	**186,241**	**178,310**

c Contract balances

The following table provide information about contract liabilities from contract with customers:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract liabilities		
Advances from customers	748	170
Deferred income (tooling contracts)	2,112	2,016
Security deposits received from customers	9	65
Total contract liabilities	**2,869**	**2,251**

d Trade receivables

The following table provides information about receivables from contract with customers:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Receivables		
Trade receivables	20,558	17,720
Less : Allowances for expected credit loss	(178)	(249)
Net receivables	**20,380**	**17,471**

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

Particulars	Amount as at 31 March 2024		
	Contract Liabilities		
	Deferred Income	Advances from customers	Security deposits received from customers
Opening balance	2,016	170	65
Additions during the year	509	748	56
Revenue recognised during the year/ amount refunded during the year	(413)	(170)	(112)
Closing balance	**2,112**	**748**	**9**

Particulars	Amount as at 31 March 2023		
	Contract Liabilities		
	Deferred Income	Advances from customers	Security deposits received from customers
Opening balance	1,146	165	72
Additions during the year	2,120	170	8
Revenue recognised during the year/ amount refunded during the year	(1,250)	(165)	(15)
Closing balance	**2,016**	**170**	**65**

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

(All amounts in ₹ lacs, except share data, unless otherwise stated)

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 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. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Company expects to be entitled to.

g Payment terms

The sale of goods is typically made under credit payment terms differing from customer to customer and ranges between 30-120 days (excluding transit days).

h Variable considerations associated with such sales

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

40 Segment information

In accordance with Ind AS 108, the Board of Directors being the Chief operating decision maker of the Company has determined its only one business segment of manufacturing of auto components and hence there are no other identifiable reportable segments.

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

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
India	172,087	157,343
Other countries	14,154	20,967
	186,241	178,310

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
India	18,061	14,761
Other countries	2,519	2,710
	20,580	17,471

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

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

(This space has been intentionally left blank)

(All amounts in ₹ lacs, except share data, unless otherwise stated)

41. Leases

(I) Assets taken on lease

(i) Right-of-use

Following are the changes in the carrying value of right-of-use for the year ended 31 March 2024

	Category of ROU asset			
Particulars	**Leasehold land**	**Buildings**	**Vehicle**	**Total**
Gross carrying value				
As at 01 April 2022	1,569	1,195	124	2,888
Additions/transfers	-	166	36	202
As at 31 March 2023	1,569	1,361	160	3,090
Additions/transfers	-	53	33	86
As at 31 March 2024	1,569	1,414	193	3,176
Accumulated depreciation				
As at 01 April 2022	110	866	79	1,055
Depreciation charge for the year	16	111	30	157
Disposals/Adjustments	-	-	-	-
As at 31 March 2023	126	977	109	1,212
Depreciation charge for the year	16	147	25	188
Disposals/Adjustments	-	-	-	-
As at 31 March 2024	142	1,124	134	1,400
Net carrying value				
As at 31 March 2023	1,443	384	51	1,878
As at 31 March 2024	1,427	290	59	1,776

The aggregate depreciation expense on right-of-use assets is included under depreciation and amortization expense in the statement of profit and loss.

The following is the break-up of current and non-current lease liabilities for the year ended

Particulars	**Amount as at 31 March 2024**	**Amount as at 31 March 2023**
Non-current lease liabilities	255	340
Current lease liabilities	165	149
	420	**489**

The following is the movement in lease liabilities for the year ended 31 March 2024

Particulars	**Amount as at 31 March 2024**
As at 01 April 2023	489
Additions	86
Finance cost accrued during the year	45
Payment of lease liabilities	(200)
	420

The following is the movement in lease liabilities for the year ended 31 March 2023

Particulars	**Amount as at 31 March 2023**
As at 01 April 2022	417
Additions	203
Finance cost accrued during the year	42
Payment of lease liabilities	(173)
	489

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

Particulars	**Amount as at 31 March 2024**	**Amount as at 31 March 2023**
Less than one year	204	189
One to five years	262	379
More than five years	-	-

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.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Tenneco Automotive India Private Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2024
(All amounts in ₹ lacs, except share data, unless otherwise stated)

The following are the amounts recognised in profit or loss:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation expense of right-of-use assets	188	157
Interest expense on lease liabilities	45	42
Expense relating to short-term leases (included in other expenses)	148	366
	381	565

(ii) Lease related disclosures

(a) The Company has leases for land and buildings and vehicles. Each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its land and buildings and vehicles.

(b) Total cash outflow for leases for the year ended 31 March 2024 was ₹ 321 lacs (previous year ₹539 lacs).

(c) 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) The weighted average incremental borrowing rate applied to discount lease liabilities is 10 % p.a (31 March 2023: 10 % p.a.)

(e) Information about extension and termination options

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Land	5	55 - 92 Years	73 years	-	-	5
Buildings	3	21-30 months	26 months	-	-	3
Vehicles	14	5- 46 months	26 months	-	-	14

(f) There are no leases which are yet to commence as on 31 March 2024.

42. Contingent liabilities

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Claims against the Company not acknowledged as debts:		
- Income tax matters (1)	5,091	5,091
- Excise/ customs matters (2)	1,461	1,461
- Sales tax matters (3)	337	236
- Employee related matters (4)	32	91
- Claims by lender against interest on loan (5)	17	17
- Claims by vendor against goods supplied (5)	3	3
- Others (5)	53	53
	6,994	6,952

(1) Income tax related contingent liabilities are primarily comprising of corporate tax matters and also certain transfer pricing matters.

(2) Excise related matters are primarily related to valuation of excisable goods and customs related matters are primarily related to demand of custom duty and interest for the time barred warehouse and non-fulfilment of export obligation.

(3) Sales tax and GST related matters are primarily related to suppressed turnover and GST credit availment.

(4) Employee related contingent liabilities are primarily comprising of misconduct by employees, long term absences and compensation matters.

(5) Claims by lender, vendor and other matters are primarily related to recovery of old dues and disputed matters.

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

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

The Company is exposed to claims and legal actions arising in the ordinary course of business. The Company accrues a liability when a loss is considered probable and the amount can be reasonably estimated. In the opinion of Management, the outcome of any existing claims and legal or regulatory proceedings, if decided adversely, is not expected to have a material adverse effect on the Company's business, financial condition and results of operations based on the current position for such claims/legal actions.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

(This space has been intentionally left blank)

(All amounts in ₹ lacs, unless otherwise stated)

43 Capital commitments

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Property, plant and equipment (net of advances paid)	562	1,230
Intangible assets (net of advances paid)	-	-
	562	**1,230**

44 Details of dues to micro and small enterprises as defined under the MSMED 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		Amount as at 31 March 2024	Amount as at 31 March 2023
(a)	The principal amount remaining unpaid as at the end of year	7,084	4,801
(b)	Interest due on above principal and remaining unpaid as at the end of the year	5	4
(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.	330	154
(e)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	1,130	795
(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	-	-

45 Earnings per Share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit for the year as per Statement of Profit and Loss	14,305	16,328
No of equity shares outstanding at the beginning of the year	1	1
Less: Shares reduced during the period	-	-
No of equity shares outstanding at the end of the year	1	1
Weighted average number of equity shares in calculating basic and diluted EPS	1	1
Nominal value of shares (₹)	10	10
Earning per share - basic and diluted (₹)	**14,305**	**16,328**

46 Transfer pricing

The Finance Act, 2001, has introduced, with effect from assessment year 2002-03 (effective April 2001), detailed Transfer Pricing regulations (the regulations) for computing the income and expenditure from 'international transactions' between 'associated enterprises' on an 'arm's length' basis. The regulations, inter alia, also require the maintenance of prescribed documents and information, including furnishing a report from an Accountant within the due date of filing the Return of Income. For the fiscal year ended 31 March 2023, the Company had undertaken a study to comply with the regulations for which the prescribed certificate of the Accountant has been obtained and this did not envisage any tax liability.

For the fiscal year ended 31 March 2024, the Company will carry out a similar study to comply with the said regulations. In the opinion of Management, no adjustments are expected to arise based on completion of this study.

47 Assets pledged as security

The carrying amounts of assets pledged as securities for borrowings are:

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Financial assets:		
Factored receivables	-	86
	-	**86**

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

48 **Ratios as per Schedule III requirements:**

Ratio	Numerator	Denominator	Unit	31 March 2024	31 March 2023	% variance	Reason for variance
(a) Current ratio	Current assets	Current liabilities	Times	0.87	1.17	-26%	Due to payout of dividend, the current asset has come down.
(b) Debt-equity ratio	Total debt	Shareholder's equity	Times	-	-	0%	Below 25%
(c) Debt service coverage ratio	Earning for Debt Service = Net profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	Times	118.75	156.51	-24%	Below 25%
(d) Return on equity ratio	Profit after tax for the year less preference dividend (if any)	Average total equity	%	27.87%	29.40%	-5%	Below 25%
(e) Inventory turnover ratio	Revenue from operations	Average inventories	Times	21.06	20.84	1%	Below 25%
(f) Trade receivables turnover ratio	Net credit sales	Average trade receivables	Times	9.05	8.75	3%	Below 25%
(g) Trade payables turnover ratio	Net credit purchases	Average trade payables	Times	4.39	5.11	-14%	Below 25%
(h) Net capital turnover ratio	Net sales	Working capital	Times	(30.99)	26.26	-218%	Decrease because cash has been utilised for payout of dividend.
(i) Net profit ratio	Net Profit after tax	Net Sales	%	7.68%	9.16%	-16%	Below 25%
(j) Return on capital employed	Earning before interest and taxes	Capital employed = Tangible net worth + Total debt + Deferred tax liability	%	40.13%	37.23%	8%	Below 25%
(k) Return on investment	Return on investment	Average investment	%	0.00%	0.00%	0%	Below 25%

Schedule III require explanation where the change in the ratio is more than 25% as compared to the preceding year. Since there are three/two instances where the change is more than 25%, hence explanation is given for the said ratios.

49 **Additional Disclosures**

a) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).

b) 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.

c) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year.

d) The Company has been sanctioned a working capital limit in excess of Rs 5 crore by banks. Pursuant to the terms of the sanction letters, the Company is not required to file any quarterly return or statement with such banks.

e) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

f) The Company does not have any material transactions with struck-off companies.

g) The Company do not have any charges or satisfaction which is yet to be registered with Registrars of Companies (ROC) beyond the statutory period.

h) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.

i) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

j) The Company has not granted loans or advances in the nature of loan to any promoters, Directors and KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.

k) The Company has not taken loans or advances in the nature of loan from any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.

l) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the companies act, 2013 read with the companies (restriction on number of layers) rule, 2017.

m) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(1) 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
(2) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

n) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(1) 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
(2) received any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

50 Subsequent to 31 March 2023 but before the adoption of financial statements for FY 2022-2023, the management has identified that an employee was manipulating existing controls around vendor payments fraudulently to misappropriate funds on multiple occasion during current year and preceding years by making payments to other accounts instead of concerned vendor accounts. The Company has appointed external agencies for fact-based investigation, forensic data analysis, analysis/ reporting on defined aspects of user activity etc. Based on management's internal assessment and reports received from external agencies, the financial impact of this fraud of ₹ 19.44 lacs has been accounted for in the previous financial year as expense and the management believes that no further adjustment is required in the standalone financial statement. The Company has taken disciplinary proceeding against the concerned employee and has implemented supervisory and monitoring controls around vendor payment process during the year.

51 **Audit Trail**

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies 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 use an accounting software to maintain its books of account, which has a feature of recording audit trail (edit log) facility. The audit trail feature at the application level was enabled and operating throughout the year. However, the Company has not enabled the feature of recording audit trail (edit log) at the database level for the said accounting software to log any direct data changes.

52 The Indian Parliament has approved the Code on Social Security, 2020 which could have a likely impact on the contributions made by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The effective date from which the Code and applicable Rules shall be applicable is yet to be notified. The Company shall assess and evaluate the likely financial impact once the subject rules are notified and become effective.

53 Previous year/period numbers have been regrouped/ reclassified, wherever considered necessary.

54 **Rounding off**

Amounts mentioned as "0" in the financial statements denote amounts rounded off being less than ₹ 1 lac.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number: 001076N/N500013

Ankit Mehra
Partner
Membership Number: 507429
Place: Gurugram
Date: 19 September 2024

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Tenneco Automotive India Private Limited

C Subramanian

R. C. Subramaniam
Managing Director
DIN: 06844540
Place: Pune
Date: 18 September 2024

Praveen Kumar Singh
Director
DIN: 08444682
Place: Pune
Date: 18 September 2024

M-S. Randasi

Mayuri Randasi
Company Secretary
Membership Number: A53332
Place: Pune
Date: 18 September 2024

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP

21st Floor, DLF Square
Jacaranda Marg, DLF Phase II,
Gurugram - 122 002
Haryana, India

T +91 124 462 8099
F +91 124 462 8001

Independent Auditor's Report

To the Members of Tenneco Automotive India Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Tenneco Automotive India Private Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and on the other financial information of the subsidiary the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditor in terms of their reports referred to in paragraph 11 of the Other Matter section below is sufficient and appropriate to provide a basis for our opinion.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

4. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the consolidated financial statements and our auditor's report thereon.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

5. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

7. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

9. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

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

- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditor. For the other entity included in the financial statements, which have been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

Other Matter

11. We did not audit the financial statements of one subsidiary, whose financial statements reflects total assets of ₹ 31,539 lacs and net assets of ₹ 11,695 lacs as at 31 March 2024, total revenues of ₹ 73,426 lacs and net cash inflows amounting to ₹ 1,459 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiary are based solely on the reports of the other auditor.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditor.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

12. Based on our audit and on the consideration of the report of the other auditor, on separate financial statements of the subsidiary, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act since none of such companies is a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

13. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us and by the respective other auditor as mentioned in paragraph 11 above of company included in the consolidated financial statements for the year ended 31 March 2024 and covered under the Act we report that:

    Following are the qualifications/adverse remarks reported by us and the other auditor in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2024 for which such Order reports have been issued till date and made available to us:

S. No.	Name	CIN	Holding Company / subsidiary / Associate / Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Tenneco Automotive India Private Limited	U34300TZ1998PTC015231	Holding company	(xi)(a)
2	Motocare India Private Limited	U74999HR2015FTC054552	Subsidiary	(vii)(a)

14. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary, 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 purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor, except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended). Further, the back-up of the books of accounts and other books and papers maintained in electronic mode has not been maintained on servers physically located in India, on a daily basis by the Holding Company and the Subsidiary Company;

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditor of its subsidiary company covered under the Act, none of the directors of the Group, are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS

f) With respect to the maintenance of accounts and other matters connected therewith refer to our comments in paragraph 14(b) above on reporting under section 143(3)(b) of the Act and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary company, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary incorporated in India whose financial statements have been audited under the Act:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 42 to the consolidated financial statements;

   ii. The Holding Company and its subsidiary company, did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company covered under the Act, during the year ended 31 March 2024;

   iv. (a) The respective managements of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief as disclosed in note 49(m) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

   (b) The respective managements of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, respectively that, to the best of their knowledge and belief, as disclosed in the note 49(n) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary company , from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(c) Based on such audit procedures performed by us and that performed by the auditor of the subsidiary company, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Holding Company and its subsidiary company, during the year ended 31 March 2024 and until the date of this audit report is in compliance with section 123 of the Act.

vi. As stated in Note 51 to the consolidated financial statements and based on our examination which included test checks and that performed by the auditor of the subsidiary of the Holding Company which are companies incorporated in India and audited under the Act, except for the following instances, the Holding Company and its subsidiary, in respect of financial year commencing on 1 April 2023, have used accounting software for maintaining their books of account which have the feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and auditor of the above referred subsidiary did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below;

i. The audit trail (edit log) was not enabled at the database level for an accounting software to log any direct data changes, used for maintenance of books of account by the Holding the Company.

ii. In case of its one subsidiary, the audit trail feature was not enabled for certain changes made using privileged/administrative access rights, and the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ankit Mehra
Partner
Membership No.: 507429

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

UDIN: 24507429BKCKMX8941

Place: Gurugram
Date: 19 September 2024

Annexure 1:

List of entities included in the Consolidated financial statements:

1. Motocare India Private Limited (subsidiary)

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Annexure B to the Independent Auditor's Report of even date to the members of Tenneco Automotive India Private Limited on the consolidated financial statements for the year ended 31 March 2024

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Tenneco Automotive India Private Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, and its subsidiary company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. 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 includes obtaining an understanding of such internal financial controls, 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.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary company as aforesaid.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. 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 controls 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

8. In our opinion and based on the consideration of the reports of the other auditor on internal financial controls with reference to financial statements of the subsidiary company, the Holding Company and its subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on internal financial controls with reference to financial statements criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Other Matter

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to one subsidiary company, which is company covered under the Act, whose financial statements reflect total assets of ₹ 31,539 lacs and net assets of ₹ 11,695 lacs as at 31 March 2024, total revenues of ₹ 73,426 lacs and net cash inflows amounting to ₹ 1,459 lacs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company has been audited by other auditor whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company is based solely on the reports of the auditor of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditor.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Ankit Mehra
Partner
Membership No.: 507429

UDIN: 24507429BKCKMX8941

Place : Gurugram
Date : 19 September 2024

Tenneco Automotive India Private Limited
Consolidated Balance Sheet as at 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

	Notes	Amount as at 31 March 2024	Amount as at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	23,292	23,358
Capital work-in-progress	3	1,183	740
Right-of-use assets	3	2,631	2,729
Intangible assets	4	77	63
Financial assets			
- Investments	11	89	75
- Loans	5	26	23
- Other financial assets	6	333	450
Deferred tax assets (net)	7	692	592
Income-tax assets (net)	8	1,901	1,112
Other non-current assets	9	612	678
		30,836	**29,820**
Current assets			
Inventories	10	18,306	17,887
Financial assets			
- Trade receivables	12	28,660	24,222
- Cash and cash equivalents	13(a)	15,112	22,135
- Other bank balances	13(b)	5	58
- Loans	5	2,093	2,101
- Other financial assets	6	178	55
Other current assets	14	1,457	1,091
		65,811	**67,549**
Total Assets		**96,647**	**97,369**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	10	10
Other equity	16	31,168	41,742
		31,178	**41,752**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	17	763	866
Provisions	18	379	392
Other non-current liabilities	19	1,766	1,671
		2,908	**2,929**
Current liabilities			
Financial liabilities			
- Borrowings	20	-	86
- Lease liabilities	17	640	601
- Trade payables			
- total outstanding dues of micro enterprises and small enterprises	21	8,984	7,860
- total outstanding dues of creditors other than micro enterprises and small enterprises	21	33,110	28,545
- Other financial liabilities	22	11,392	10,124
Other current liabilities	23	4,953	2,502
Provisions	18	2,554	2,970
Current tax liabilities (net)	24	928	-
		62,561	**52,688**
Total Equity and Liabilities		**96,647**	**97,369**

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.
This is the Consolidated Balance Sheet referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number: 001076N/N500013

Ankit Mehra
Partner
Membership Number: 507429
Place: Gurugram
Date: 19 September 2024

For and on behalf of the Board of Directors
Tenneco Automotive India Private Limited

C Subramanian

R.C.Subramaniam
Managing Director
DIN: 06844540
Place: Pune
Date: 18 September 2024

Praveen Kumar Singh
Director
DIN: 08444682
Place: Pune
Date: 18 September 2024

M. S. Ramdasi

Mayuri Ramdasi
Company Secretary
Membership Number: A53332
Place: Pune
Date: 18 September 2024

TENNECO AUTOMOTIVE INDIA PVT. LTD.

Tenneco Automotive India Private Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Revenue from operations	25	248,625	232,575
Other income	26	942	1,608
Total Income		**249,567**	**234,183**
Expenses			
Cost of materials consumed	27	164,857	154,851
Purchase of stock-in-trade	27(a)	10,121	10,621
Change in inventories of finished goods and work-in-progress	28	224	(2,248)
Employee benefits expense	29	15,103	14,731
Finance costs	30	606	424
Depreciation and amortisation expense	31	4,504	4,665
Other expenses	32	32,414	28,206
Total Expenses		**227,829**	**211,250**
Profit before tax		**21,738**	**22,933**
Tax expense			
- Current tax	33	5,828	6,521
- Tax pertaining to earlier years	33	101	-
- Deferred tax	33	(97)	(128)
Total Income tax expense		**5,832**	**6,393**
Profit for the year		**15,906**	**16,540**
Other comprehensive income for the year			
Items that will not be reclassified to profit or loss			
- Remeasurements of the post employment defined benefit plans (gain)		(70)	(22)
- Income tax relating to items that will not be reclassified to profit or loss		18	5
Total other comprehensive income for the year		**(52)**	**(17)**
Total comprehensive income for the year		**15,958**	**16,557**
Earnings per equity share (of ₹ 10 each)			
Basic and diluted earnings per share (₹) :	45	15,958	16,557

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes.
This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number: 001076N/N500013

For and on behalf of the Board of Directors
Tenneco Automotive India Private Limited

Ankit Mehra
Partner
Membership Number: 507429
Place: Gurugram
Date: 19 September 2024

C Subramaniam

R.C.Subramaniam
Managing Director
DIN: 06844540
Place: Pune
Date: 18 September 2024

Praveen Kumar Singh
Director
DIN: 08444682
Place: Pune
Date: 18 September 2024

M.S. Ramdasi

Mayuri Ramdasi
Company Secretary
Membership Number: A53332
Place: Pune
Date: 18 September 2024

TENNECO AUTOMOTIVE INDIA PVT. LTD.

Tenneco Automotive India Private Limited

Consolidated Statement of Cash Flows for the year ended 31 March 2024

(All amounts in ₹ lacs, unless otherwise stated)

Particulars		For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flow from operating activities			
Profit before tax		21,718	22,933
Adjustments for:			
Depreciation and amortisation expense		4,504	4,665
Provision for doubtful advances		42	62
(Gain)/Loss on allowance of trade receivables		149	(85)
Excess provision/liability no longer required written back		(1)	(22)
Advance - write off		-	(150)
Provision for warranty expenses		178	829
Interest income on fixed deposits with banks (gross)		(463)	(250)
Interest income from financial assets		(3)	(3)
Unwinding of discount on security deposits		(28)	(20)
Interest income from loans to related parties		(203)	(145)
Finance Cost		464	277
Interest on lease liabilities		142	147
Loss on disposal of property, plant and equipment		4	20
Unrealised foreign exchange gain		52	(175)
Employee share based expenses		-	65
Gain on retirement of right-of-use assets		(6)	(7)
Operating profit before working capital changes		**26,529**	**28,125**
Movements in working capital			
(Increase)/decrease in assets			
- trade receivables		(6,910)	3,833
- inventories		(419)	(2,466)
- other current and non-current financial assets		26	(98)
- current and non-current loans		(7)	(15)
- other current and non-current assets		(471)	(387)
Increase/(decrease) in liabilities			
- trade payables		7,685	6,395
- current and non-current provisions		(584)	(565)
- other current financial liabilities		1,282	1,971
- other current and non-current liabilities		2,580	991
Cash generated from operations post working capital changes		**29,715**	**37,784**
Income taxes paid (net)		(5,864)	(7,498)
Net cash inflow from operating activities (A)		**23,851**	**30,286**
Cash flows from investing activities:			
Purchase of property, plant and equipment (including capital work-in-progress)		(4,105)	(2,447)
Proceeds from sale of property, plant and equipment		9	1
Movement in other bank balances (net)		53	(38)
Loan to related parties		-	(500)
Interest received		666	403
Net cash outflow from investing activities (B)		**(3,377)**	**(2,581)**
Cash flows from financing activities:			
Repayment of borrowings		(86)	(3,302)
Repayment of lease liabilities		(816)	(716)
Interest paid		(63)	(76)
Dividend Paid		(26,532)	(12,458.00)
Net cash inflow (outflow) from financing activities (C)		**(27,497)**	**(16,552)**
Net increase (decrease)/(increase) in cash and cash equivalents (A)+(B)+(C)		**(7,023)**	**11,153**
Cash and cash equivalents at the beginning of the financial year		22,135	10,982
Cash and cash equivalents at end of the year		**15,112**	**22,135**
Reconciliation of cash and cash equivalents as per the cash flow statement			
Cash and Cash Equivalents as per above comprise of the following:			
Cash and Cash Equivalents	13	15,112	22,135
Balances per statement of cash flows		**15,112**	**22,135**

The above Consolidated Cash Flow Statement should be read in conjunction with the accompanying notes.
This is the Consolidated Cash Flow Statement referred to in our report of even date.
The Consolidated Cash Flow Statement have been prepared under the indirect method as set out in Ind AS 7, 'Statement of Cash Flows'.
Refer note 19(c) for movement of liabilities arising from financing activities.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number: 001076N/N500013

For and on behalf of the Board of Directors
Tenneco Automotive India Private Limited

C Subramanian

M. S. Ramdasi

Ankit Mehra
Partner
Membership Number: 507429
Place: Gurugram
Date: 19 September 2024

R.C.Subramaniam
Managing Director
DIN: 06844540
Place: Pune
Date: 18 September 2024

Praveen Kumar Singh
Director
DIN: 05444682
Place: Pune
Date: 18 September 2024

Mayuri Ramdasi
Company Secretary
Membership Number: A53332
Place: Pune
Date: 18 September 2024

TENNECO AUTOMOTIVE INDIA PVT. LTD.

Tenneco Automotive India Private Limited
Consolidated Statement of Changes in Equity for the year ended 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

A. Equity share capital

Particulars	Balance as at 01 April 2022	Change in equity share capital during the year	Balance as at 31 March 2023	Change in equity share capital during the year	Balance as at 31 March 2024
Equity share capital	10	-	10	-	10

B. Other equity

Particulars	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	Retained Earnings	Stock Compensation	Total
Balance as at 1 April 2022	**(17,319)**	**7**	**60**	**54,276**	**554**	**37,578**
Profit for the year	-	-	-	16,540	-	**16,540**
Other comprehensive income	-	-	-	17	-	**17**
Total comprehensive income for the year	**(17,319)**	**7**	**60**	**70,833**	**554**	**54,135**
Employee stock option	-	-	-	619	(554)	**65**
Dividend paid during the year	-	-	-	(12,458)	-	**(12,458)**
Balance as at 31 March 2023	**(17,319)**	**7**	**60**	**58,994**	**-**	**41,742**
Profit for the year	-	-	-	15,906	-	**15,906**
Other comprehensive income	-	-	-	52	-	**52**
Total comprehensive income for the year	**(17,319)**	**7**	**60**	**74,952**	**-**	**57,700**
Dividend paid during the year	-	-	-	(26,532)	-	**(26,532)**
Balance as at 31 March 2024	**(17,319)**	**7**	**60**	**48,420**	**-**	**31,168**

The above Consolidated Statement of changes in Equity should be read in conjunction the accompanying notes.
This is the Consolidated Statement of changes in equity referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number:
001076N/N500013

Ankit Mehra
Partner
Membership Number: 507429
Place: Gurugram
Date: 19 September 2024

For and on behalf of the Board of Directors
Tenneco Automotive India Private Limited

C Subramanian

R.C.Subramaniam
Managing Director
DIN: 06844540
Place: Pune
Date: 18 September 2024

Praveen Kumar Singh
Director
DIN: 08444682
Place: Pune
Date: 18 September 2024

M.S. Ramdasi.

Mayuri Ramdasi
Company Secretary
Membership Number: A53332
Place: Pune
Date: 18 September 2024

TENNECO AUTOMOTIVE INDIA PVT. LTD.

1 Group information

Tenneco Automotive India Private Limited (the "Holding Company") was incorporated as a Private Limited Company on 12 January 1998 under the Companies Act, 1956. The Company was formed by Tenneco Inc., USA (the Ultimate holding company) to manufacture, distribute and/ or otherwise deal in automobile parts and components and other related activities including establishment of a comprehensive research and development centre. Pursuant to a Scheme of amalgamation as per the order of Honourable Madras High Court dated 9 July 2010, Tenneco RC India Private Limited (TRCIPL), Tenneco Exhaust India Private Limited (TEIPL), Tenneco India Engineering and Shared Services Private Limited (TIESS) and Renowned Auto Products Mfrs Private Limited (RAPS) were amalgamated with the Company effective from April 1, 2008.

Motocare India Private Limited (Motocare) incorporated on 12 February 2015 is a subsidiary of the Company. Motocare is involved in trading and kitting (assembly) of automobile components. Motocare's registered office is located at Gurugram, Haryana and it has kitting facility at Palwal, Haryana.

The Consolidated financial statements comprise financial statement of Tenneco Automotive India Private Limited and its subsidiary (collectively the "Group" or the "Company").

2 Statement of Material accounting policies

2.1 (a) Basis of preparation

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. Presentation requirements of Division II of Schedule III to the Companies Act, 2013, "as amended", as applicable to the Consolidated Financial Statements have been followed. The consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors on 19 September 2024. The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans – plan assets measured at fair value.

(b) Basis of consolidation

Subsidiary is the entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Profit/(loss) and other comprehensive income ('OCI') of subsidiary acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. The consolidated subsidiary has a consistent reporting date of 31 March 2024.

The Group combines the consolidated financial statements of the holding and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.2 Material accounting policies

a) Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

b) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises the purchase price, borrowing cost (if capitalisation criteria are met) and any attributable costs of bringing the asset to its working condition for its 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 attributable to such subsequent cost associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

(All amounts in ₹ lacs, unless otherwise stated)

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method prescribed under Schedule II of the Act, computed on the basis of useful lives prescribed under Schedule II of the Act or technical evaluation of the property, plant and equipment by the management and or external technical expert which are mentioned below:

Category	Management estimated Useful Life (in years)	Useful Life as per schedule II (in years)
Buildings (on leasehold land)		
Factory buildings	30	30
Fences, wells, tube wells	5	5
Temporary structures	3	3
Roads	10	10
Plant and machinery:		
Plant and Machinery other than continuous process plant	8-15	15
Continuous process plant*	25	8
Others	1-10	1-10
Computers*	3-6	3-6
Office equipments*	3-10	5
Furniture and fixtures	10	10
Vehicles	8	8

*The useful lives have been determined based on technical evaluation done by the management's expert which differ from those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

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

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

De-recognition

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

c) Intangible assets

Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Subsequent measurement (amortisation)

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Residual values and useful lives are reviewed at each reporting date. The cost of capitalised software is amortised over a period in the range of 3-6 years from the date of its acquisition.

The amortisation period and the amortisation method for intangible assets are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

d) Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

To determine value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

e) Borrowing costs

Borrowing costs directly/generally attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest calculated using the effective interest method that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Eligible transaction/ancillary costs incurred in connection with the arrangement of borrowings are adjusted with the proceeds of the borrowings.

f) Inventories

Inventories are stated at lower of cost or net realisable value. The cost in respect of the various items of inventory is computed as under:

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

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories.

The amount of any write-down of inventories to net realisable value and all losses of inventories is recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

g) Foreign currency translation

Functional and presentation currency

The financial statements are presented in Indian Rupees (INR or ₹) and are rounded to two decimal places of lacs, which is also the Group's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items as at reporting date are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ('OCI') or profit or loss are also recognised in OCI or statement of profit and loss, respectively).

h) Right-of-use assets and lease liabilities

As a lessee

The Group as a lessee

The Group's leased asset classes primarily consist of leases for land and building. The Group 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

Recognition and initial measurement of right-of-use assets

At the date of commencement of the lease, the Group 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 Group recognizes 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.

Subsequent measurement of right-of-use asset

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

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.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

Lease liabilities
The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in sub-stance 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 Group changes its assessment of whether it will exercise an extension or a termination option.

i) Fair Value of financial instrument

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

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

j) 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. The Group recognises revenue when it transfers control of a product to a customer. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments and excludes tax and duties collected on behalf of the government. The Group recognises revenue from the following major sources:

Revenue from 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 fair value consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. The Group 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 Group'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 Group's performance obligation occur at the same time. Revenue from the sale of goods is recognised when the Group 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 Group 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 Group, 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 Group has completed its performance obligations. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Group 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 30-120 days.

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

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

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

Revenue from development of tools:
The Holding Company develops customised tools for its customers and recognises its revenue over time using an input method to measure progress towards complete satisfaction of the tool development.
The Holding Company recognises revenue from development of tools over time if it can reasonably measure its progress towards complete satisfaction of the performance obligation.
Where the Holding Company cannot reasonably measure the outcome of a performance obligation, but the Holding Company expects to recover the costs incurred in satisfying the performance obligation, in those circumstances, the Holding Company recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.
If the unavoidable costs of developing the tool exceed the economic benefits expected to be received from it, a provision is made for the loss.

Determining the timing of satisfaction of development of tools
The revenue for development of tools is to be recognised over time because the Holding Company's performance does not create asset with an alternative use to the Holding Company since the tools are customised for each customer and the Holding Company has a legally enforceable right to payment of fair value for performance completed to date.
The input method is the best method in measuring progress of the development of tools because there is a direct relationship between the Company's effort (i.e., costs incurred) and the transfer of tooling to the customer. The Holding Company recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

Export Benefits/Incentives:
Income from export incentives is recognised as and when the right to receive such an income is established and no uncertainty exists on its ultimate collection.

k) Income recognition

Interest:
Interest income on financial assets at amortised cost and financial assets at fair value through other comprehensive income (FVOCI) is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends:
Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

l) Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (j) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

Subsequent measurement of financial assets and financial liabilities is described below:

Classification and subsequent measurement
For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

i. **Financial assets at amortised cost** - a financial instrument is measured at 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 method. Effective interest rate (EIR) is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

ii. **Investments in equity instruments of subsidiaries** - Investments in equity instruments of subsidiaries are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements. On disposal of these investments, the difference between net disposal proceeds and the carrying amount are recognised in the statement of profit and loss.

iii. **Financial assets at fair value**
Investments in equity instruments other than above - All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in profit or loss.
Derivative assets - All derivative assets are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets
A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Reclassification of financial assets
The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method (EIR).
Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

All derivative liabilities are measured at fair value through profit and loss (FVTPL).

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 or 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 realize the assets and settle the liabilities simultaneously.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

m) Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider –

• All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
• Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables
i. **For debtors that are not past due –** The Group applies approach required by Ind AS 109 'Financial Instruments', which requires lifetime expected credit losses to be recognised upon initial recognition of receivables. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. Lifetime expected credit losses are assessed and accounted based on Group's historical counter party default rates and forecast of macro-economic factors, by dividing receivables that are not considered to be individually significant by reference to the business segment of the counter party and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counter party default rates. The Group defines default as an event when the financial asset is past due for more than 365 days. This definition is based on management's expectation of the time period beyond which if a receivable is outstanding, it is objective evidence of impairment.

ii. For debtors considered past due – any enhancement in the accrual done for expected credit loss on individually significant receivables is made to recognise any additional expected credit loss on amount recoverable. The Group writes off trade receivables when there is objective evidence that such amounts would not be recovered. Financial assets that are written-off are still subject to enforcement activity by the Group.

Other financial assets
For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to twelve month expected credit losses, else at an amount equal to the lifetime expected credit losses.
When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

n) Post- employment and other employee benefit
Defined contribution plans
A defined contribution plan is a plan under which the Company pays fixed contributions into an independent fund administered by the government, for example, contribution towards Employees' Provident Fund Scheme, Employees' State Insurance Scheme and National Pension Scheme. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution, which are recognised as an expense in the year that related employee services are received.

Defined benefit plans
The Gratuity and Provident Fund (Funded) are defined benefit plans. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. Gratuity fund is administered through Life Insurance Corporation of India.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Other employee benefits
Long-term employee benefits: Compensated absences
Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated based on an actuarial valuation performed by an independent actuary using the 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.

Other short-term benefits
Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

Share based payments
Share-based compensation benefits are provided to employees via plans of Tenneco Inc., Restricted Stock Units and Share appreciation rights.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

Restricted Stock Units (RSUs)
The fair value of RSUs is recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the RSUs vested.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of RSUs that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Share appreciation rights
Liabilities for the company's share appreciation rights are recognised as employee benefit expense over the relevant service period. The liabilities are remeasured to fair value at each reporting date and are presented as employee benefit obligations in the balance sheet.

o) Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When provisions are discounted, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed for:
- Possible obligations which will be confirmed only by future events not wholly within the control of the Group 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.

p) Earnings per Share
Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

q) Taxes
Current income-tax
Current income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income-tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and any unused tax credits and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. The carrying amount of deferred tax assets are reviewed at each balance sheet date and derecognized to the extent it is no longer probable that sufficient future taxable profits will be available against which such deferred tax assets can be realized.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

r) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments:
In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified based on information reviewed by the Group's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Results of the operating segments are reviewed regularly by the management team which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

s) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

2.3 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group'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.

The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgments, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:

Significant management judgements

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

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

Classification of leases - The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

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

Contingent Liabilities - The Group is the subject of certain legal proceedings which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

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

Significant estimates

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

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

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

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. ★

2.4 New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023.

i. Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's Consolidated financial statements.

ii. Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

iii. Deferred Tax related to Assets and Liabilities arising from a Single Transaction- Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Holding Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Holding Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

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 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the company.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

Tenneco Automotive India Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

(All amounts in ₹ lacs, unless otherwise stated)

3(a) Property, plant and equipment

Particulars	Leasehold Improvement	Buildings	Plant and Machinery	Computers	Office Equipments	Furniture and Fixtures	Vehicles	Total	Right-to-use asset (ROU)	Capital work in-progress
Gross carrying amount										
Opening gross carrying amount as on 1 April 2022	-	6,661	31,367	1,017	553	742	194	40,534	4,644	834
Additions	49	60	2,031	184	40	18	5	2,387	426	1,855
Disposals/Adjustment	-	-	(1,449)	(274)	(15)	(207)	(6)	(1,951)	(121)	(1,949)
Closing gross carrying amount as on 31 March 2023	**49**	**6,721**	**31,949**	**927**	**578**	**553**	**193**	**40,970**	**4,949**	**740**
Accumulated depreciation										
Opening accumulated depreciation as on 1 April 2022	-	1,074	13,024	549	352	412	86	15,497	1,673	-
Depreciation charge for the year	4	289	3,376	172	67	64	24	3,996	621	-
Disposals/Adjustment	-	-	(1,391)	(270)	(14)	(205)	(6)	(1,886)	(74)	-
Closing accumulated depreciation as on 31 March 2023	**4**	**1,363**	**15,009**	**451**	**405**	**271**	**104**	**17,607**	**2,220**	**-**
Net carrying amount as at 31 March 2023	**45**	**5,358**	**16,940**	**476**	**173**	**282**	**89**	**23,363**	**2,729**	**740**
Gross carrying amount										
Opening gross carrying amount as on 1 April 2023	49	6,721	31,949	927	578	553	193	40,970	4,949	740
Additions	14	84	3,295	207	78	7	47	3,732	697	3,442
Disposals/Adjustment	-	(6)	(108)	(4)	(7)	(2)	-	(127)	(602)	(2,999)
Closing gross carrying amount as on 31 March 2024	**63**	**6,799**	**35,136**	**1,130**	**649**	**558**	**240**	**44,575**	**5,044**	**1,183**
Accumulated depreciation										
Opening accumulated depreciation as on 1 April 2023	4	1,363	15,009	451	405	271	104	17,607	2,220	-
Depreciation charge for the year	14	292	3,124	199	39	63	25	3,756	713	-
Disposals/Adjustment	-	(5)	(63)	(4)	(7)	(1)	-	(80)	(520)	-
Closing accumulated depreciation as on 31 March 2024	**18**	**1,650**	**18,070**	**646**	**437**	**333**	**129**	**21,283**	**2,413**	**-**
Net carrying amount as at 31 March 2024	**45**	**5,149**	**17,066**	**484**	**212**	**225**	**111**	**23,292**	**2,631**	**1,183**

Notes:

1. Refer note 43 for disclosure of contractual commitments for the acquisition of property, plant and equipment
2. Refer note 41 for disclosure of right of use assets
3. There is no property, plant and equipment which are pledged or under lien

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

(All amounts in ₹ lacs, unless otherwise stated)

3(b) Capital work in progress

For capital work-in-progress (CWIP), following is the ageing schedule:

As at 31 March 2024	Amount in CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	1,087	94	-	-	1,181
Project temporarily suspended	-	-	2	-	2

As at 31 March 2023	Amount in CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	656	74	-	-	730
Project temporarily suspended	-	-	10	-	10

4 Intangible assets

Particulars	Computer Software	Total
Gross carrying amount		
Opening gross carrying amount as on 1 April 2022	625	625
Additions	21	21
Disposals	(297)	(297)
Closing gross carrying amount as on 31 March 2023	349	349
Accumulated amortisation		
Opening accumulated amortisation as on 1 April 2022	535	535
Amortisation charge for the year	48	48
Disposals	(297)	(297)
Closing accumulated amortisation as on 31 March 2023	286	286
Net carrying amount as at 31 March 2023	63	63
Gross carrying amount		
Opening gross carrying amount as on 1 April 2023	349	349
Additions	48	48
Disposals	(2)	(2)
Closing gross carrying amount as on 31 March 2024	395	395
Accumulated amortisation		
Opening accumulated amortisation as on 1 April 2023	286	286
Amortisation charge for the year	34	34
Disposals	(2)	(2)
Closing accumulated amortisation as on 31 March 2024	318	318
Net carrying amount as at 31 March 2024	77	77

Notes:

1. Refer note 43 for disclosure of contractual commitments for the acquisition of intangible assets
2. There is no intangible assets which are pledged or under lien.

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

(All amounts in ₹ lacs, unless otherwise stated)

5 Loans

Particulars	Non Current		Current	
	Amount as at 31 March 2024	Amount as at 31 March 2023	Amount as at 31 March 2024	Amount as at 31 March 2023
Unsecured, considered good				
Loans to related parties (refer note below)*	-	-	2,000	2,000
Loan to employees*	26	23	93	101
	26	**23**	**2,093**	**2,101**

Note:

Loans to related parties (unsecured) - Disclosure as per Section 186(4) of Companies Act, 2013:

Name of the related party	Principal amount	Interest rate p.a	Tenure of loan	Purpose of loan	Repayment frequency
Federal-Mogul Motorparts (India) Limited	2,000	8.75% to 10.06%	1 year	Business purpose (working capital)	Full repayment at the end of maturity date

Note - The Group does not have loans which are either credit impaired or where there is significant increase in credit risk.

*Refer note 35(i) for disclosure of fair values in respect of financial assets

6 Other financial assets

Particulars	Non Current		Current	
	Amount as at 31 March 2024	Amount as at 31 March 2023	Amount as at 31 March 2024	Amount as at 31 March 2023
Unsecured, considered good				
Security deposits*	322	440	178	55
Deposits with bank having maturity more than 12 months#*	10	10	-	-
Interest accrued but not due on above deposits	1	-	-	-
	333	**450**	**178**	**55**

*Refer note 35(i) for disclosure of fair values in respect of financial assets

#These deposits are pledged against the guarantees given by the Group to customers and government authorities

7 Deferred tax assets/liabilities (net)

The balance comprises temporary difference attributable to:

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Deferred tax liabilities		
Property, plant and equipment and intangible assets	443	532
Right-of-use assets	78	109
	521	**641**
Deferred tax assets		
Defined benefit obligations	445	400
Provisions for doubtful debts, warranty and excess & obsolete inventory	663	710
Lease liabilities	105	123
	1,213	**1,233**
Deferred tax assets (net)	**692**	**592**

Movement in deferred tax assets/liabilities	Defined benefit obligations	Depreciation and amortisation	Right-of-use assets	Total
At 01 April 2022	**-**	**673**	**95**	**768**
Charged/(credited)				
-to profit or loss	-	(141)	14	**(127)**
-to other comprehensive income	-	-	-	-
At 31 March 2023	**-**	**532**	**109**	**641**
Charged/(credited)				
-to profit or loss	-	(90)	(31)	**(121)**
-to other comprehensive income	-	-	-	-
At 31 March 2024	**-**	**442**	**78**	**520**
	Defined benefit obligations	**Provisions**	**Lease liabilities**	**Total**
Deferred tax assets				
At 01 April 2022	**380**	**747**	**105**	**1,232**
Charged/(credited)				
-to profit or loss	15	(37)	18	**(4)**
-to other comprehensive income	5	-	-	**5**
At 31 March 2023	**400**	**710**	**123**	**1,233**
Charged/(credited)				
-to profit or loss	27	(47)	(18)	**(38)**
-to other comprehensive income	18	-	-	**18**
At 31 March 2024	**445**	**663**	**105**	**1,213**

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

8 Income tax assets (net)

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Income tax assets(net)	1,901	1,112
	1,901	**1,112**

9 Other non-current assets

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Capital advances - considered good	415	494
Prepaid expenses	10	6
Other advances	14	14
CSR - Excess spent*	173	159
	612	**673**

* Refer note no. 32(b) for Corporate Social Responsibility (CSR)

10 Inventories (valued at lower of cost and net realisable value)

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Raw materials [includes stock in transit ₹992 lacs (previous year : ₹ 1,324 lacs)]	10,514	9,867
Work-in-progress	1,462	1,554
Finished goods [includes stock in transit ₹436 lacs (previous year : ₹ 409 lacs)]	3,107	4,718
Stores and spares	779	772
Packing materials	53	64
Traded goods [includes stock in transit ₹ 7 lacs (previous year : ₹ 45 lacs)]	2,391	912
	18,306	**17,887**

Note: The above inventory is net off of the provision for obsolete and excess made in accordance with the policy of the Group amounting to ₹ 465 lacs (previous year ₹ 410 lacs)

11 Investments

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Non-Current:		
(i) Investment in equity shares of other entity, unquoted (at cost)		
869,900 equity shares (31 March 2023: 745,900) fully paid of ₹ 10 each in Maple Renewable Power Private Limited	87	75
(ii) Investment in equity shares of other entity, unquoted (at cost)		
3,545 equity shares (31 March 2023 Nil) fully paid of ₹ 55.03 each in Capro Engineering India Limited	2	-
	89	**75**
Aggregate amount of unquoted investments	**89**	**75**
Aggregate amount of impairment in the value of investments	-	-

12 Trade receivables

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Trade receivables- considered good, secured	9	65
Trade receivables- considered good, unsecured	27,444	22,581
Trade receivables from related parties- considered good, unsecured	1,207	1,576
Trade receivables- significant increase in credit risk, unsecured	427	267
Trade receivables - credit impaired	3	31
	29,090	24,520
Less: allowances for expected credit losses	(427)	(267)
Less: trade receivables - credit impaired	(3)	(31)
Total receivables	**28,660**	**24,222**

Refer note 37 for related party balances
Refer note 35(i) for disclosure of fair values in respect of financial assets

Factored receivables
The carrying amounts of the trade receivables include receivables which are discounted and are subject to recourse. Under this arrangement, the Holding Company has transferred the relevant receivables to the bank in exchange for cash and is prevented from selling or pledging the receivables. However, the Holding Company has retained late payment and credit risk. The Holding Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the agreement to bank is presented as secured borrowing. This agreement were closed from March'2024 and hence no closing balances.

The relevant carrying amounts are as follows:		
Total factored receivables	-	86
Associated secured borrowing (refer note 20)	-	86

Trade receivables ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment						
	Not due	**0 - 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed trade receivables - considered good	22,565	5,624	471	-	-	-	**28,660**
(ii) Undisputed trade receivables - which have significant increase in credit risk	49	149	131	98	-	-	**427**
(iii) Undisputed trade receivables - credit impaired	-	-	-	2	1	-	**3**
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**22,614**	**5,773**	**602**	**100**	**1**	**-**	**29,090**
Less: Allowances for expected credit losses							**(430)**
Total							**28,660**

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

(All amounts in ₹ lacs, unless otherwise stated)

Trade receivables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						
	Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	20,576	3,613	33	-	-	-	**24,222**
(ii) Undisputed trade receivables - which have significant increase in credit risk	31	78	59	99	-	-	**267**
(iii) Undisputed trade receivables - credit impaired	-	-	-	3	25	3	**31**
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**20,607**	**3,691**	**92**	**102**	**25**	**3**	**24,520**
Less: Allowances for expected credit losses							**(298)**
Total							**24,222**

13 **Cash and cash equivalents**

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
a) Cash and cash equivalents		
Balances with scheduled banks:		
-On current accounts	15,112	22,135
	15,112	**22,135**
b) Other bank balances		
Deposits with original maturity more than 3 months but less than 12 months*	5	58
	5	**58**

* It includes earmarked CSR unspent balance (Refer note 32(b))

Refer note 35(i) for disclosure of fair values in respect of financial assets

c) Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities (except dividend paid):

Particulars	Lease liabilities	Borrowings
Opening Balance as on 1 April 2022	1,673	3,388
Non cash changes due to		
- Recognition of liabilities	417	86
- Interest expense	147	-
- Deletion/adjustment of liabilities	(54)	(3,388)
Cash flows during the year due to		
- Repayment of liabilities	(716)	-
Closing Balance as on 31 March 2023	**1,467**	**86**
Non cash changes due to		
- Recognition of liabilities	698	-
- Interest expense	142	-
- Deletion/adjustment of liabilities	(88)	(86)
Cash flows during the year due to		
- Repayment of liabilities	(816)	-
Closing Balance as on 31 March 2024	**1,403**	-

14 **Other current assets**

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Balances with government authorities	313	195
Prepaid expenses	509	393
Goods and Services tax recoverable *	142	82
Advance to suppliers		
-Considered good	383	352
-Considered doubtful (with significant increase in credit risk)	113	71
	496	**423**
Less: loss allowance	(113)	(71)
	383	**352**
Export incentive receivable	31	10
Other advances	79	59
	1,457	**1,091**

* It represents Goods and Services tax paid on finished goods in transit as at year end.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

(All amounts in ₹ lacs, unless otherwise stated)

15 Equity Share Capital

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Authorised share capital		
22,500 (previous year : 22,500) 11% Cumulative Preference Share Capital (₹ 100 each)	23	23
254,275,000 (previous year : 254,275,000) Equity Share Capital (₹ 10 each)	25,428	25,428
	25,451	**25,451**
Issued share capital		
100,000 (previous year : 100,000) equity Share Capital (₹ 10 each)	10	10
	10	**10**

(a) Right/restriction attached to equity shares and 11% cumulative preference shares.

Equity Shares: The Holding Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

Preference Shares: The authorised share capital includes 22,500 (actual number of shares), 11% Cumulative preference shares of ₹100 each which are not yet issued.

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

Name of the shareholders*	As at 31 March 2024		As at 31 March 2023	
	No.	% holding	No.	% holding
Equity Shares of ₹ 10/- each held by:				
Tenneco Mauritius Holdings Limited, Mauritius, the Holding Company	0.93	93%	0.93	93%
Tenneco Mauritius Limited, Mauritius, a fellow subsidiary	0.07	7%	0.07	7%
	1	**100%**	**1**	**100%**

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

Name of the shareholders*	As at 31 March 2024		As at 31 March 2023	
	No.	% holding	No.	% holding
Equity Shares of ₹ 10/- each held by:				
Tenneco Mauritius Holdings Limited, Mauritius, the Holding Company	0.93	93%	0.93	93%
Tenneco Mauritius Limited, Mauritius, a fellow subsidiary	0.07	7%	0.07	7%
	1	**100%**	**1**	**100%**

*The above information is furnished as per the shareholder register at the year end.

(d) Details of shares held by promoters of the company

Name of the promoter	31 March 2024		31 March 2023		Changes During the year
	Number of shares	% of total Shares	Number of shares	% of total Shares	
Tenneco Mauritius Holdings Limited, Mauritius, the Holding Company	0.93	93%	0.93	93%	0%
Tenneco Mauritius Limited, Mauritius, a fellow subsidiary	0.07	7%	0.07	7%	0%
	1	**100%**	**1**	**100%**	**0%**

(e) There are no shares reserved for issue under options and contracts or commitments. Further, there are no shares that have been issued during the last 5 years pursuant to a contract without payment being received in cash, no share allotted as fully paid up by way of bonus shares or no shares bought back.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

(All amounts in ₹ lacs, unless otherwise stated)

16 Other equity

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Capital reserve	(17,319)	(17,319)
Capital redemption reserve	7	7
Securities premium reserve	60	60
Stock compensation	-	-
Retained earnings	48,420	58,994
	31,168	**41,742**

(i) Capital reserve

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Balance as at the beginning of the year	(17,319)	(17,319)
Balance as at the end of the year	**(17,319)**	**(17,319)**

ii) Capital redemption reserve:

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Balance as at the beginning of the year	7	7
Balance as at the end of the year	**7**	**7**

(iii) Securities premium reserve:

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Balance as at the beginning of the year	60	60
Balance as at the end of the year	**60**	**60**

(iv) Stock compensation:

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Balance as at the beginning of the year	-	554
Add: movement during the year	-	65
Less: movement during the year	-	(619)
Balance as at the end of the year	-	-

(v) Retained Earnings:

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Balance as at the beginning of the year	58,994	54,276
Add: profit for the year	15,958	16,557
Less: dividend paid	(26,532)	(12,458)
Less: stock compensation	-	619
Balance as at the end of the year	**48,420**	**58,994**

Nature and purpose of other reserves

(i) Capital reserve:
Capital reserve is attributable to merger in the prior years and due to consolidation.

(ii) Capital redemption reserve:
Capital redemption reserve is the accumulation of profit on forfeiture of preference shares.

(iii) Securities premium reserve:
Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(iv) Stock compensation:
Stock compensation reserve is used to recognise the grant date fair value of Restricted Stock Units (RSUs) issued to employees by Tenneco Inc under 'Tenneco Inc.' Restricted Stock Units (RSUs) plan. Refer note 38.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

(All amounts in ₹ lacs, unless otherwise stated)

17 Lease liabilities

Particulars	Non current		Current	
	Amount as at 31 March 2024	Amount as at 31 March 2023	Amount as at 31 March 2024	Amount as at 31 March 2023
Lease liabilities (refer note 41)	763	866	640	601
	763	**866**	**640**	**601**

Refer note 35(i) for disclosure of fair values in respect of financial liabilities

18 Provisions

Particulars	Non current		Current	
	Amount as at 31 March 2024	Amount as at 31 March 2023	Amount as at 31 March 2024	Amount as at 31 March 2023
Provision for warranties (refer note (a) below)	-	-	1,281	1,726
Provision for employee benefits				
Provision for compensated absences (refer note (b) below)	66	53	1,145	1,113
Provision for gratuity (refer note (c) below)	313	339	128	131
	379	**392**	**2,554**	**2,970**

(a) Movement in provision:

Provisions movement	Amount as at 31 March 2024	Amount as at 31 March 2023
Opening balance	1,726	1,542
Add: additional provisions made during the year	138	829
Less: utilised during the year	582	645
Closing Balance	**1,282**	**1,726**

Warranty estimates are established using historical information on the nature, frequency and average cost of warranty claims and also management estimates regarding possible future outflow on servicing the customers for any corrective action in respect of product failure.

(b) Compensated absences

The amount of provision of ₹ 1,145 (previous year: ₹ 1,113) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.

The assumptions used in determining the compensated absences benefit obligation are as given below:

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Financial assumptions		
Discount rate	7.20%	7.30%
Salary growth rate	8.00%	8.00%
Demographic assumptions		
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Disability rate	5% of Mortality Rate	5% of Mortality Rate
Withdrawal rate	6.35%	5.44%
Retirement age	58 years	58 years
Average future service (years)	25.09	25.97

(c) Gratuity (defined benefit plan)

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Holding Company makes contributions to recognised fund in India, Life Insurance Corporation (LIC), on behalf of the Tenneco Automotive India Private Limited Employees Gratuity Fund.

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
A. Change in defined benefit obligation (DBO)		
Defined benefit obligation at beginning of year	1,840	1,705
Current service cost	158	159
Interest cost	134	122
Benefit payments from plan assets	(148)	(119)
Actuarial (gain)/loss	(73)	(27)
Defined benefit obligation at the end of the year	**1,911**	**1,840**

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
B. Change in fair value of plan assets		
Fair value of plan assets at beginning of year	1,370	1,261
Interest income	101	90
Employer contributions	150	143
Benefit payments from plan assets	(148)	(119)
Remeasurements - return on assets (excluding interest income)	(3)	(5)
Fair value of plan assets at end of year	**1,470**	**1,370**

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
C. Assets and liabilities recognised in the Balance Sheet		
Present value of funded defined benefit obligation	1,911	1,840
Fair value of plan assets	1,470	1,370
Net liability arising from defined benefit obligation	**441**	**470**
Net Liability recognised in the Balance Sheet		
Current liability	128	131
Non-current liability	313	339
Total	**441**	**470**

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
D. Reconciliation of amounts in Balance Sheet		
Net defined benefit liability at beginning of the year	470	444
Defined benefit cost included in Statement of Profit and Loss	191	191
Total remeasurements included in Other Comprehensive (Income) / Loss	(70)	(22)
Employer contributions to the fund	(150)	(143)
Net defined benefit liability	**441**	**470**

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
E. Total expense recognised in		
Statement of Profit & Loss Account		
Service cost		
a. Current service cost	158	159
b. Past service cost	-	-
c. (Gain) / loss on settlements	-	-
d. Reimbursement service cost	-	-
Total service cost	**158**	**159**
Net interest cost		
a. Interest expense on defined benefit obligation	134	122
b. Interest (income) on plan assets	(101)	(90)
Total net interest cost	**33**	**32**
Defined benefit cost included in Statement of Profit and Loss	**191**	**191**
Remeasurement		
a. Actuarial (gain) / loss due to financial assumption changes in DBO	(73)	(27)
b Return on plan assets (excluding interest income)	3	5
Total actuarial (gain)/loss included in other comprehensive (loss) / income	**(70)**	**(22)**
Total expenses	**121**	**169**
F. Major category of plan assets as % of total plan assets		
Insurance managed funds	100%	100%
G. Expected contribution to the gratuity fund in the next year	196	206
H. Actuarial assumptions		
Financial assumptions		
Discount rate	7.20%	7.30%
Salary growth rate	8.00%	8.00%
Expected rate of return on plan assets	7.20%	7.30%
Demographic assumptions		
Mortality rate	Indian Assured Lives Mortality (IALM) (2006-08) (modified) Ult. & (2012-14)	Indian Assured Lives Mortality (IALM) (2006-08) (modified) Ult. & (2012-14)
Disability rate	5% of Mortality Rate	5% of Mortality Rate
Withdrawal rate (basis different age groups)	6.35%	5.44%
Retirement age	58 years	58 years
Average future service (years)	20.30	20.32
I. Weighted average duration of DBO (years)	5.88	5.70

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

(All amounts in ₹ lacs, unless otherwise stated)

J. Maturity analysis - Expected cash flow for following years		
Within 1 year	141	143
Between 1 to 3 years	117	101
Between 3 to 5 years	190	126
Later than 5 years	575	520
K. Sensitivity analysis*		
Gratuity		
Effect on DBO due to discount rates (up by 1%)	1,611	1,570
Effect on DBO due to discount rates (down by 1%)	1,907	1,896
Effect on DBO due to salary escalation (up by 1%)	1,901	1,899
Effect on DBO due to salary escalation (down by 1%)	1,612	1,565
Effect on DBO due to withdrawal rates (up by 1%)	1,740	1,713
Effect on DBO due to withdrawal rates (down by 1%)	1,758	1,731

* Discount rate, salary escalation rate and withdrawal rate are significant actuarial assumptions. The change in the present value of Defined Benefit Obligation for a change of 100 basis points in the significant actuarial assumption is given above.

Limitation of sensitivity analysis:

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

There was no change in the methods used in preparing the sensitivity analysis from prior years.

L. Risk exposure

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such valuation of the Group is exposed to following risks -

a) **Salary increases:** Higher than expected increases in salary will increase the defined benefit obligation.

b) **Investment risk:** Since the plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the defined benefit obligation.

c) **Longevity:** 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.

d) **Discount rate:** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

e) **Interest risk:** A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the value of the plan's debt investments.

f) **Mortality and disability:** If the actual deaths and disability cases are lower or higher than assumed in the valuation, it can impact the defined benefit obligation.

g) **Withdrawals:** If the actual withdrawals are higher or lower than the assumed withdrawals or there is a change in withdrawal rates at subsequent valuations, it can impact defined benefit obligation.

19 Other non-current liabilities

Particulars	**Amount as at 31 March 2024**	**Amount as at 31 March 2023**
Deferred income (tooling contracts)	1,766	1,671
	1,766	**1,671**

20 Borrowings

Particulars	**Amount as at 31 March 2024**	**Amount as at 31 March 2023**
Secured :		
Factored receivables (refer note below)	-	86
	-	**86**

Refer note 35(i) for disclosure of fair values in respect of financial liabilities.

Note:

From March'2024 onwards, the agreement has been terminated and hence no closing balance. Till previous year Factored receivables is secured by first charge on trade receivable subject to factoring arrangement. The Company therefore continues to continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement was presented as secured borrowing.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

(All amounts in ₹ lacs, unless otherwise stated)

21 Trade Payables

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 44)	8,984	7,860
Total outstanding dues of creditors other than micro enterprises and small enterprises	33,110	28,545
	42,094	**36,405**

Refer note 37 for related party balances
Refer note 35(i) for disclosure of fair values in respect of financial liabilities

Trade payable ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME*	8,984	-	-	-	**8,984**
(ii) Others	32,901	163	26	20	**33,110**
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade payable ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME*	7,836	22	-	2	**7,860**
(ii) Others	27,231	1,038	127	149	**28,545**
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

22 Other financial liabilities

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Employee benefits payable	741	830
Capital creditors*	365	380
Security deposits given to customers	109	90
Consideration payable to customers/others	5,277	3,567
Others**	4,900	5,257
	11,392	**10,124**

*Refer note 37 for related party balances
**Refer note 35(i) for disclosure of fair values in respect of financial liabilities

23 Other current liabilities:

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Advance from customers	746	250
Deferred income (tooling contracts)	346	276
Customer security deposit	9	65
Statutory dues	3,616	1,677
Payable to related party (refer note 37)	74	74
Others	162	160
	4,953	**2,502**

24 Current tax liabilities (net)

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Current tax liabilities (net)	928	-
	928	-

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

(All amounts in ₹ lacs, unless otherwise stated)

25 Revenue from operations

	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of goods	222,758	218,721
Sale of traded goods	22,513	10,961
Sale of services		
Information technology enabled services	1,546	1,486
Engineering services	715	252
	247,532	**231,420**
Other operating revenue		
Scrap sales	336	403
Income from business support service	757	752
	1,093	**1,155**
	248,625	**232,575**

Reconciliation of revenue recognised with contract price:	For the year ended 31 March 2024	For the year ended 31 March 2023
Contracted price	259,781	241,349
Adjustments:		
Less: discounts, rebates, refunds and credits	(11,156)	(8,774)
Revenue from operations	**248,625**	**232,575**

26 Other income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on		
- fixed deposits with bank	463	258
- loans to related parties	203	145
- financial assets at amortised cost	3	3
Export incentives	223	475
Loss allowance- trade receivables	-	85
Excess provision/liability no longer required written back	1	22
Unwinding of discount on security deposits	28	20
Advance written off	-	158
Foreign exchange fluctuation (net)	-	430
Miscellaneous income	21	12
	942	**1,608**

27 Cost of materials consumed

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening stock	9,867	9,814
Add: Purchases	165,504	154,904
Less: Closing stock	(10,514)	(9,867)
Raw materials consumption	**164,857**	**154,851**

27(a) Purchase of stock in trade

	For the year ended 31 March 2024	For the year ended 31 March 2023
Purchase	10,121	10,621
Total	**10,121**	**10,621**

(This space has been intentionally left blank)

(All amounts in ₹ lacs, unless otherwise stated)

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

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening stock		
Work in progress	1,554	1,228
Finished goods	4,718	3,023
Traded goods	912	685
	7,184	**4,936**
Less: Closing stock		
Work in progress	1,462	1,554
Finished goods	3,107	4,718
Traded goods	2,391	912
	6,960	**7,184**
	224	**(2,248)**

29 Employee benefits expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	12,681	12,379
Contribution to provident and other funds [refer note (a) below]	614	582
Gratuity expense [refer note 18(c)]	167	190
Employee share-based payments (refer note 38)	-	65
Workmen and staff welfare expenses	1,641	1,515
	15,103	**14,731**

(a) Defined Contribution Plans

Amount recognised in the Statement of Profit and Loss

(i) Provident fund	576	540
(ii) Employee state insurance	38	42
	614	**582**

30 Finance costs

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on lease liability	142	147
Interest on delayed payment of tax	66	-
Interest on short term borrowings	59	73
Interest on amount due to MSME suppliers	335	201
Other interests	4	3
	606	**424**

31 Depreciation and amortisation expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment (refer note 3)	3,756	3,996
Depreciation on right-of-use assets (refer note 3)	713	621
Amortisation of intangible assets (refer note 4)	35	48
	4,504	**4,665**

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

32 Other expenses

	For the year ended 31 March 2024	For the year ended 31 March 2023
Consumption of stores and spares	2,374	2,519
Packing materials consumed	2,656	2,792
Power and fuel	2,082	2,170
Freight and forwarding charges	1,921	2,458
Repairs and maintenance:		
- Buildings	125	216
- Plant and machinery	1,402	1,225
- Others	311	338
Rent (refer note 41)	178	376
Rates and taxes	88	118
Travelling expenses	1,085	803
Insurance	197	168
Communication expenses	175	123
Printing and stationery	161	137
Professional and consultancy charges	553	456
Payment to auditors [refer note (a) below]	78	101
Loss allowance- trade receivables and contract assets	149	-
Provision for doubtful advances	42	62
Provision for accounts payables (refer note 51)	-	1,944
Foreign exchange fluctuation (net)	309	-
Research and development expenses	607	550
Contractual labour cost	3,888	3,063
Warranty expenses	138	829
Loss on sale of property, plant and equipment (net)	4	20
Expenditure towards corporate social responsibility (CSR) [refer note (b) below]	420	332
Royalty Expense (refer note 37)	9,336	2,837
Management support charges (refer note 37)	1,828	1,923
Advertising and sales promotion	1,002	1,299
Office supplies	15	13
Software expense	149	140
Miscellaneous expenses	1,141	1,194
	32,414	**28,206**

(a) Auditors remuneration (excluding applicable taxes)

	For the year ended 31 March 2024	For the year ended 31 March 2023
Statutory audit fee	64	91
Tax audit fees	3	3
Others	11	7
	78	**101**

(b) Corporate social responsibility (CSR)

a) Gross amount required to be spent by the Group during the year in compliance with section 135 of the Act is ₹ 420 lacs (previous year ₹ 332 lacs)

b) Amount spent during the year on-

Particulars	For the year ended 31 March 2024			For the year ended 31 March 2023		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above	434	-	434	279	53	332
	434	-	**434**	**279**	**53**	**332**

c) Above expenses does not include contribution to any related party of the Group.

d) Details of Excess amount Spent

Opening balance	Amount required to be spent during the year	Amount spent during the year	Closing balance
159	420	434	173

e) The Holding Company's board of directors in its meeting held on 05 August 2024 passed a resolution for utilisation of excess amount spent during the year in accordance with provision of section 135(5) of Companies Act, 2013

f) The Group had provision for corporate social responsibility expense at the end of the previous year. Further, during the year the group carries provision in respect of ongoing project in separate CSR unspent account as per the table below:

Opening balance	Amount required to be spent during the year	Amount spent during the year	In separate CSR unspent A/c
105	93	162	36

g) Details of ongoing projects:

Opening balance		Amount required to be spent during the year	Amount spent during the		Closing balance	
With Group	In separate CSR unspent A/c		From Group's bank account	From separate CSR unspent A/c	With Group	In separate CSR unspent A/c
-	105	-	-	69	-	36

h) The Group's corporate social responsibility involve promotion of education, preventive healthcare, employment enhancing vocation skills, promotion of nationally recognised sports and rural development projects.

TENNECO AUTOMOTIVE INDIA PVT. LTD.

(All amounts in ₹ lacs, unless otherwise stated)

33 Tax expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax	5,828	6,521
Tax pertaining to earlier years	101	-
Deferred tax	(97)	(128)
	5,832	**6,393**

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.168% and the reported tax expense in profit or loss are as follows:

Profit before income tax expenses	21,738	22,933
Prevalent tax rate of 25.168% (previous year : 25.168%)	5,471	5,773
Tax effects of amounts which are not deductible / (allowable) in calculating taxable income:		
Tax effects of amounts which are not deductible / (allowable) in calculating taxable income:		
Non-deductible expenses for Tax purpose	207	139
Tax related to earlier years	101	-
Provision for accounts payable	-	489
Others	53	(8)
Income tax expense	**5,832**	**6,393**

34 Fair value measurement

(i) Fair value 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) Valuation technique used for fair valuation

The fair value of loan to employees and security deposits are determined using the discounted cash flow analysis.

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed	Note	At Level 3	
		31 March 2024	31 March 2023
Financial assets			
Loan to employees	5	26	23
Security deposit	6	322	440
Total		**348**	**463**

The Group's policy is to recognise transfer into and transfers out of Fair value hierarchy levels as at the end of the reporting period.

(iii) Fair value of financial assets and liabilities measured at amortised cost

The fair values for security deposits and loans to employees were calculated based on cash flows discounted using the borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, loans to employees (current), security deposit (current), current borrowings, other financial assets and other financial liabilities are considered to be the same as their fair values, due to their short term nature.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

(All amounts in ₹ lacs, unless otherwise stated)

35 Financial risk management

i) Financial instruments by category

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
	Amortised cost	Amortised cost
Financial assets*		
Loan to employees	119	124
Loans to related parties	2,000	2,000
Security deposit	500	495
Trade receivables	28,660	24,222
Cash and cash equivalents	15,112	22,135
Other bank balances	5	58
Other financial assets	10	10
Total financial assets	**46,406**	**49,044**
Financial liabilities*		
Lease liabilities	1,403	1,467
Borrowings	-	86
Trade payables	42,094	36,405
Other financial liabilities	11,392	10,124
Total financial liabilities	**54,889**	**48,082**

The Group has an investment in Maple Renewable Power Private Limited and Capro Engineering India Private Limited which is carried at cost and which is equivalent to the fair value of investments.

*There are no financial assets and liabilities which are measured at fair value through profit or loss or fair value through other comprehensive income.

ii) Risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Holding Company's Board of Directors has overall responsibility for the establishment and oversight of the Group'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 management

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Group's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets
- cash and cash equivalents,
- trade receivables,
- loans and receivables measured at amortised cost, and
- deposits with banks

a) Credit risk management

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

A: Low
B: Medium
C: High

(ii) Trade receivables and contract assets

The Group applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of lifetime expected loss allowance provision for all the trade receivables and contract assets. The loss allowance provision is determined as follows: (the expected credit losses below also incorporate forward looking information)

Expected credit loss for trade receivables and contract assets under simplified approach.

Assets under credit risk –

Credit rating	Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
A: Low	Cash and cash equivalents	15,112	22,135
	Other financial assets	510	505
	Trade receivables	28,660	24,222
	Loan	2,119	2,124
B: High	Trade receivables	430	267

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 Group 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 Group assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become six months past due.

Other financial assets and loans measured at amortised cost

Other financial assets measured at amortised cost which consists of security deposits, loans to related party, loans to employees 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.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

(All amounts in ₹ lacs, unless otherwise stated)

b) Expected credit losses

The Group recognises lifetime expected credit losses on trade receivables using a simplified approach, wherein Group has defined percentage of provision by analysing historical trend and such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables.

Reconciliation of loss provision – lifetime expected credit losses

Reconciliation of loss allowance	Trade receivable
Loss allowance on 31st March 2022	**504**
Impairment loss recognised/reversed during the year	(210)
Amounts written off	4
Loss allowance on 31st March 2023	**298**
Impairment loss recognised/reversed during the year	149
Amounts written off	(17)
Loss allowance on 31st March 2024	**430**

(iii) Loans and Financial assets

No expected credit loss provision has been created for security deposits for leased premises, loan to employees and loans to related parties, since the Group considers the credit risk of these financial assets to be very low.

Management considers the loans to related parties to be low credit risk since they have a low risk of default and the related parties has a strong capacity to meet its contractual cash flow obligations in the near term.

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 Group maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates. In addition, the Group'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.

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period.

Particulars	31 March 2024	31 March 2023
Floating rate		
-Expiring within one year (bank overdraft, short term credit and other facilities)	19,577	23,961
	19,577	**23,961**

(ii) Maturities of financial Liabilities

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

Contractual maturities of financial liabilities

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
As at 31 March 2024					
Non derivatives					
Lease liabilities	746	793	5	-	1,544
Trade payables	42,094	-	-	-	42,094
Other financial liabilities	11,392	-	-	-	11,392
Total non derivative liabilities	**54,232**	**793**	**5**	**-**	**55,030**

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
As at 31 March 2023					
Non derivatives					
Borrowings (including factored receivables)	86	-	-	-	86
Lease liabilities	732	665	51	-	1,448
Trade payables	36,404	-	-	-	36,404
Other financial liabilities	10,049	-	-	-	10,049
Total non derivative liabilities	**47,271**	**665**	**51**	**-**	**47,987**

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

C Market Risk

(i) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, Euro, Great Britain Pound 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 Group. Considering the low volume of foreign currency transactions, the Group's exposure to foreign currency risk is limited and the Group hence does not use any derivative instruments to manage its exposure. Also, the Group does not use forward contracts and swaps for speculative purposes.

(a) Foreign currency risk exposure

The Group exposure to foreign currency (FC) risk at the end of the reporting period expressed in ₹ lacs as follows

Particulars	Currency	Amount as at 31 March 2024		Amount as at 31 March 2023	
		In FC	In ₹	In FC	In ₹
Financial asset					
Cash in Bank	USD	9	711	28	2,296
	EUR	0	1	-	-
Trade receivables	EUR	1	104	0	41
	USD	30	2,498	33	2,749
Exposure to foreign currency risk (assets)		**40**	**3,314**	**61**	**5,086**
Financial liability					
Trade Payables	EUR	8	710	5	439
	GBP	0	7	0	5
	CNY	197	2,276	153	1,828
	USD	108	8,971	24	1,935
Other financial liability					
Capital creditors	EUR	1	69	1	95
	USD	1	14	1	120
Exposure to foreign currency risk (liabilities)		**315**	**12,047**		**4,422**
Net exposure to foreign currency risk			**(8,733)**		**664**

Sensitivity

A reasonably possible strengthening (weakening) of the ₹ against all other foreign currencies at financial year end would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amount shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecast sales and purchases.

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
USD Sensitivity		
INR /USD - Increase by 2%	(86.45)	44.75
INR /USD - decrease by 2%	86.45	(44.75)

Particulars	Amount as at 31 March 2023	Amount as at 31 March 2022
EURO Sensitivity		
INR /EUR - Increase by 2%	(10.08)	(7.38)
INR /EUR - decrease by 2%	10.08	7.38

Particulars	Amount as at 31 March 2023	Amount as at 31 March 2022
GBP Sensitivity		
INR /GBP - Increase by 2%	(0.10)	(0.08)
INR /GBP - decrease by 2%	0.10	0.08

Particulars	Amount as at 31 March 2023	Amount as at 31 March 2022
CNY Sensitivity		
INR /CNY - Increase by 2%	(34.06)	(27.36)
INR /CNY - decrease by 2%	34.06	27.36

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. ★

(ii) Interest rate risk

(a) Liabilities

The Group does not have any borrowings and hence there is no interest rate risk

(b) Assets

The Group`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 Group does not have any significant investments in equity instruments which create an exposure to price risk

36 Capital Management

(a) The Group`s capital management objectives are
- to ensure the Group`s ability to continue as a going concern
- to provide an adequate return to shareholders

The Group 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 Group`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 Group`s various classes of debt. The Group 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 Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Total debt	-	86
Less: Cash and cash equivalents	15,112	22,135
Net debt	(15,112)	(22,049)
Total equity	31,178	41,752
Net debt to equity ratio	0.00%	0.00%

Note:

Debt to equity ratio has been shown as Nil as the calculated amount depicts a negative balance

(b) Dividend

Particulars	31 March 2024	31 March 2023
Equity shares		
Interim dividend of 26,532 per equity share for the year ended 31 March 2024 (31 March 2023: 12,458)	26,532	12,458

The Board of Directors in its meeting held on 21 April 2023, 27 November 2023 and 20 March 2024 have declared and paid an interim dividend of ₹ 6,572, ₹ 8,340 and ₹11,620 respectively per each fully paid equity share, aggregating to ₹ 26,532 lacs for the financial year ended 31 March 2024

Subsequent to the year end, the Board of Directors in its meeting held 26 June 2024 have declared and paid interim dividend of ₹ 1,252 lacs per each fully paid equity share. The same has not been recognised as liabilities and considered as non adjusting event

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

37 Related party disclosures

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

(i)	**Parent entities:**	
	Ultimate holding company:	Pegasus Holdings One, LLC Ultimate Holding Company (with effect from 17 Nov 2022) Tenneco Inc., USA Ultimate Holding Company (upto 16 Nov 2022 and Intermediate holding company with effect from 17 Nov 2022)
	Immediate holding company:	Tenneco Mauritius Holdings Limited, Mauritius
	Intermediate holding companies:	Tenneco Automotive Operating Company Inc, USA Tenneco International Holdings Corp., USA Tenneco Global Holdings Inc., USA Tenneco Mauritius Limited, Mauritius
(ii)	**Parties under common control with whom transactions have taken place during the year**	
	Fellow subsidiaries	Tenneco Automotive Trading Company, Singapore Tenneco Automotive Europe BVBA., Belgium Driv Automotive Inc., USA Tenneco Automotive Brasil Ltd., Brazil Monroe Mexico S.A.C.V., Mexico Tenneco Monroe Hodkovice, Czech Republic Fric Rot S.A.I.C., Argentina Tenneco Automotive Eastern Europe, Poland Tenneco Automotive Eastern Europe SP. ZOO, Poland Tenneco Ride Control South Africa (PTY) Ltd., South Africa Monroe Czechia SRO, Czech Republic Tenneco (Suzhou) Co. Ltd., China Tenneco (Beijing) Ride Control System Co.Ltd, China Tenneco (Changzhou) Ride Performance, China Federal Mogul Coventry Limited, UK Tenneco Clean Air India Private Limited, India Federal-Mogul Motorparts (India) Limited, India Driv Japan Ltd., Japan Tenneco (Suzhou) Ride Control Co. Ltd China The Pullman Company Federal-Mogul Motorparts LLC Federal-Mogul Goetze (India) Limited, India Federal Mogul Ignition Products India Limited, India Federal Mogul TPR India Limited, India Federal Mogul Anand Sealing India Limited, India Federal-Mogul Motorparts LLC, Southfield, Michigan, USA Federal Mogul Italy s.r.l, Italy Federal-Mogul Motorparts LLC, Fort Lauderdale, FL, United States Federal-Mogul Friction Products (Thailand) Limited, Thailand Federal Mogul Motorparts, Skokie, USA Driv Automotive Inc Southfield, Michigan, USA Monroe Australia Tenneco Automotive Iberica S.A Tenneco Silesia SP ZOO, Poland
(iii)	**Employees' benefit plans:**	Tenneco Automotive India Private Limited Employees Gratuity Fund
(iv)	**Key management personnel**	Mr. R.C. Subramanium, Managing Director Mr. Praveen Kumar Singh, Director Ms. Ramdas Mayuri, Company Secretary

The above listing includes the related parties with whom transactions have taken place in the current year or previous year.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

Tenneco Automotive India Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

Related party disclosures (cont'd)

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

Nature of transaction	Nature of related party relationship	For the year ended 31 March 2024	For the year ended 31 March 2023
(i) Sale of goods			
Tenneco Automotive Operating Company Inc., USA	Intermediate holding company	456	634
Driv Automotive Inc USA	Fellow subsidiary	730	2,595
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	503	577
Tenneco Automotive Trading Company, Singapore	Fellow subsidiary	16	52
Tenneco Ride Control South Africa (PTY) Ltd., South Africa	Fellow subsidiary	215	378
Tenneco Automotive Eastern Europe SP. ZOO, Poland	Fellow subsidiary	3	3
Monroe Mexico S.A.C.V., Mexico	Fellow subsidiary	641	553
Driv Japan Ltd., Japan	Fellow subsidiary	294	60
Tenneco Automotive Brasil Ltd., Brazil	Fellow subsidiary	246	301
Fric Rot S.A.I.C., Argentina	Fellow subsidiary	130	49
Federal Mogul Italy s.r.l	Fellow subsidiary	32	53
Federal Mogul Goetze India Ltd	Fellow subsidiary	-	6
Total		**3,266**	**5,261**
(ii) Sale of services			
Tenneco Inc., USA	Intermediate holding company	1,546	1,487
Total		**1,546**	**1,487**
(iii) Income from Business Support Services			
Tenneco Inc., USA	Intermediate holding company	133	188
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	408	301
Tenneco Automotive Operating Co. Inc, USA	Intermediate holding company	197	263
Federal-Mogul Motorparts LLC	Fellow subsidiary	19	-
Total		**757**	**752**
(iv) Purchase of goods			
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	1,565	1,348
Tenneco Monroe Hodkovice., Czech Republic	Fellow subsidiary	9	30
Tenneco Ride Control South Africa (PTY) Ltd., South Africa	Fellow subsidiary	32	17
Driv Automotive Inc.,USA	Fellow subsidiary	95	64
Tenneco (Suzhou) Co. Ltd., China	Fellow subsidiary	7	32
Tenneco (Changzhou) Ride Performance, China	Fellow subsidiary	2	5
Tenneco Automotive Brasil Ltd., Brazil	Fellow subsidiary	22	9
Monroe Mexico S.A.C.V., Mexico	Fellow subsidiary	-	1
Driv Japan Ltd., Japan	Fellow subsidiary	3	-
Tenneco (Beijing) Ride Control System Co., Ltd., China	Fellow subsidiary	-	4
Tenneco Silesia SP ZOO, Poland	Fellow subsidiary	-	4
Federal Mogul Coventry Limited, UK	Fellow subsidiary	34	16
Federal Mogul Motorparts India Ltd	Fellow subsidiary	526	377
Federal Mogul Goetze India Ltd	Fellow subsidiary	7,976	7,573
Federal Mogul Ignition India Ltd	Fellow subsidiary	6,522	6,120
Tenneco (Suzhou) Ride Control Co., Ltd China	Fellow subsidiary	26	-
Tenneco Automotive Eastern Europe., Poland	Fellow subsidiary	5	2
Federal-Mogul Friction Products (Thailand) Limited, Thailand	Fellow subsidiary	-	23
The Pullman Company	Fellow subsidiary	17	55
Total		**16,841**	**15,680**

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

(All amounts in ₹ lacs, unless otherwise stated)

Related party disclosures (cont'd)

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

Nature of transaction	Nature of related party relationship	For the year ended 31 March 2024	For the year ended 31 March 2023
(v) Purchase of property, plant and equipment			
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	-	4
Tenneco Automotive Eastern Europe., Poland	Fellow subsidiary	-	18
Monroe Australia	Fellow subsidiary	116	-
Driv Automotive Inc., USA	Fellow subsidiary	73	113
Total		**189**	**135**
(vi) Interest income			
Federal Mogul Motorparts (India) Limited	Fellow subsidiary	203	145
Total		**203**	**145**
(vii) Re-imbursement of expenses paid			
Federal Mogul Goetze India Ltd.	Fellow subsidiary	-	133
Federal Mogul TPR India Ltd.	Fellow subsidiary	-	2
Driv Japan Ltd., Japan	Fellow subsidiary	-	10
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	5	1
Total		**5**	**146**
(viii) Technical support services			
Driv Japan Ltd., Japan	Fellow subsidiary	-	7
Fric Rot S.A.I.C., Argentina	Fellow subsidiary	-	2
Total		**-**	**9**
(ix) Contribution to employee benefit plans			
Tenneco Automotive India Private Limited Employees Gratuity Fund	Employee benefits plan	123	124
Total		**123**	**124**
(x) Royalty			
Tenneco Automotive Operating Company Inc. USA	Intermediate holding company	9,084	2,838
DRiV Automotive Inc Southfield, Michigan, USA	Fellow subsidiary	252	-
Total		**9,336**	**2,838**
(xi) Management support charges			
Tenneco Automotive Operating Company Inc. USA	Employee benefits plan	1,828	1,923
Total		**1,828**	**1,923**
(xii) Dividend Paid			
Tenneco Mauritius Holdings Limited, Mauritius	Immediate holding company	24,623	11,561
Tenneco Mauritius Limited, Mauritius	Intermediate holding company	1,909	897
Sanjeev Kumar Singh	Key management personnel	1	-
Total		**26,533**	**12,458**
(xiii) Loans to related parties			
Federal-Mogul Motorparts (India) Limited, India	Fellow subsidiary	-	500
Total		**-**	**500**
(xiv) Reimbursement of expenses by group companies			
Federal Mogul Goetze India Ltd.	Fellow subsidiary	152	261
Federal Mogul TPR India Ltd.	Fellow subsidiary	20	25
Federal-Mogul Motorparts LLC, Southfield, Michigan, USA	Fellow subsidiary	8	7
Federal Mogul Motorparts, Skokie, USA	Fellow subsidiary	33	32
DRiV Automotive Inc Southfield, Michigan, USA	Fellow subsidiary	9	8
Total		**222**	**333**
(xv) Remuneration to key managerial personnel			
Mr. R.C. Subramaniam	Managing Director	327	232
Mr. Praveen Kumar Singh	Director	179	107
Ms. Ramdas Mayuri	Company Secretary	12	11
Total		**518**	**350**

Notes:

1) All sales and purchase above are inclusive of GST (wherever applicable). Sales are net of the sales return.

2) Key Managerial Personnel who are under the employment of the Group 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 sum amounts provided on the basis of actuarial valuation, the same is not included above.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

Tenneco Automotive India Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2024
(All amounts in ₹ lacs, unless otherwise stated)

Related party disclosures (cont'd)

(c) Balances with related parties as at the year end 31 March 2024:

Particulars	Nature of related party relationship	Amount as at 31 March 2024	Amount as at 31 March 2023
(i) Trade payable			
Tenneco Automotive Operating Company Inc, USA	Intermediate holding company	8,401	1,471
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	446	207
Driv Automotive Inc.,USA	Fellow subsidiary	17	29
Tenneco Monroe Hodkovice, Czech Republic	Fellow subsidiary	2	14
Tenneco Automotive Eastern Europe , Poland	Fellow subsidiary	4	-
Tenneco Ride Control South Africa (PTY) Ltd., South Africa	Fellow subsidiary	9	6
Driv Japan Ltd., Japan	Fellow subsidiary	21	23
Tenneco (Suzhou) Co., Ltd., China	Fellow subsidiary	1	2
Tenneco Automotive Brazil Ltd., Brazil	Fellow subsidiary	10	5
Driv Automotive Inc Southfield, Michigan, USA	Fellow subsidiary	252	-
Tenneco Korea Ltd., South Korea	Fellow subsidiary	5	5
Tenneco (Changzhou) Ride Performance, China	Fellow subsidiary	1	-
Federal Mogul Coventry Limited, UK	Fellow subsidiary	5	1
Federal Mogul Motorparts India Ltd.	Fellow subsidiary	45	39
Federal Mogul Goetze India Ltd.	Fellow subsidiary	676	1,383
Federal Mogul Ignition India Ltd.	Fellow subsidiary	595	980
Federal-Mogul Friction Products Limited	Fellow subsidiary	-	12
Tenneco (Suzhou) Ride Control Co., Ltd China	Fellow subsidiary	-	19
Tenneco Automotive Eastern Europe SP. ZOO, Poland	Fellow subsidiary	6	-
The Pullman Company	Fellow subsidiary	-	56
Total		**10,496**	**4,252**
(ii) Capital creditors			
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	3	-
Driv Automotive Inc.,USA	Fellow subsidiary	5	113
Tenneco Automotive Eastern Europe , Poland	Fellow subsidiary	18	21
		26	**134**
(iii) Payables to related parties			
Tenneco Clean Air India Private Limited, India	Fellow subsidiary	74	74
Total		74	74
(iv) Trade receivables			
Tenneco Inc., USA	Intermediate holding company	120	179
Tenneco Automotive Operating Company Inc, USA	Intermediate holding company	101	265
Driv Automotive Inc., USA	Fellow subsidiary	59	380
Tenneco Automotive Europe BVBA., Belgium	Fellow subsidiary	310	195
Tenneco Automotive Trading Company , Singapore	Fellow subsidiary	-	18
Tenneco Ride Control South Africa (PTY) Ltd., South Africa	Fellow subsidiary	31	88
Monroe Mexico S.A.C.V., Mexico	Fellow subsidiary	91	171
Driv Japan Ltd., Japan	Fellow subsidiary	294	16
Tenneco Automotive Brazil Ltd, Brazil	Fellow subsidiary	74	76
Fric Rot S.A.I.C., Argentina	Fellow subsidiary	124	24
Tenneco Automotive Eastern Europe sp Zoo., Poland	Fellow subsidiary	1	2
Federal Mogul Goetze India Ltd.	Fellow subsidiary	162	121
Federal Mogul TPR India Ltd.	Fellow subsidiary	26	6
Federal Mogul Italy s.r.l	Fellow subsidiary	18	15
Federal Mogul Motorparts Corporation - Lauderdale	Fellow subsidiary	-	19
Federal-Mogul Motorparts LLC, Southfield, Michigan, USA	Fellow subsidiary	1	1
Federal Mogul Motorparts, Skokie, USA	Fellow subsidiary	4	3
Federal-Mogul Motorparts LLC	Fellow subsidiary	4	-
DRiV Automotive Inc. Southfield, Michigan, USA	Fellow subsidiary	1	1
Total		**1,421**	**1,580**
(v) Loans to related parties			
Federal-Mogul Motorparts (India) Limited, India	Fellow subsidiary	2,000	1,500
Total		**2,000**	**1,500**
(vi) Employee gratuity fund - plant assets			
Tenneco Automotive India Private Limited Employees Gratuity Fund	Employee benefits plan	1,353	1,277
Total		**1,353**	**1,277**
(vii) Loss allowance for trade receivables:			
Loss allowance	Intermediate holding company/ Fellow subsidiary	121	10
Total		**121**	**10**

Note (i): Loss allowance has been determined by applying expected credit loss model. Loss allowance has been determined on the entire trade receivable balance from related parties.

The Group's material related party transactions are at arm's length and in the ordinary course of business.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

(All amounts in ₹ lacs, unless otherwise stated)

38 Share based payments

A. Restricted Stock Units (RSUs)

Tenneco Inc. (Intermediate Holding Company) had granted restricted stock units to directors and certain key employees of the Holding Company which were settled in cash and shares by Tenneco Inc. These awards (i.e., RSUs) generally required, among other things, that the award holder remain in service with the Holding Company during the restriction period, which was three years, with a portion of the award vesting equally each year. The fair value of restricted stock units, determined by Tenneco Inc., was equal to the average of the high and low trading price of Tenneco Inc., stock at the date of grant. RSUs (both cash-settled and share-settled) were time based service awards and generally vested according to a three year graded vesting schedule.

RSUs (cash-settled and share settled) granted would participate in any dividends, eligible during the vesting period, which were subject to the same vesting terms of RSUs. The dividends were generally paid in cash by Tenneco Inc. on settlement of the RSUs.

Since the Holding Company did not had an obligation to settle Tenneco Inc.'s RSUs to its (i.e., Company's) employees, the Holding Company measured the services received from its employees in accordance with the requirements applicable to equity-settled share-based payment transactions and recognised a corresponding increase in equity as a contribution from Tenneco Inc.

Details of number and weighted average grant date fair value of RSUs:

Particulars	For the year ended 31 March 2024			For the year ended 31 March 2023		
	Number of RSUs	Weighted average grant date fair value ($)	Weighted average grant date fair value (₹)*	Number of RSUs	Weighted average grant date fair value ($)	Weighted average grant date fair value (₹)*
Unvested at the beginning of the year	-	-	-	3,991	16	780
Granted during the year	-	-	-	-	-	-
Vested during the year	-	-	-	3,991	16	780
Unvested at the end of the year	-	-	-	-	-	-

Note: The grant date fair value of RSUs granted to employees was estimated by Tenneco Inc. on the basis of the average of the high and low trading price of Tenneco Inc. stock at the date of grant and no adjustment was required for expected dividends since the employees were entitled to receive dividends paid by Tenneco Inc. during the vesting period.

In FY 22-23, Tenneco Inc. underwent acquisition by Pegasus Holdings One LLC. As a result of which the RSU scheme was discontinued and the unvested shares outstanding as on 31 March 2022, was disbursed in cash at a rate of $20 per share to eligible employees who held unvested shares as at 31 March 2022.

B. Expenses arising from share based payment transactions recognised during the year as part of employee benefit expense is as follows :

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Restricted stock units		65
	-	65

(This space has been intentionally left blank)

(All amounts in ₹ lacs, except share data, unless otherwise stated)

39 Revenue related disclosures

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 shock absorbers and other auto components. Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**
Revenue from contracts with customers		
Sale of products		
Domestic	231,563	209,933
Export	15,949	21,486
Other operating income		
Domestic	336	405
Export	777	751
Total revenue covered under Ind AS 115	**248,625**	**232,575**

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**
Revenue by time		
Revenue recognised at point in time	245,607	230,085
Services transferred over time	3,018	2,490
Total	**248,625**	**232,575**

c Contract balances

The following table provides information about contract liabilities from contract with customers:

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**
Contract liabilities		
Advances from customers	746	250
Deferred income (tooling contracts)	2,112	2,016
Security deposits received from customers	119	157
Consideration payable to customers / distributors / others	5,277	3,567
Total contract liabilities	**8,254**	**5,990**

d Trade receivables

The following table provides information about receivables from contract with customers:

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**
Receivables		
Trade receivables	29,090	24,520
Less : Allowances for expected credit loss	(427)	(267)
Less: trade receivables - credit impaired	(3)	(31)
Net receivables	**28,660**	**24,222**

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

Particulars	**Amount as at 31 March 2024**			
	Contract Liabilities			
	Consideration payable to customers / distributors / others	**Deferred Income**	**Advances from customers**	**Security deposits received from customers**
Opening balance	3,567	2,016	250	157
Additions during the year	9,872	509	749	82
Revenue recognised during the year/ amount refunded during the year	(8,162)	(413)	(253)	(120)
Closing balance	**5,277**	**2,112**	**746**	**119**

Particulars	**Amount as at 31 March 2023**			
	Contract Liabilities			
	Consideration payable to customers / distributors / others	**Deferred Income**	**Advances from customers**	**Security deposits received from customers**
Opening balance	3,016	1,146	248	165
Additions during the year	6,808	2,120	243	17
Revenue recognised during the year/ amount refunded during the year	(6,257)	(1,250)	(241)	(25)
Closing balance	**3,567**	**2,016**	**250**	**157**

f Satisfaction of performance obligations

The Group'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 Group's performance obligation occur at the same time. Revenue from the sale of goods is recognised when the Group 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 Group 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. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Group expects to be entitled to.

g Payment terms

The sale of goods is typically made under credit payment terms differing from customer to customer and ranges between 30-120 days (excluding transit days).

h Variable considerations associated with such sales

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

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD.

(All amounts in ₹ lacs, except share data, unless otherwise stated)

40 Segment information

In accordance with Ind AS 108, the Board of Directors being the Chief operating decision maker of the Holding Company has determined its only one business segment of manufacturing of auto components and hence there are no other identifiable reportable segments.

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

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
India	231,919	210,338
Other countries	16,706	22,237
	248,625	**232,575**

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
India	26,058	21,433
Other countries	2,602	2,789
	28,660	**24,222**

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

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

(All amounts in ₹ lacs, except share data, unless otherwise stated)

41. Leases

(I) Assets taken on lease
(i) Right-of-use

Following are the changes in the carrying value of right-of-use for the year ended 31 March 2024

	Category of ROU asset			
Particulars	**Leasehold land**	**Buildings**	**Vehicle**	**Total**
Gross carrying value				
As at 1 April 2022	**1,569**	**3,002**	**124**	**4,695**
Additions/transfers	-	390	36	426
Disposals/Adjustments	-	(121)	-	(121)
As at 31 March 2023	**1,569**	**3,271**	**160**	**5,000**
Additions/transfers	-	665	33	**698**
Disposals/Adjustments	-	(602)		(602)
As at 31 March 2024	**1,569**	**3,334**	**193**	**5,096**
Accumulated depreciation				
As at 31 March 2022	**110**	**1,535**	**79**	**1,724**
Depreciation charge for the year	16	574	30	620
Disposals/Adjustments	-	(74)	-	(74)
As at 31 March 2023	**126**	**2,035**	**109**	**2,270**
Depreciation charge for the year	16	672	25	**713**
Disposals/Adjustments	-	(520)		(520)
As at 31 March 2024	**142**	**2,187**	**134**	**2,463**
Net carrying value				
As at 31 March 2023	**1,443**	**1,236**	**51**	**2,730**
As at 31 March 2024	**1,427**	**1,147**	**59**	**2,633**

The aggregate depreciation expense on right-of-use assets is included under depreciation and amortization expense in the statement of profit and loss.

The following is the break-up of current and non-current lease liabilities for the year ended

Particulars	**Amount as at 31 March 2024**	**Amount as at 31 March 2023**
Non-current lease liabilities	763	865
Current lease liabilities	640	602
	1,403	**1,467**

The following is the movement in lease liabilities for the year ended 31 March 2024

Particulars	**Amount as at 31 March 2024**
As at 01 April 2023	1,467
Additions	698
Finance cost accrued during the year	142
Deletions/Adjustments	(88)
Payment of lease liabilities	(816)
	1,403

The following is the movement in lease liabilities for the year ended 31 March 2023

Particulars	**Amount as at 31 March 2023**
As at 01 April 2022	1,673
Additions	417
Finance cost accrued during the year	147
Deletions	(54)
Payment of lease liabilities	(716)
	1,467

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

Particulars	**Amount as at 31 March 2024**	**Amount as at 31 March 2023**
Less than one year	747	717
One to five years	798	716
More than five years	-	-

The Group 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.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

The following are the amounts recognised in profit or loss:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation expense of right-of-use assets	713	621
Interest expense on lease liabilities	142	147
Expense relating to short-term leases (included in other expenses)	178	376
	1,033	**1,144**

(ii) Lease related disclosures

(a) The Group has leases for land and buildings and vehicles. Each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its land and buildings and vehicles.

(b) Total cash outflow for leases for the year ended 31 March 2024 was ₹ 864 lacs (previous year ₹1,082 lacs).

(c) The Group 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 group.

(d) The weighted average incremental borrowing rate applied to discount lease liabilities is 10 % p.a (31 March 2023: 10 % p.a.)

(e) Information about extension and termination options

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Land	5	55 - 92 Years	73 years	-	-	5
Buildings	15	1-30 months	26 months	-	-	3
Vehicles	14	5- 46 months	26 months	-	-	14

(f) There are no leases which are yet to commence as on 31 March 2024.

42. Contingent liabilities

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Claims against the Group not acknowledged as debts		
- Income tax matters (1)	5,344	5,338
- Excise/ customs matters (2)	1,496	1,496
- Sales tax matters (3)	500	282
- Employee related matters (4)	32	91
- Claims by lender against interest on loan (5)	17	17
- Claims by vendor against goods supplied (5)	3	3
- Others (5)	53	53
	7,445	**7,280**

(1) Income tax related contingent liabilities are primarily comprising of corporate tax matters and also certain transfer pricing matters.

(2) Excise related matters are primarily related to valuation of excisable goods and customs related matters are primarily related to demand of custom duty and interest for the time barred warehouse and non-fulfilment of export obligation.

(3) Sales tax and GST related matters are primarily related to suppressed turnover and GST credit availment.

(4) Employee related contingent liabilities are primarily comprising of misconduct by employees, long term absences and compensation matters.

(5) Claims by lender, vendor and other matters are primarily related to recovery of old dues and disputed matters.

It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

The Group does not expect any reimbursements in respect of the above contingent liabilities.

The Group is exposed to claims and legal actions arising in the ordinary course of business. The Group accrues a liability when a loss is considered probable and the amount can be reasonably estimated. In the opinion of Management, the outcome of any existing claims and legal or regulatory proceedings, if decided adversely, is not expected to have a material adverse effect on the Group's business, financial condition and results of operations based on the current position for such claims/legal actions.

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. *

(All amounts in ₹ lacs, unless otherwise stated)

43 Capital commitments

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Property, plant and equipment (net of advances paid)	627	1,452
Intangible assets (net of advances paid)	-	-
	627	**1,452**

44 Details of dues to micro and small enterprises as defined under the MSMED 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 Group, the following are the details:

	Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
(a)	The principal amount remaining unpaid as at the end of year	8,984	7,860
(b)	Interest due on above principal and remaining unpaid as at the end of the year	6	62
(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	330	154
(e)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	1,269	950
(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	-	-

45 Earnings per Share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit for the year as per Statement of Profit and Loss	15,958	16,557
No of equity shares outstanding at the beginning of the year	1	1
Less: Shares reduced during the period	-	-
No of equity shares outstanding at the end of the year	1	1
Weighted average number of equity shares in calculating basic and diluted EPS	1	1
Nominal value of shares (₹)	10	10
Earning per share - basic and diluted (₹)	**15,958**	**16,557**

46 Transfer pricing

The Finance Act, 2001, has introduced, with effect from assessment year 2002-03 (effective April 2001), detailed Transfer Pricing regulations (the regulations) for computing the income and expenditure from 'international transactions' between 'associated enterprises' on an 'arm's length' basis. The regulations, inter alia, also require the maintenance of prescribed documents and information, including furnishing a report from an Accountant within the due date of filing the Return of Income. For the fiscal year ended 31 March 2023, the Group had undertaken a study to comply with the regulations for which the prescribed certificate of the Accountant has been obtained and this did not envisage any tax liability.

For the fiscal year ended 31March 2024, the Group will carry out a similar study to comply with the said regulations. In the opinion of Management, no adjustments are expected to arise based on completion of this study.

47 Assets pledged as security

The carrying amounts of assets pledged as securities for borrowings are:

Particulars	Amount as at 31 March 2024	Amount as at 31 March 2023
Current:		
Factored receivables	-	86
Inventories	-	8,479
Trade receivables	-	6,750
Non-Current:		
Property, plant and equipment	-	1,007
	-	**16,322**

(This space has been intentionally left blank)

TENNECO AUTOMOTIVE INDIA PVT. LTD. ★

48 Ratios as per Schedule III requirements:

Ratio	Numerator	Denominator	Unit	31 March 2024	31 March 2023	% variance	Reason for variance
(a) Current ratio	Current assets	Current liabilities	Times	1.05	1.28	-18%	Below 25%
(b) Debt-equity ratio	Total debt	Shareholder's equity	Times	-	-	0%	Below 25%
(c) Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	Times	22.61	23.03	-2%	Below 25%
(d) Return on equity ratio	Profit after tax for the year less Preference dividend (if any)	Average total equity	%	43.62%	41.69%	5%	Below 25%
(e) Inventory turnover ratio	Revenue from operations	Average inventories	Times	15.74	15.96	-2%	Below 25%
(f) Trade receivables turnover ratio	Net credit sales	Average trade receivables	Times	9.40	8.93	5%	Below 25%
(g) Trade payables turnover ratio	Net credit purchases	Average trade payables	Times	4.34	4.84	-10%	Below 25%
(h) Net capital turnover ratio	Net sales	Working capital	Times	76.51	15.65	389%	Due to decrease in working capital
(i) Net profit ratio	Net Profit after tax	Net Sales	%	6.40%	7.11%	-10%	Below 25%
(j) Return on capital employed	Earning before interest and taxes	Capital employed = Tangible net worth + Total debt + Deferred tax liability	%	71.84%	56.03%	28%	Due to sales increase the capital employed
(k) Return on investment	Return on investment	Average investment	%	0.00%	0.00%	0.00%	Below 25%

Schedule III require explanation where the change in the ratio is more than 25% as compared to the preceding year. Since there are two instances where the change is more than 25%, hence explanation is given for the said ratios.

49 Additional Disclosures

a) The Group does not own any immovable property (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee)

b) There are no proceedings initiated or pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.

c) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year.

d) The Group has been sanctioned a working capital limit in excess of Rs 5 crore by banks. Pursuant to the terms of the sanction letters, the Group is not required to file any quarterly return or statement with such banks.

e) The Group has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

f) The Group does not have any material transactions with struck-off companies.

g) The Group do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

h) The Group has not traded or invested in Crypto currency or virtual currency during the financial year.

i) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

j) The Group has not taken loans or advances in the nature of loan from any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.

k) The Group has not granted loans or advances in the nature of loan to any promoters, Directors and KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.

l) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the companies act, 2013 read with the companies (restriction on number of layers) rule, 2017.

m) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
(1) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
(2) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

n) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall
(1) 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
(2) received any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

TENNECO AUTOMOTIVE INDIA PVT. LTD.

50 Subsequent to 31 March 2023 but before the adoption of financial statements for FY 2022-2023, the management has identified that an employee was manipulating existing controls around vendor payments fraudulently to misappropriate funds on multiple occasion during current year and preceding years by making payments to other accounts instead of concerned vendor accounts. The Holding Company has appointed external agencies for fact-based investigation, forensic data analysis, analysis/ reporting on defined aspects of user activity etc. Based on management's internal assessment and reports received from external agencies, the financial impact of this fraud of ₹ 19.44 lacs has been accounted for in the previous financial year as expense and the management believes that no further adjustment is required in the consolidated financial statement. The Holding Company has taken disciplinary proceeding against the concerned employee and has implemented supervisory and monitoring controls around vendor payment process during the year.

51 Audit Trail

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies 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 Holding Company and its subsidiary use accounting software to maintain their books of account, which has a feature of recording audit trail (edit log) facility and the same have been enabled throughout the year except for the following instances:

i. In case of Holding Company - Audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of books of accounts. The audit trail feature at the application level was enabled and operating throughout the year.

ii. In case of its subsidiary - Audit trail feature is not enabled for certain changes made using privileged/administrative access rights, and the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes.

52 The Indian Parliament has approved the Code on Social Security, 2020 which could have a likely impact on the contributions made by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The effective date from which the Code and applicable Rules shall be applicable is yet to be notified. The Group shall assess and evaluate the likely financial impact once the subject rules are notified and become effective.

53 Previous year/period numbers have been regrouped/ reclassified, wherever considered necessary.

54 Rounding off

Amounts mentioned as "0" in the financial statements denote amounts rounded off being less than ₹ 1 lac.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number: 001076N/N500013

Ankit Mehra
Partner
Membership Number: 507429
Place: Gurugram
Date: 19 September 2024

For and on behalf of the Board of Directors
Tenneco Automotive India Private Limited

C Subramanian

R.C.Subramaniam
Managing Director
DIN: 06844540
Place: Pune
Date: 18 September 2024

Praveen Kumar Singh
Director
DIN: 08444682
Place: Pune
Date: 18 September 2024

M.S. Ramdasi

Mayuri Ramdasi
Company Secretary
Membership Number: A53332
Place: Pune
Date: 18 September 2024

TENNECO AUTOMOTIVE INDIA PVT. LTD. *