INDEPENDENT AUDITOR'S REPORT

To The Members of Federal-Mogul Ignition Products India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Federal Mogul Ignition Products India Limited** (the "Company"), which comprise the Balance Sheet as at 31 March 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, its profit and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

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

- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company except for not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India till 16 December 2025 and thereafter, the Company has started keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India. (refer Note 36 to the financial statements) and not complying with the requirement of audit trail as stated in (i)(vi) below.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31 March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

    f) The modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

    h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

        i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 31(b) and 34(b) to the financial statements;

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer note 37 (xi) to the financial statements.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company - Refer note 37 (xvi) to the financial statements.

        iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 37(xii) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities.

(b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note 37(xiii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the year ended 31 March 2026 which has a feature of recording audit trail (edit log) facility and the audit trail feature at the application level has operated throughout the year for all relevant transactions recorded in the software. However, the audit trail was not enabled at the database level to log any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with (refer note 37(xiv) to the financial statements).

Additionally, the audit trail that was enabled and operated has been preserved by the Company as per the statutory requirements for record retention, as stated in Note 37(xiv) to the financial statements.

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

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

Jyoti Vaish
Partner
Membership No. 096521
UDIN: 26096521MHWSAZ5126

Place: Gurugram
Date: 30 May 2026

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report on the financial statements for the year ended 31 March 2026 to the Members of Federal-Mogul Ignition Products India Limited of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to financial statements of Federal-Mogul Ignition Products India Limited (the “Company”) as at 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2026, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Jyoti Vaish
Partner
Membership No. 096521
UDIN: 26096521MHWSAZ5126

Place: Gurugram
Date: 30 May 2026

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report on the financial statements for the year ended 31 March 2026 to the Members of **Federal-Mogul Ignition Products India Limited** of even date]

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

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of Property, Plant and Equipment, capital work-in-progress and right-of-use assets so to cover all the items once every three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the program no such assets were due for physical verification during the year. Since no physical verification of property, plant and equipment, capital work-in-progress, and right-of-use assets was due during the year, therefore the question of reporting on material discrepancies noted on verification does not arise.

(c) The Company does not have any immovable properties of freehold land and buildings. In respect of immovable property that has been taken on lease and disclosed in the financial statements as right-of use asset as at the balance sheet date, the lease agreement is duly executed in favour of the Company.

(d) The Company has not revalued any of its property, plant and equipment (including Right-of-Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for (goods-in-transit and stocks held with third parties), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in- transit, the goods have been received subsequent to the year end or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.

(iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year. We have been informed that Sales tax, Service tax, duty of Excise and Value Added Tax are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other material statutory dues in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2026 on account of disputes are given below:

Name of the statute	**Nature of Dues**	**Amount (Rs In million)***	**Amount paid under protest (Rs. In million)**	**Period to which the Amount Relates (Financial year)**	**Forum where dispute is Pending**
The Income Tax Act, 1961	Income Tax	6.24	-	2004-05	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	5.53	-	2008-09	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	8.83	-	2011-12	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	10.3	3.20	2012-13	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	3.52	0.30	2013-14	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	6.93	2.34	2015-16	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	2.89	0.74	2016-17	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	5.12	-	2017-18	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	17.26	-	2019-20	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	22.52	-	2020-21	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	14.34	-	2021-22	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	10.26	-	2022-23	Commissioner of Income Tax (Appeals)

* includes amount paid under protest.

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

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

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

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

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

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

(c) We have taken into consideration the whistle blower complaints received by the Company during the year and upto the date of this report and provided to us, when performing our audit.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit report issued to the Company after the balance sheet date covering the period (April 2025 to January 2026) for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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

(b) The Group does not have any CIC as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

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

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

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

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

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

Jyoti Vaish
Partner
Membership No. 096521
UDIN: 26096521MHWSAZ5126

Place: Gurugram
Date: 30 May 2026

Federal-Mogul Ignition Products India Limited
CIN: U51109DL1998PLC195010
Balance Sheet as at 31 March 2026
(All amounts in Rs Millions, unless otherwise stated)

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	289.03	290.64
Capital work-in-progress	3(b)	39.75	39.68
Right-of-use assets	4	10.11	9.49
Intangible assets	5	-	-
Financial assets			
i. Other financial assets	6(a)	13.45	13.28
Deferred tax assets (net)	7	22.58	23.18
Income tax assets (net)	8	35.28	27.73
Other non-current assets	9	14.79	14.19
Total non-current assets		**424.99**	**418.19**
Current assets			
Inventories	10	477.40	428.65
Financial assets			
i. Trade receivables	6(b)	392.52	417.78
ii. Cash and cash equivalents	6(c)	462.92	160.74
iii. Other financial assets	6(a)	26.70	24.02
Other current assets	11	21.50	22.38
Total current assets		**1,381.04**	**1,053.57**
Total assets		**1,806.03**	**1,471.76**
EQUITY AND LIABILITIES			
Equity			
i. Equity share capital	12(a)	427.89	427.89
ii. Other Equity	12(b)	704.36	406.73
Total equity		**1,132.25**	**834.62**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Lease Liabilities	13(a)	0.75	0.04
Provisions	15	92.57	56.90
Total non-current liabilities		**93.32**	**56.94**
Current liabilities			
Financial liabilities			
i. Lease liabilities	13(a)	0.34	0.32
ii. Trade payables	13(b)		
(a) total outstanding dues of micro enterprises and small enterprises		57.22	46.91
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		474.37	491.11
iii. Other financial liabilities	13(c)	17.01	3.97
Other current liabilities	14	7.93	27.98
Provisions	15	6.94	4.38
Current tax liabilities (net)	16	16.65	5.53
Total current liabilities		**580.46**	**580.20**
Total liabilities		**673.78**	**637.14**
Total equity and liabilities		**1,806.03**	**1,471.76**

See accompanying notes forming part of financial statements.

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

Jyoti Vaish
Partner
Membership No.: 096521

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

Jasbir Singh
Whole Time Director
DIN: 10817653
Place: Patiala

Upkar Singh Randhawa
Whole Time Director
DIN: 10834630
Place: Bhiwadi

Manoj Sharma
Chief Financial Officer
PAN: BROPM7222C
Place: Bhiwadi

Priya Nimje
Company Secretary
Membership No: A-69348
Place: Pune

Place: Gurugram
Date: 30 May 2026

Date: 30 May 2026

Federal-Mogul Ignition Products India Limited
CIN: U51109DL1998PLC195010
Statement of Profit and Loss for the year ended 31 March 2026
(All amounts in Rs Millions, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	17	2,723.96	2,638.62
Other income	18	26.94	29.88
Total income		**2,750.90**	**2,668.50**
Expenses			
Cost of materials consumed	19	1,593.04	1,514.78
Change in inventories of finished goods and work-in-progress	20	(72.83)	(13.38)
Employee benefits expense	21	184.05	168.26
Finance costs	22	2.43	2.67
Depreciation and amortisation expense	23	58.88	62.47
Other expenses	24	566.85	665.52
Total expenses		**2,332.42**	**2,400.32**
Profit before exceptional items & tax		**418.48**	**268.18**
Exceptional Items			
Statutory Impact of New labour codes	21(a)	13.27	-
Profit before tax		**405.21**	**268.18**
Income tax expense	25		
Current tax		110.01	86.11
Deferred tax	7	1.75	(16.40)
Adjustments relating to earlier years		(7.55)	(2.45)
Total tax expense		**104.21**	**67.26**
Profit for the year		**301.00**	**200.92**
Other comprehensive income			
Items that will not be reclassified to statement of profit or loss			
- Remeasurement of post-employment benefit obligations		(4.51)	(2.96)
- Income tax Impact		1.14	0.75
Other comprehensive loss for the year		**(3.37)**	**(2.21)**
Total comprehensive income for the year		**297.63**	**198.71**
Earnings per equity share (of Rs 10 each)	26		
Basic (Rs) absolute amount		**7.03**	**4.70**
Diluted (Rs) absolute amount		**7.03**	**4.70**

See accompanying notes forming part of financial statements.

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

Jyoti Vaish
Partner
Membership No.: 096521

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

Jasbir Singh
Whole Time Director
DIN: 10817653
Place: Patiala

Upkar Singh Randhawa
Whole Time Director
DIN: 10834630
Place: Bhiwadi

Manoj Sharma
Chief Financial Officer
PAN: BROPM7222C
Place: Bhiwadi

Priya Nimje
Company Secretary
Membership No: A-69348
Place: Pune

Place: Gurugram
Date: 30 May 2026

Date: 30 May 2026

Federal-Mogul Ignition Products India Limited
CIN: U51109DL1998PLC195010
Statement of Cash Flows for the year ended 31 March 2026
(All amounts in Rs Millions, unless otherwise stated)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Cash flow from operating activities		
Profit before tax	**405.21**	**268.18**
Adjustments for:		
Depreciation and amortisation expense	58.88	62.47
Profit on sale of property, plant and equipment	-	(1.82)
Interest Income	(13.18)	(23.90)
Finance costs	2.43	2.67
Warranty claim expense	2.79	3.18
Bad debts written off	0.87	0.41
Unrealised forex (gain)/loss (net)	21.47	4.81
Provision for expected credit loss	1.08	0.92
Provision no longer payable, written back	(4.98)	-
Operating profit before working capital changes	**474.57**	**316.92**
Change in operating assets and liabilities		
Decrease/(Increase) in trade receivables	22.74	(55.70)
(Increase) in inventories	(48.75)	(39.68)
(Increase)/Decrease in financial and other assets	(7.56)	2.48
(Decrease)/Increase in trade payables	(22.43)	127.41
(Decrease)/Increase in financial and other current liabilities	(18.69)	0.92
Increase in provisions	33.73	7.83
Cash generated from operations	**433.61**	**360.19**
Direct taxes paid (net of refunds)	(99.36)	(99.60)
Net cash generated from operating activities (A)	**334.25**	**260.59**
Cash flows from investing activities:		
Purchase of property, plant and equipment	(43.08)	(60.87)
Proceeds from sale of property, plant and equipment	-	1.95
Inter-corporate deposit received back during the year	-	200.00
Interest received	11.63	27.48
Movement in deposit	(0.17)	2.34
Net cash (used in)/generated from investing activities (B)	**(31.62)**	**170.90**
Cash flows from financing activities:		
Repayment of principal portion of lease liabilities (refer note 4)	(0.45)	(0.45)
Dividend paid (refer note 12(b))	-	(538.57)
Net cash (used in) financing activities (C)	**(0.45)**	**(539.02)**
Net increase/(decrease) in cash and cash equivalents	**302.18**	**(107.53)**
Cash and cash equivalents at the beginning of the financial year	160.74	268.27
Cash and cash equivalents at end of the year	**462.92**	**160.74**

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

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with banks:		
On current accounts [Refer Note 6 (c)]	79.23	16.68
Bank deposits with original maturity of less than three months [Refer Note 6 (c)]	383.69	144.06
	462.92	**160.74**

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

See accompanying notes forming part of the financial statements.

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

Jyoti Vaish
Partner
Membership No.: 096521

Place: Gurugram
Date: 30 May 2026

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

Jasbir Singh
Whole Time Director
DIN: 10817653
Place: Patiala

Upkar Singh Randhawa
Whole Time Director
DIN: 10834630
Place: Bhiwadi

Manoj Sharma
Chief Financial Officer
PAN: BROPM7222C
Place: Bhiwadi

Priya Nimje
Company Secretary
Membership No: A-69348
Place: Pune

Date: 30 May 2026

Federal-Mogul Ignition Products India Limited
CIN: U51109DL1998PLC195010
Statement of Changes in Equity for the year ended 31 March 2026
(All amounts in Rs Millions, unless otherwise stated)

A) Equity share capital

Particulars	No. of shares	Amount
Balance as at 1 April 2024	**4,27,89,036**	**427.89**
Changes in equity share capital during the year	-	-
Balance as at 31 March 2025	**4,27,89,036**	**427.89**
Changes in equity share capital during the year	-	-
Balance as at 31 March 2026	**4,27,89,036**	**427.89**

B) Other equity

Particulars	Reserves and Surplus		Total Equity
	Securities Premium	Retained Earnings	
Balance as at 1 April 2024	**67.91**	**678.68**	**746.59**
Profit for the year	-	200.92	200.92
Dividend paid during the year	-	(538.57)	(538.57)
Other comprehensive (loss) (net of taxes)	-	(2.21)	(2.21)
Balance as at 31 March 2025	**67.91**	**338.82**	**406.73**
Balance as at 1 April 2025	**67.91**	**338.82**	**406.73**
Profit for the year	-	301.00	301.00
Other comprehensive (loss) (net of taxes)	-	(3.37)	(3.37)
Balance as at 31 March 2026	**67.91**	**636.45**	**704.36**

See accompanying notes forming part of the financial statements.

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

Jyoti Vaish
Partner
Membership No.: 096521

Place: Gurugram
Date: 30 May 2026

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

Jasbir Singh
Whole Time Director
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PAN: BROPM7222C
Place: Bhiwadi

Priya Nimje
Company Secretary
Membership No: A-69348
Place: Pune

Date: 30 May 2026

1 <u>Corporate Information</u>

Federal-Mogul Ignition Products (India) Limited ('the Company') was incorporated in December 1998 and is engaged in the business of manufacture and trading of spark plugs, its accessories and caters to both the Indian market and International market. The Company also trades in auto-ignition systems and auto components. The Company has its registered office at New Delhi and manufacturing facility in Bhiwadi, Rajasthan.

These financial statement are approved for issue in accordance with a resolution of the directors passed in Board meeting held on 30 May 2026.

2 <u>Basis of preparation, measurement and material accounting policies</u>

2.1 Basis of preparation

These financial statements for the year ended 31 March 2026 have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act. These financial statements comprise balance sheet, statement of Profit and Loss, statement of changes in equity, statement of cash flow, and Summary of Material Accounting Policies and other explanatory notes (collectively, the "Financial Statements").

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

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

2.2 Summary of Material Accounting Policies

(a) Overall consideration

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

b) Current and non-current classification

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

c) Use of estimates and judgements

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

d) Property, plant and equipment

Recognition and initial measurement

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

Subsequent measurement (depreciation and useful lives)

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

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Asset Class	**Management estimated useful life (in years)***
Plant and machinery	5 to 15 years
Furniture and fixtures	10 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years
Buildings	30 Years
Solar Panels	30 Years

* Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for certain items within these classes of assets is different from the useful lives as prescribed under Part C of Schedule II to the Companies Act 2013.

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

De-recognition

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

e) Intangible assets

Recognition and initial measurement

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

Subsequent measurement (amortisation)

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

f) Impairment of non-financial assets

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

g) Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired.
Ind AS 109 requires expected credit losses to be measured through a loss allowance. Company performs credit assessment for customers on an annual basis. Company recognizes credit risk, on the basis of lifetime expected losses and where receivables are due for more than twelve months.

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

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

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h) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price.Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in statement of profit and loss.

Non-derivative financial assets

Subsequent measurement

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

• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

• Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

ii. Financial assets carried at fair value through other comprehensive income (FVOCI) – a financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

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

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

Non-derivative financial liabilities

Subsequent measurement

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

De-recognition of financial liabilities

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

Offsetting of financial instruments

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

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Fair value measurement:

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

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

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

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

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

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

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

i) Leases

The Company as a lessee

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

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

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

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

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

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

j) Inventories

Inventories are valued as follows:

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

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

k) Revenue Recognition

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

i) Sale of products:

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

Satisfaction of performance obligations

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

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

Payment terms

The sale of goods is typically made under credit payment terms differing from customer to customer and ranges between 30-60 days.

Variable considerations associated with such sales

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

(ii) Interest:

Interest income is recorded on accrual basis.

(iii) 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.

The Company provide designing services for customised tools to its customers and recognises its revenue over time using an input method to measure progress towards complete satisfaction of tool designing.

The Company recognises revenue from designing 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.

(iv) Revenue from development of customer paid tools:

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

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

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.

(v) Contract assets

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

(vi) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. The Contract liability comprises of unearned income which relates to excess of invoicing over cost incurred for a particular project.
The Company's contract liabilities are disclosed in Note 14

(This space has been intentionally left blank)

l) Other Income/ Other operating revenue

(i) Interest:
Interest income is recorded on accrual basis.

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

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

n) Foreign Currency Transactions

Functional and presentation currency
The financial statements are presented in Indian Rupee ('INR or Rs') which is also the functional and presentation currency of the Company.
Transactions and balances
Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

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

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

o) Retirement and other employee benefits

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

(ii) **Defined Benefit Plans:**
Gratuity liability under the Payment of Gratuity Act is accrued on the basis of an actuarial valuation made at the end of each financial period. The actuarial valuation is done as per projected unit credit method.

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

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

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

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

p) Income Taxes

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

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

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

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

q) Earnings per Share

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

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

r) Provisions, contingent liabilities and contingent assets

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

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

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

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

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

Contingent liability is disclosed for:

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

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

s) Cash and Cash Equivalents

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

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

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

Significant management judgements

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 specialised nature of the leased asset.

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

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 non financial 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.

Significant estimates

Assessment of contingent liabilities - The assessment of contingent liabilities requires significant judgment and evaluation of various internal and external factors.

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.

Allowance for excess and obsolete inventory – Management determines the allowance for excess and obsolete inventory based on a review of items with no consumption in the previous 12 months. A provision of 100% is recognised on such inventories.

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

u) Trade and other payables

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

v) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors assess the financial performance and position of the Company, and makes strategic decisions and therefore the board would be the chief operating decision maker or 'CODM, within the meaning of Ind AS 108. The CODM evaluates the Company's performance and allocates resources based on the dominant source, nature of product and nature of risks and returns.

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

w) I. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at 31 March 2026, there are no new/revised standards that have been issued by the MCA but are not effective.

II. Adoption of new and revised standards

The Company has considered amendments to Ind AS's that are effective for the annual period that begins on or after 1 April 2025. These amendments did not have any material impact on these financial statements.

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Federal-Mogul Ignition Products India Limited
CIN: U51109DL1998PLC195010
Notes to financial statements for the year ended 31 March 2026
(All amounts in Rs Millions, unless otherwise stated)

3(a). Property, plant and equipment

Particulars	Buildings	Plant and Machinery	Office equipment	Furniture and fixtures	Computer	Vehicles	Total
Gross carrying amount							
Balance as at 1 April 2024	30.84	318.97	0.53	0.99	7.99	0.92	**360.24**
Additions during the year	-	46.22	-	-	0.62	-	**46.84**
Disposals during the year	-	(0.13)	-	-	-	-	**(0.13)**
Balance as at 31 March 2025	**30.84**	**365.06**	**0.53**	**0.99**	**8.61**	**0.92**	**406.95**
Balance as at 1 April 2025	30.84	365.06	0.53	0.99	8.61	0.92	**406.95**
Additions during the year	2.69	52.21	-	-	1.87	-	**56.77**
Balance as at 31 March 2026	**33.53**	**417.27**	**0.53**	**0.99**	**10.48**	**0.92**	**463.72**
Accumulated depreciation							
Balance as at 1 April 2024	2.00	51.05	0.20	0.18	1.54	0.14	**55.11**
Depreciation charge for the year (refer note 23)	2.00	55.92	0.10	0.18	2.86	0.14	**61.20**
Balance as at 31 March 2025	**4.00**	**106.97**	**0.30**	**0.36**	**4.40**	**0.28**	**116.31**
							-
Balance as at 1 April 2025	4.00	106.97	0.30	0.36	4.40	0.28	**116.31**
Depreciation charge for the year (refer note 23)	2.00	53.80	-	0.18	2.26	0.14	**58.38**
Balance as at 31 March 2026	**6.00**	**160.77**	**0.30**	**0.54**	**6.66**	**0.42**	**174.69**
Net carrying amount as on 31 March 2025	**26.84**	**258.09**	**0.23**	**0.63**	**4.21**	**0.64**	**290.64**
Net carrying amount as on 31 March 2026	**27.53**	**256.50**	**0.23**	**0.45**	**3.82**	**0.50**	**289.03**

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

Particulars	Amount
Balance as at 1 April 2024	**44.85**
Additions during the year	41.67
Capitalised during the year	(46.84)
Balance as at 31 March 2025	**39.68**
Balance as at 1 April 2025	**39.68**
Additions during the year	56.84
Capitalised during the year	(56.77)
Balance as at 31 March 2026	**39.75**

Federal-Mogul Ignition Products India Limited
CIN: U51109DL1998PLC195010
Notes to financial statements for the year ended 31 March 2026
(All amounts in Rs Millions, unless otherwise stated)
Capital work-in-progress (CWIP) ageing schedule

As at 31 March 2026

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	32.79	6.96	-	-	39.75
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2025

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	20.36	19.32	-	-	39.68
Projects temporarily suspended	-	-	-	-	-

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

As at 31 March 2026

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Plant and Machinery	6.96	-	-	-	6.96
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2025

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Plant and Machinery	7.82	13.82	-	-	21.64
Projects temporarily suspended	-	-	-	-	-

Notes:
1.) Refer to Note 31(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
2.) Buildings includes buildings which are developed on the leasehold land classified under right of use assets (refer note 4).
3.) The Company has not revalued its property, plant and equipment or intangible assets or both during each reporting period.
4) There are no property, plant and equipment which are pledged or under lien.
5) There are no impairment losses recognised during year ended 31 March 2026 and 31 March 2025.

(All amounts in Rs Millions, unless otherwise stated)

4. Leases
(i) Right-of-use assets (ROU)

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

Particulars	Leasehold land	Buildings	Total
Gross carrying value			
Balance as at 1 April 2024	9.46	1.03	10.49
Additions during the year	-	-	-
Disposals during the year	-	-	-
Balance as at 31 March 2025	**9.46**	**1.03**	**10.49**
Balance as at 1 April 2025	9.46	1.03	10.49
Additions during the year	-	1.12	1.12
Disposals during the year	-	-	-
Balance as at 31 March 2026	**9.46**	**2.15**	**11.61**
Accumulated depreciation			
Balance as at 1 April 2024	0.13	0.37	0.50
Depreciation charged for the year (refer note 23)	0.13	0.37	0.50
Disposals during the year	-	-	-
Balance as at 31 March 2025	**0.26**	**0.74**	**1.00**
Balance as at 1 April 2025	0.26	0.74	1.00
Depreciation charged for the year (refer note 23)	0.13	0.37	0.50
Disposals during the year	-	-	**-**
Balance as at 31 March 2026	**0.39**	**1.11**	**1.50**
Net carrying amount as on 31 March 2025	**9.20**	**0.29**	**9.49**
Net carrying amount as on 31 March 2026	**9.07**	**1.04**	**10.11**

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

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

Particulars	**As at 31 March 2026**	**As at 31 March 2025**
Non-current lease liabilities	0.75	0.04
Current lease liabilities	0.34	0.32
Total	**1.09**	**0.36**

The Company has taken premises on lease for an average lease term of 3 years. Gross carrying value of leasehold land includes amounts which were paid upfront, at the commencement date of the lease along with relevant initial direct costs to acquire leasehold rights. The Company has entered into long term leases of around 99 years for land leases.

(All amounts in Rs Millions, unless otherwise stated)

The following is the movement in lease liabilities:

Particulars	Amount
Balance as at 1 April 2024	0.74
Finance cost accrued during the year (refer note 22)	0.07
Payment of lease liabilities	(0.45)
Balance as at 31 March 2025	**0.36**
Balance as at 1 April 2025	0.36
Additions during the year	1.12
Finance cost accrued during the year (refer note 22)	0.06
Payment of lease liabilities	(0.45)
Balance as at 31 March 2026	**1.09**

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

Particulars	As at 31 March 2026	As at 31 March 2025
Less than one year	0.45	0.34
One to five years	0.80	0.01
More than five years	1.22	1.22

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

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation expense of right-of-use assets (refer note 23)	0.50	0.50
Interest expense on lease liabilities (refer note 22)	0.06	0.07
Expense relating to short-term leases (included in other expenses) (refer note 24)	0.67	0.62
Total	**1.23**	**1.19**

(ii) Lease related disclosures

(a) The Company has leases for Land and buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

(b) Total cash outflow for leases for the year ended 31 March 2026 was Rs. 0.45 million (31 March 2025 Rs. 0.45 million).

(c) Other than leasehold land the Company has short term lease agreements in which there are no lock in periods. The disclosure requirement related to total commitment of short term leases is thus not applicable to the Company.

(d) There are no leases which are yet to commence as on 31 March 2026 and 31 March 2025.

(e) The Company has not revalued its right-of-use assets during the reporting period.

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(All amounts in Rs Millions, unless otherwise stated)

5. Other intangible assets

Particulars	**Computer Software (acquired)**	**Total**
Gross carrying amount		
Balance as at 1 April 2024	1.66	1.66
Additions during the year	-	-
Disposals during the year	-	-
Balance as at 31 March 2025	**1.66**	**1.66**
Balance as at 1 April 2025	1.66	1.66
Additions during the year	-	-
Disposals during the year	-	-
Balance as at 31 March 2026	**1.66**	**1.66**
Accumulated amortisation		
Balance as at 1 April 2024	0.89	0.89
Amortisation charged for the year (refer note 23)	0.77	0.77
Disposals during the year	-	-
Balance as at 31 March 2025	**1.66**	**1.66**
Balance as at 1 April 2025	**1.66**	**1.66**
Amortisation charged for the year (refer note 23)	-	-
Impairment charge for the year	-	-
Disposals during the year	-	-
Balance as at 31 March 2026	**1.66**	**1.66**
Net carrying amount as on 31 March 2025	**-**	**-**
Net carrying amount as on 31 March 2026	**-**	**-**

Note:
1. There are no Intangible assets under development as at 31 March 2026 and 31 March 2025.
2. The Company has not revalued its intangible assets during the reporting period.

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(All amounts in Rs Millions, unless otherwise stated)

6. Financial Assets
6(a) Other Financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
Non-Current		
At amortised cost		
Unsecured, considered good		
Security deposits	11.97	11.97
Deposits with original maturity more than 12 months#	1.48	1.31
Total	**13.45**	**13.28**
Current		
At amortised cost		
Unsecured, considered good		
Interest accrued on bank deposits	2.17	0.62
Export incentive recoverable	1.56	3.89
Other receivables*	22.97	19.51
Total	**26.70**	**24.02**

*recoverable from related parties (refer note 27)
Includes deposits given as security for bank guarantees furnished to custom and excise authorities.

6(b) Trade receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables from contract with customers		
Unsecured trade receivables - Considered good	392.52	417.78
Unsecured trade receivables which have a significant increase in credit risk	1.08	0.92
Gross Trade receivables	**393.60**	**418.70**
Less: Allowance for expected credit loss (refer note 29)	(1.08)	(0.92)
Net Trade receivables	**392.52**	**417.78**

The average credit period on sales of goods is between 30 to 90 days.

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

As at 31 March 2026

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed trade receivables – considered good	347.06	35.95	8.48	1.03	-	-	392.52
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	1.08	-	-	1.08
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables–considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in cre	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Gross amount	**347.06**	**35.95**	**8.48**	**2.11**	**-**	**-**	**393.60**
Less: Expected credit loss allowance	-	-	-	(1.08)	-	-	**(1.08)**
Total	**347.06**	**35.95**	**8.48**	**1.03**	**-**	**-**	**392.52**

As at 31 March 2025

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

Notes:
(1) Refer note no. 29 for allowance for expected credit loss.
(2) Refer note no. 27(c) for balances due from related parties.amounting Rs. 56.57 millions (Previous year Rs.103.74 millions)
(3) Refer note no. 38 for FEMA Compliance.

6(c) Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with banks in		
Current accounts	79.23	16.68
Deposits with original maturity of less than three months	383.69	144.06
Total	**462.92**	**160.74**

Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period.

(All amounts in Rs Millions, unless otherwise stated)

7 Deferred tax Asset/(liabilities)

Particulars	Opening as at 01 April 2025	Recognised in statement of profit and loss	Recognised in OCI	Closing balance as at 31 March 2026
Deferred tax assets				
Provision for employee benefits	11.32	(9.21)	1.14	3.25
Expected credit loss	0.23	0.04	-	0.27
Lease liabilities	0.07	0.21		0.28
Others	18.68	3.67	-	22.35
	30.30	**(5.29)**	**1.14**	**26.15**
Deferred tax liabilities				
Property, plant and equipment and Intangible assets on account of difference in Written Down Value (WDV) between books & income tax computation	7.05	(3.73)	-	3.31
Right-of-use assets	0.07	0.19		0.26
	7.12	**(3.54)**	**-**	**3.57**
Net deferred tax assets	**23.18**	**(1.75)**	**1.14**	**22.58**

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

Note:
Deferred tax assets and deferred tax liabilities have been offset as the Company has a legally enforceable right to set off current tax assets against current tax liabilities.

8. Income tax assets (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance Income Tax (net of provision for tax)	35.28	27.73
Total	**35.28**	**27.73**

9. Other non-current assets

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good, unless otherwise stated		
Capital advances	0.89	7.60
Amount paid under protest including other deposits*	13.90	6.59
Total	**14.79**	**14.19**

* includes Rs. 7.32 Million (As at 31 March 2025: Nil) paid pursuant to completion of departmental audit by tax authorities. There is no demand as at 31 March 2026 in this regard.

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

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials (includes goods in transit of Rs. 96.83 Million (31 March 2025: Rs 124.64 Million)	217.95	240.31
Work-in-progress	153.05	125.05
Finished Goods (includes goods in transit of Rs. 56.76 Million (31 March 2025: Rs. 21.95 Million)	91.00	46.17
Stores and spares	12.61	14.31
Packing materials	2.79	2.81
Total	**477.40**	**428.65**

The cost of inventories recognised as an expense includes INR 1.90 million (previous year: INR 0.18 million) in respect of the reversal of write-downs to net realisable value. The same has been included in note 19 and note 20.

11. Other current assets

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, Considered good		
Prepaid expenses	5.01	4.44
Balance with government authorities	5.44	-
Advance to suppliers	7.29	7.90
Others	3.76	10.04
Total	**21.50**	**22.38**

(All amounts in Rs Millions, unless otherwise stated)

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

Particulars	As at 31 March 2026	As at 31 March 2025
Authorised share capital		
500,000,000 Equity shares of Rs 10 each (As at 31 March 2025: 500,000,000 Equity shares of Rs 10 each (absolute amount))	500.00	500.00
	500.00	**500.00**
Issued, subscribed and fully paid share capital		
42,789,036 Equity shares of Rs 10 each (As at 31 March 2025: 42,789,036 Equity shares of Rs 10 each (absolute amount))	427.89	427.89
	427.89	**427.89**

(i) Movement in share capital

Particulars	Number of shares (Absolute value)	Amount
Balance as at 1 April 2024	**4,27,89,036**	**427.89**
Movement during the year	**-**	**-**
Balance as at 31 March 2025	**4,27,89,036**	**427.89**
Balance as at 1 April 2025	**4,27,89,036**	**427.89**
Movement during the year	**-**	**-**
Balance as at 31 March 2026	**4,27,89,036**	**427.89**

Terms/rights attached to equity shares

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

(ii) Shares held by holding company

Name of the shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares	% holding	Number of shares	% holding
Equity shares of INR 10 each fully paid (absolute value)				
Tenneco Clean Air India Limited (formerly known as Tenneco Clean Air India Private Limited) (the Holding Company)*	4,27,89,036	100.00%	4,27,89,036	100.00%

*Note: Includes seven shares held by Tenneco Clean Air India Limited as a beneficial owner but not entered in register of members pursuant to requirements of section 89 of the Companies Act, 2013.

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

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

Name of the shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares	% holding	Number of shares	% holding
Equity shares of INR 10 each fully paid (absolute value)				
Tenneco Clean Air India Limited (formerly known as Tenneco Clean Air India Private Limited) (the Holding Company)*	4,27,89,036	100.00%	4,27,89,036	100.00%

*Note: Includes seven shares held by Tenneco Clean Air India Limited as a beneficial owner but not entered in register of members pursuant to requirements of section 89 of the Companies Act, 2013.

The Company has not issued any equity shares pursuant to any contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back any equity shares during the last five years.

(iv) Details of shares held by Promoter*

Name of the shareholder	As at 31 March 2026		As at 31 March 2025		% change during the year
	Number of shares	% holding	Number of shares	% holding	
Equity shares of INR 10 each fully paid (absolute value)					
Tenneco Clean Air India Limited (formerly known as Tenneco Clean Air India Private Limited) (the Holding Company)	4,27,89,036	100.00%	4,27,89,036	100.00%	-

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

(All amounts in Rs Millions, unless otherwise stated)

(b) Other Equity

Particulars	**As at 31 March 2026**	**As at 31 March 2025**
Securities Premium	67.91	67.91
Retained Earnings	636.45	338.82
Total Reserves and Surplus	**704.36**	**406.73**

(i) Securities Premium

Particulars	**As at 31 March 2026**	**As at 31 March 2025**
Balance at the beginning of the year	67.91	67.91
Add: movement during the year	-	-
Balance at the end of the year	**67.91**	**67.91**

(ii) Retained earnings:

Particulars	**As at 31 March 2026**	**As at 31 March 2025**
Balance as at the beginning of the year	338.82	678.68
Profit for the year	301.00	200.92
Remeasurement gain / (loss) (net of taxes)	(3.37)	(2.21)
Dividend paid*	-	(538.57)
Balance as at the end of the year	**636.45**	**338.82**

*The Company has not paid an interim dividend during the year(31 March 2025: Rs. 12.58 per equity share).

Nature and Purpose of reserves

(i) Securities Premium

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

(ii) Retained earnings:

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

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(All amounts in Rs Millions, unless otherwise stated)

13. Financial Liabilities

13 (a) Lease Liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current	0.75	0.04
Total	**0.75**	**0.04**
Current	0.34	0.32
Total	**0.34**	**0.32**

13 (b) Trade Payables

Particulars	As at 31 March 2026	As at 31 March 2025
Total outstanding due of micro enterprises and small enterprises (Refer table (ii) below)	57.22	46.91
Total outstanding dues of creditors other than micro enterprises and small enterprises	133.08	174.40
Dues of related parties [Refer Note 27(c)]	341.29	316.71
Total	**531.59**	**538.02**

(i) Trade Payables Ageing:

Particulars	Outstanding as at 31 March 2026 from due date of payment						Total
	Unbilled	Not due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed trade payables		-	-	-	-	-	
Micro enterprises and small enterprises	-	46.05	9.39	0.62	0.29	0.87	**57.22**
Others	75.83	239.82	157.27	0.08	1.08	0.29	**474.37**
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**75.83**	**285.87**	**166.66**	**0.70**	**1.37**	**1.16**	**531.59**

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

The average credit period on purchases is upto 90 days.
For explanations on the Company's liquidity risk management processes refer note 29

(ii) Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006
On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Particulars	As at 31 March 2026	As at 31 March 2025
a. The principal amount remaining unpaid as at the end of period	53.53	46.80
b. Interest due on above principal and remaining unpaid as at the end of the period	0.29	0.11
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 period.	-	-
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.	3.39	1.65
e. The amount of interest accrued and remaining unpaid at the end of each accounting period; and	3.69	1.76
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	3.69	1.76

13 (c) Other financial liabilities (current)

Particulars	As at 31 March 2026	As at 31 March 2025
At amortised cost		
Capital creditors	10.72	3.67
Security deposits	1.48	0.30
Employee dues	4.81	(0.00)
Total	**17.01**	**3.97**

14. Other current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Statutory dues	5.21	18.10
Advance from customers (refer note 17(d))	2.72	9.88
Total	**7.93**	**27.98**

(All amounts in Rs Millions, unless otherwise stated)

15. Provisions

Particulars	As at 31 March 2026		As at 31 March 2025	
	Non Current	Current	Non Current	Current
Provision for employee benefits (refer note 33)				
Gratuity	65.23	3.72	34.43	1.68
Compensated absences	11.10	1.83	7.55	1.32
Provision for regulatory matters (refer note(a) below and 34(b))	16.24	1.39	14.92	1.38
Total	**92.57**	**6.94**	**56.90**	**4.38**

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

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	16.30	18.94
Add: Provision made during the year	1.33	3.60
Less: Provision utilised / written back during the year	-	(6.24)
Closing balance	**17.63**	**16.30**

16. Current tax liabilities (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Current tax liabilities (net of advance tax)	16.65	5.53
Total	**16.65**	**5.53**

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(All amounts in Rs Millions, unless otherwise stated)

17. Revenue from operations

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from contracts with customers		
Sale of products (Manufactured goods)	2,698.45	2,615.40
	2,698.45	**2,615.40**
Other operating revenue		
Scrap sales	21.48	18.56
Export Incentives	4.03	4.66
	25.51	**23.22**
Total	**2,723.96**	**2,638.62**

a. Revenue from Contracts with Customers
Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:
(i) Identify the contract(s) with customer;
(ii) Identify separate performance obligations in the contract;
(iii) Determine the transaction price;
(iv) Allocate the transaction price to the performance obligations; and
(v) Recognise revenue when a performance obligation is satisfied.

b. Disaggregation of revenue
Revenue recognised mainly comprises of sale of products which majorly comprises of spark plugs, ignition coil and others. Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from contracts with customers		
Sale of products		
Domestic	2,521.85	2,375.72
Export	176.60	239.68
Total revenue covered under Ind AS 115	**2,698.45**	**2,615.40**

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

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

Refer contract liabilities (advance from customers) in Note 14.

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Contracted price with the customers	2,709.02	2,627.64
Reduction towards variable considerations (Discounts, rebates, refunds, credits, price concessions, as applicable)	(10.57)	(12.24)
Revenue from contract with customers (as per Statement of Profit and Loss)	**2,698.45**	**2,615.40**

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Opening balance	9.88	0.05
Addition during the year	-	9.83
Revenue recognised during the year/ amount refunded during the year	(7.16)	-
Closing balance	**2.72**	**9.88**

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

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

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

Federal-Mogul Ignition Products India Limited
CIN: U51109DL1998PLC195010
Notes to financial statements for the year ended 31 March 2026
(All amounts in Rs Millions, unless otherwise stated)

18. Other Income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest income from financial assets measured at amortized cost		
- On deposits with bank	12.49	7.08
- On inter corporate deposits	-	16.15
- On electricity deposits	0.69	0.67
Management services (Refer note 27(b))	8.78	4.16
Provision no longer payable, written back (Refer Note 40)	4.98	-
Net gain on disposal of property, plant and equipment	-	1.82
Total	**26.94**	**29.88**

19. Cost of materials consumed

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Raw materials at the beginning of the year	240.31	213.12
Add : Purchases	1,570.68	1,541.97
Less: Raw materials at the end of the year	(217.95)	(240.31)
Total cost of materials consumed	**1,593.04**	**1,514.78**

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Inventories at the beginning of the year		
Finished goods	46.17	32.44
Work-in-progress	125.05	125.40
Total (A)	**171.22**	**157.84**
Inventories at the end of the year		
Finished goods	91.00	46.17
Work-in-progress	153.05	125.05
Total (B)	**244.05**	**171.22**
Total changes in inventories finished goods, work-in-progress and stock in trade (A-B)	**(72.83)**	**(13.38)**

21. Employee benefits expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Salaries and wages	149.01	136.42
Contribution to provident fund and other funds [refer note 33]	8.14	7.13
Gratuity expense [refer note 33 and (a) below]	6.83	5.11
Staff welfare expenses	20.07	19.60
Total	**184.05**	**168.26**

Note a:
Changes to Employee Benefits upon notification of Labour Codes
The Government of India notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively, the "Labour Codes"). These Labour Codes, which have become effective from November 21, 2025, consolidate and rationalise 29 labour laws and introduce, among other matters, a uniform definition of "Wages". Also, the Labour Codes have modified certain employee benefits and eligibility conditions in respect of those benefits. Accordingly, during the year, the Company has amended its policies relating to employee benefits and modified its employment contracts to align such benefits with the requirements of the Labour Codes. The changes include (i) alignment of the definition of Wages for social security contributions / provisions and (ii) modifications to gratuity-related terms and take effect on and from 21 November 2025.

Past service cost resulting from plan amendments amounting to Rs. 13.27 Million has been recognised immediately in the Statement of Profit and Loss during the year and has been classified as a part of "Exceptional items". Rs. 6.83 Million being the higher current service cost and the net interest on the net defined benefit liabilities (or assets), post the plan amendment, has been charged to the Statement of Profit and Loss and has been classified as a part of "Employee Benefits Expense".

22. Finance costs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest on		
- delayed payment of taxes	0.46	1.98
- lease liability	0.06	0.07
- others (MSME)	1.91	0.62
Total	**2.43**	**2.67**

23. Depreciation and amortisation expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation on property, plant and equipment (refer note 3(a))	58.38	61.20
Amortisation on intangible assets (refer note 5)	-	0.77
Depreciation on right of use asset (refer note 4)	0.50	0.50
Total	**58.88**	**62.47**

(All amounts in Rs Millions, unless otherwise stated)

24. Other expenses

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Stores and spares consumed	161.71	163.51
Packing materials consumed	40.43	33.01
Job-work services	19.69	20.02
Sub-contract charges	59.12	56.38
Power and fuel	66.57	69.52
Freight and Forwarding charges	18.71	20.78
Rent (refer note 4)	0.67	0.62
Rates and taxes	3.67	5.21
Insurance	1.50	3.29
Repairs and maintenance:		
- Buildings	2.11	2.73
- Plant and machinery	42.36	58.95
Travelling expenses	6.59	5.93
Communication expenses	0.67	0.87
Printing and stationery	1.04	1.52
Professional and consultancy charges	8.74	80.00
Payment to auditors [Refer note (a)]	2.86	1.44
Warranty expenses	2.79	3.18
Provision for expected credit loss (refer note 29)	1.08	0.92
Bad debts written off	0.87	0.41
Royalty expense [refer note 27(b)]	55.75	55.38
Networking fees [refer note 27(b)]	11.19	-
Corporate Support Service charges [refer note 27(b)]	2.50	63.96
Security Service charges	4.16	3.58
Foreign currency fluctuation loss (net)	38.25	3.05
Corporate social responsibility expenditure [refer note (b)]	4.39	3.43
Miscellaneous expenses	9.43	7.83
Total	**566.85**	**665.52**

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
As auditor:		
-Audit fee	1.20	1.29
-Limited Review Fees	1.25	-
-Reimbursement of expenses	0.41	0.15
Total	**2.86**	**1.44**

(b) Corporate Social Responsibility Expenditure

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
a) Amount required to be spent by the Company during the year	4.39	3.43
b) Amount spent during the year	4.39	3.43
c) Total of previous year shortfall	-	-
d) (Excess)/shortfall by the year end	-	-

Particulars	Year ended 31 March 2026		
	In cash	Yet to be paid in	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above*	4.39	-	4.39
	4.39	**-**	**4.39**

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

Note: The Company does not have ongoing projects as at 31 March 2026 and 31 March 2025.
* The Company's Corporate social responsibility activities involve promotion of education, environment protection, protection of wild life and preventive healthcare and no amount have been spent during the year on construction/acquisition of any asset..

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(All amounts in Rs Millions, unless otherwise stated)

25. Income tax expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Current tax expenses	110.01	86.11
Adjustment of current tax related to earlier years	(7.55)	(2.45)
Total current tax expense	**102.46**	**83.66**
Deferred tax	1.75	(16.40)
Income tax expense reported in the Statement of Profit and Loss	**104.21**	**67.26**

Income Tax relating to Other Comprehensive Income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Remeasurement gain of post employment benefit obligations	1.14	0.75
Income tax expense recognized to Other Comprehensive Income	**1.14**	**0.75**

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Accounting profit before income tax	**405.21**	**268.18**
Applicable domestic effective income tax rate	25.17%	25.17%
Computed Tax Expense	101.98	67.50
Tax effect on permanent non deductible expenses:		
Effect of expenses/provision not deductible in determining taxable profit	1.94	1.89
Others	0.29	(2.13)
Income tax expense reported in the Statement of Profit and Loss	**104.21**	**67.26**
Tax rate(refer note below)		
Base rate	22.00%	22.00%
Surcharge	2.20%	2.20%
Education cess	0.97%	0.97%
Total	**25.17%**	**25.17%**

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

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(All amounts in Rs Millions, unless otherwise stated)

26. Earnings per Share

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Profit for the year as per Statement of Profit and Loss	301.00	200.92
No of equity shares outstanding at the beginning of the year (absolute	4,27,89,036	4,27,89,036
No of equity shares outstanding at the end of the year (absolute value)	4,27,89,036	4,27,89,036
Weighted average number of equity shares for calculating basic and diluted EPS	4,27,89,036	4,27,89,036
Weighted average equity shares outstanding		
Face value of per equity share (Rs)	10	10
Basic and Diluted Earnings per share (Rs)	**7.03**	**4.70**

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

27. Related Party Disclosures

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

(i)

Description of relationship	Name of related parties
Parent entities	
Immediate Parent Company	Tenneco Clean Air India Limited (w.e.f. 26 March 2025) (Subsidiary of Tenneco Mauritius Holdings Limited, Mauritius) Tenneco Mauritius Holdings Limited, Mauritius is an indirect subsidiary of Tenneco LLC,Delaware, which is owned through a set of holding entities by AP IX Pegasus Holdings L.P.Delaware. AP IX Pegasus Holdings L.P. Delaware is owned by certain funds which are managed and/or advised by affiliates of Apollo Global Management Inc.

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

	Description of relationship	Name of related parties
	Fellow Subsidiaries	Federal Mogul Motorparts LLC Federal Mogul PTY Ltd (on and after 24 March 2025) Federal Mogul Global Aftermarket EMEA Federal Mogul Yura Qingdao Ignition Co. Ltd. Federal Mogul Goetze (India) Limited Federal Mogul Powertrain Solutions India Private Limited Federal Mogul Italy S.R.L. Federal Mogul De-Mexico SA DE Federal-Mogul Holding Deutschland GmbH Federal Mogul Ignition Products SAS- France Motocare India Private Limited Yura Federal Mogul Sejong Ignition LLC Federal Mogul Sealings India Limited Federal Mogul Powertrain LLC Advanced Suspension Technology LLC (formerly, DriV Automotive Inc.) Federal Mogul Ignition LLC Federal Mogul Ignition GmbH Tenneco Clean Air India Limited Tenneco India Operations Private Limited
(iii)	Key Management Personnel	Thiagarajan Kannan (w.e.f. 1 February 2024 upto 18 October 2024), Director Jasbir Singh (w.e.f 22 October 2024), Director Dr. Khalid Iqbal Khan (upto 19 May 2025), Director Manish Chadha (w.e.f. 24 May 2023 upto 11 August 2025), Director Pankaj Dhir (w.e.f. 7 August 2023 upto 18 October 2024), Whole Time Director Upkar Singh Randhawa (w.e.f. 11 November 2024), Whole Time Director Sumit Gupta (w.e.f 1 March 2024 upto 31 January 2026), Chief Financial Officer Lalita Sanjay Notani (upto 12 November 2024), Company Secretary Pulkit Verma (w.e.f 9 May 2025 upto 10 June 2025), Company Secretary Manoj Sharma (w.e.f 6 February 2026), Chief Financial Officer Akansha Arora (w.e.f. 4 December 2025 upto 5 February 2026), Company Secretary Priya Nimje (w.e.f. 6 February 2026), Company Secretary Abhishesk Aggarwal, Additional Director (w.e.f. 01 April 2026)

Federal-Mogul Ignition Products India Limited
CIN: U51109DL1998PLC195010
Notes to financial statements for the year ended 31 March 2026
(All amounts in Rs Millions, unless otherwise stated)

27 Related Party Disclosures (contd…)

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

Nature of transaction	Nature of related party relationship	Year ended 31 March 2026	Year ended 31 March 2025
(i) Sale of products			
Federal Mogul Global Aftermarket EMEA	Fellow subsidiary	31.09	49.23
Yura Federal Mogul Sejong Ignition LLC	Fellow subsidiary	0.33	0.32
Federal Mogul Motorparts LLC	Fellow subsidiary	2.94	2.15
Motocare India Private Limited	Fellow subsidiary	434.20	603.36
Federal Mogul Goetze (India) Limited	Fellow subsidiary	4.10	1.02
Federal Mogul Ignition LLC	Fellow subsidiary	60.14	45.07
Federal Mogul Yura Qingdao Ignition Co. Ltd.	Fellow subsidiary	0.04	-
Federal Mogul Ignition Products SAS- France	Fellow subsidiary	0.20	-
Federal Mogul De-Mexico SA DE	Fellow subsidiary	0.32	-
		533.36	**701.15**
(ii) Loan received back			
Federal Mogul Sealings India Limited	Fellow subsidiary	-	200.00
		-	**200.00**
(iii) Interest income on intercorporate deposit			
Federal Mogul Sealings India Limited	Fellow subsidiary	-	16.15
		-	**16.15**
(iv) Reimbursement of expenses received			
Federal Mogul Powertrain LLC	Fellow subsidiary	58.24	27.30
Advanced Suspension Technology LLC (formerly, DriV Automotive Inc.)	Fellow subsidiary	-	1.09
Federal Mogul Goetze (India) Limited	Fellow subsidiary	0.48	1.62
Tenneco Clean Air India Limited	Immediate Parent Company	3.95	
		62.67	**30.01**
(v) Management services (other income)			
Federal Mogul Powertrain LLC	Fellow subsidiary	8.78	4.00
Advanced Suspension Technology LLC (formerly, DriV Automotive Inc.)	Fellow subsidiary	-	0.16
		8.78	**4.16**
(vi) Royalty expenses			
Federal Mogul Powertrain LLC	Fellow subsidiary	55.75	55.38
		55.75	**55.38**
(vii) Purchase of raw materials			
Federal Mogul Yura Qingdao Ignition Co. Ltd.	Fellow subsidiary	51.18	54.24
Federal Mogul De-Mexico SA DE	Fellow subsidiary	11.51	38.28
Federal Mogul Italy S.R.L.	Fellow subsidiary	102.58	80.89
Federal Mogul Ignition Products SAS- France	Fellow subsidiary	0.60	0.08
Federal Mogul Ignition GmbH	Fellow subsidiary	4.92	1.25
Yura Federal Mogul Sejong Ignition LLC	Fellow subsidiary	-	2.34
Federal Mogul Ignition LLC	Fellow subsidiary	699.39	747.70
		870.18	**924.78**
(viii) Networking fees			
Federal Mogul Ignition LLC	Fellow subsidiary	11.19	-
		11.19	**-**
(ix) Corporate Support Service charges			
Federal Mogul Holding Deutschland GmbH	Fellow subsidiary	-	63.96
Tenneco Clean Air India Limited	Immediate Parent Company	0.58	-
Tenneco India Operations Private Limited	Fellow subsidiary	1.92	-
		2.50	**63.96**

(All amounts in Rs Millions, unless otherwise stated)

27 Related Party Disclosures (contd…)

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

Nature of transaction	Nature of related party relationship	Year ended 31 March 2026	Year ended 31 March 2025
(x) Dividend paid			
Federal Mogul PTY Ltd (Parent Company till 24 March 2025)	Fellow subsidiary	-	538.57
		-	**538.57**
(xi) Purchase of capital goods			
Federal Mogul Yura Qingdao Ignition Co. Ltd.	Fellow subsidiary	-	1.26
Federal Mogul Ignition LLC	Fellow subsidiary	5.33	-
Federal Mogul Ignition GmbH	Fellow subsidiary	1.45	1.48
Yura Federal Mogul Sejong Ignition LLC	Fellow subsidiary	2.28	-
		9.06	**2.74**
(xii) Dividend Received*			
Federal Mogul Powertrain Solutions India Private Limited	Fellow subsidiary	-	0.00
		-	**0.00**
(xiii) Balance written off			
Motocare India Private Limited	Fellow subsidiary	-	0.13
Federal Mogul Yura Qingdao Ignition Co. Ltd.	Fellow subsidiary	-	0.07
		-	**0.20**
(xiv) Reimbursement made			
Federal Mogul Powertrain LLC	Fellow subsidiary	-	60.67
Federal Mogul Yura Qingdao Ignition Co. Ltd.	Fellow subsidiary	0.19	-
		0.19	**60.67**

* Rounded off to Rs. Nil

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(All amounts in Rs Millions, unless otherwise stated)

27 Related Party Disclosures (contd…)

(c) Balances with related parties

Nature of outstanding	Nature of related party relationship	As at 31 March 2026	As at 31 March 2025
(i) Trade Payables			
Federal Mogul Goetze (India) Limited	Fellow Subsidiary	-	1.61
Federal Mogul Yura Qingdao Ignition Co. Ltd.	Fellow Subsidiary	20.50	17.39
Federal Mogul Holding Deutschland GmbH	Fellow Subsidiary	-	63.96
Federal Mogul De-Mexico SA DE	Fellow Subsidiary	7.13	11.61
Federal Mogul Italy S.R.L.	Fellow Subsidiary	52.90	8.38
Federal Mogul Ignition Products SAS- France	Fellow Subsidiary	0.65	0.08
Federal Mogul Powertrain LLC	Fellow Subsidiary	21.68	65.28
Federal Mogul Ignition GmbH	Fellow Subsidiary	0.48	1.48
Federal Mogul Ignition LLC	Fellow Subsidiary	234.42	146.92
Tenneco Clean Air India Limited	Immediate Parent Company	0.63	-
Tenneco India Operations Private Limited	Fellow Subsidiary	0.62	-
Yura Federal Mogul Sejong Ignition LLC	Fellow Subsidiary	2.28	-
Total		**341.29**	**316.71**
ii) Trade Receivables			
Federal Mogul Global Aftermarket EMEA	Fellow Subsidiary	3.67	19.95
Federal Mogul Goetze (India) Limited	Fellow Subsidiary	1.49	-
Federal Mogul Motorparts LLC	Fellow Subsidiary	4.06	1.18
Federal Mogul Holding Deutschland GmbH	Fellow Subsidiary	-	7.82
Motocare India Private Limited	Fellow Subsidiary	31.79	52.33
Federal Mogul Ignition LLC	Fellow Subsidiary	15.21	22.46
Federal Mogul De-Mexico SA DE	Fellow Subsidiary	0.34	-
		56.57	**103.74**
iii) Other receivables			
Advanced Suspension Technology LLC (formerly, DriV Automotive Inc.)	Fellow Subsidiary	-	10.51
Federal Mogul Powertrain LLC	Fellow Subsidiary	22.37	9.00
Federal Mogul Goetze (India) Limited	Fellow Subsidiary	0.60	-
		22.97	**19.51**
iv) Capital Commitments			
Federal Mogul Ignition LLC [Refer Note. 31(a)]	Fellow Subsidiary	**359.50**	**-**

(d) Key Managerial Personnel ('KMP')*:

Remuneration to KMP	Designation	As at 31 March 2026	As at 31 March 2025
Pankaj Dhir	Whole Time Director	-	3.46
Sumit Gupta	Chief Financial Officer	4.92	3.09
Manoj Sharma	Chief Financial Officer	0.56	-
Lalita Sanjay Notani	Company Secretary	-	0.18
Jasbir Singh**	Whole Time Director	16.90	-
Upkar Singh	Whole Time Director	4.62	2.10
Pulkit Verma	Company Secretary	0.03	-
Akansha Arora	Company Secretary	0.41	-
Priya Nimje	Company Secretary	0.18	-
Total (Short term benefits)		**27.61**	**8.83**

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

** Includes amount cross charged to a related party. Refer Note 27(b).

(All amounts in Rs Millions, unless otherwise stated)

27 Related Party Disclosures (contd…)

(d) Additional information:

(i) The information above has been determined to the extent such parties have been identified by the Company and relied upon by the auditors.

(ii) There are no specific provisions for doubtful debts related to the amount of outstanding balances. Loss allowances has been determined by applying expected credit loss model (Refer Note 29)

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

Particulars	As at 31 March 2026	As at 31 March 2025
Federal-Mogul Sealings India Limited (fellow subsidiary)#		
Outstanding at the beginning of the year	-	200.00
Given during the year	-	-
Received back during the year	-	(200.00)
Outstanding at the end of the year	-	-

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

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(All amounts in Rs Millions, unless otherwise stated)

28. Fair value disclosures

i) Fair values hierarchy

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

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

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

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

ii) Fair value of instruments measured at amortised cost

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

Financial instruments by category

Particulars	As at 31 March 2026	As at 31 March 2025
Financial assets		
Measured at Amortised cost		
Trade receivables	392.52	417.78
Cash and cash equivalents	462.92	160.74
Other financial assets	40.15	37.30
Total	**895.59**	**615.82**

Particulars	As at 31 March 2026	As at 31 March 2025
Financial liabilities		
Measured at Amortised cost		
Trade payables	531.59	538.02
Lease Liabilities	1.09	0.35
Other financial liabilities	17.01	3.97
Total	**549.69**	**542.35**

29. Financial risk management

Risk Management

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

A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.
The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Cash and cash equivalents and bank deposits

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

Trade receivables

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

Other financial assets measured at amortised cost

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

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(All amounts in Rs Millions, unless otherwise stated)

Expected credit losses:

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

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

As at 31 March 2026

Particulars	upto 1 year	> 1 year
Gross amount of trade receivables where no default (as defined above) has occurred	391.49	2.11
Rate of ECL	0.00%	51.13%
Expected credit loss(loss allowance provision including specific identified provision) (refer note 6(a))	-	1.08

As at 31 March 2025

Particulars	upto 1 year	> 1 year
Gross amount of trade receivables where no default (as defined above) has occurred	418.70	-
Rate of ECL	0%	-
Expected credit loss(loss allowance provision including specific identified provision) (refer note 6(a))	0.92	-

Reconciliation of loss allowance

Particulars	Amount
Balance as at April 1, 2024	**5.31**
Impairment loss recognised during the year (net)	(4.39)
Balance as at March 31, 2025	**0.92**
Impairment loss recognised during the year (net)	0.16
Loss allowance as on 31 March 2026	**1.08**

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash 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 and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements as applicable and maintaining debt financing plans.

Maturities of financial liabilities

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

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

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
As at 31 March 2026				
Trade payables	531.59	-	-	531.59
Lease liabilities	0.45	0.80	1.22	2.47
Other financial liabilities	17.01	-	-	17.01
Total	**549.05**	**0.80**	**1.22**	**551.07**

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
As at 31 March 2025				
Trade payables	538.02	-	-	538.02
Lease liabilities	0.34	0.01	1.22	1.57
Other financial liabilities	3.97	-	-	3.97
Total	**542.33**	**0.01**	**1.22**	**543.56**

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C) Market Risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar,GBP, Euro and Chinese Yuan. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of any of the Company.

(i) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting year are as follows

Particulars	Foreign currency	As at 31 March 2026	As at 31 March 2025
Financial liabilities			
Trade payables	USD	3.13	2.19
	Equivalent in Rs. Millions	299.57	190.65
	EUR	0.49	0.10
	Equivalent in Rs. Millions	53.88	9.55
	GBP	0.01	0.00
	Equivalent in Rs. Millions	1.46	0.31
	CNY	1.76	3.13
	Equivalent in Rs. Millions	24.99	38.55
Financial assets			
Trade receivables			
	USD	0.49	0.66
	Equivalent in Rs. Millions	45.56	55.33
	EUR	0.03	0.22
	Equivalent in Rs. Millions	3.67	19.95
EEFC Bank a/c			
	USD	0.02	0.11
	Equivalent in Rs. Millions	2.17	9.54
	EUR	0.08	0.03
	Equivalent in Rs. Millions	8.68	2.59

Sensitivity

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

Particulars	As at 31 March 2026	As at 31 March 2025
(a) Trade payables*		
USD sensitivity		
Rs/USD- increase by 0.50%	(1.50)	(0.95)
Rs/USD- decrease by 0.50%	1.50	0.95
EUR sensitivity		
Rs/EUR- increase by 0.50%	(0.27)	(0.05)
Rs/EUR- decrease by 0.50%	0.00	-
GBP sensitivity		
Rs/GBP- increase by 0.50%	(0.01)	(0.00)
Rs/GBP- decrease by 0.50%	0.01	0.00
CNY sensitivity		
Rs/CNY- increase by 0.50%	(0.12)	(0.19)
Rs/CNY- decrease by 0.50%	0.12	0.19
(b) Trade receivables*		
USD sensitivity		
Rs/USD- increase by 0.50%	0.23	0.28
Rs/USD- decrease by 0.50%	(0.23)	(0.28)
EUR sensitivity		
Rs/EUR- increase by 0.50%	0.02	0.10
Rs/EUR- decrease by 0.50%	(0.02)	(0.10)
(c) EEFC Bank a/c*		
USD sensitivity		
Rs/USD- increase by 0.50%	0.01	0.05
Rs/USD- decrease by 0.50%	(0.01)	(0.05)
EUR sensitivity		
Rs/EUR- increase by 0.50%	0.04	0.01
Rs/EUR- decrease by 0.50%	(0.04)	(0.01)

** Holding all other variables constant*

(All amounts in Rs Millions, unless otherwise stated)

b) Interest rate risk
i) Liabilities
The Company does not have any long term or short term borrowings. Hence, it is not exposed to any interest rate risks.

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

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

30. Capital management
The Company' s capital management objectives are:
- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

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

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

Particulars	**As at 31 March 2026**	**As at 31 March 2025**
Total debt (including lease liabilities)	1.09	0.36
Less: Cash and cash equivalents (restricted to total debt)	1.09	0.36
Net debt	**-**	**-**
Total equity (as shown on the face of balance sheet)	**1,132.25**	**834.62**
Debt to equity ratio:	**0.00**	**0.00**
Net debt to equity ratio:	**-**	**-**

31. Commitments and Contingent liabilities

a) Capital commitments

Particulars	**As at 31 March 2026**	**As at 31 March 2025**
Estimated amount of contracts, remaining to be executed on capital account and not provided [net of capital advances of Rs 0.89 millions (31 March 2025: Rs. 7.60 millions)]	360.57	6.17
	360.57	**6.17**

b) Contingent liabilities*

Particulars	**As at 31 March 2026**	**As at 31 March 2025**
Direct Tax litigations pending for disposal by the Income tax authorities (Also Refer note 34(b))	112.51	87.80
Litigations related to labour law	3.21	2.80
	115.72	**90.60**

* The management is of the opinion that appeals will be allowed in the favour of the Company and hence no provision is required for the above.
The Company has involved experts for the cases above and on the basis of advice received from them the Company believes that no liability with respect to these cases will devolve on Company. Also refer note 34(b)

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(All amounts in Rs Millions, unless otherwise stated)

32. Segment information

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

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

The Company's revenue with external customers individually contributing 10 % or more of revenue from operations:
a) Customer A represented approximately 16.32% of revenue from operations in financial year 2025-26 (2024-25: 14.62%)
b) No other single customer represents 10% or more to the revenue of the Company for the financial year ended 31 March 2026 and 31 March 2025.

(c) Geographical information in respect of Revenue from external customers (including other operating revenue) is given below:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
India	2,547.37	2,398.94
Other countries	176.59	239.68
Total	**2,723.96**	**2,638.62**

Also refer note 17 for disaggregation of revenue

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

Particulars	As at 31 March 2026	As at 31 March 2025
India	343.28	342.50
Other countries	49.24	75.28
	392.52	**417.78**

The Company has common assets for producing goods for India and outside countries. Hence, separate figures for non-current assets have not been reported.

33. Employee benefit obligations

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

(i) Defined Contribution Plans

Particulars	As at 31 March 2026	As at 31 March 2025
i) Employer's Contribution to Provident fund	7.72	6.62
ii) Employer’s Contribution to National Pension Scheme and Employees State Insurance Fund	0.42	0.51
Total (refer note 21)	**8.14**	**7.13**

(ii) Defined Benefit Plan

A. Gratuity (unfunded)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services, gets a gratuity on departure at 15 days basic salary (last drawn) for each completed year of service on terms not less favorable than the provisions of the Payment of Gratuity Act, 1972. The present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous period.

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

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

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(All amounts in Rs Millions, unless otherwise stated)

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

(i) Amount recognised in the Statement of Profit and Loss is as under:

Description	As at 31 March 2026	As at 31 March 2025
Current service cost	4.01	3.04
Past service cost	13.27	-
Interest expense on defined benefit obligation	2.82	2.07
Amount recognised in the Statement of Profit and Loss (refer note 21)	**20.10**	**5.11**

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

Description	As at 31 March 2026	As at 31 March 2025
Actuarial (gain)/loss on obligations arising from changes in demographic adjustments	-	-
Actuarial (gain)/loss on obligations arising from changes in experience adjustments	6.12	0.78
Actuarial (gain)/loss on obligations arising from changes in financial assumptions	(1.61)	2.18
Remeasurements of the post employment defined benefit plans (gain)/loss	**4.51**	**2.96**
Return on plan assets	-	-
Remeasurements of the post employment defined benefit plans (gain)/loss recognised in OCI	**4.51**	**2.96**

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

Description	As at 31 March 2026	As at 31 March 2025
Present value of defined benefit obligation as at the beginning of the year	36.11	29.46
Current service cost	4.01	3.04
Past service cost [Refer note 21(a)]	13.27	-
Interest cost	2.82	2.07
Remeasurements of the post employment defined benefit plans (gain)/loss	4.51	2.96
Benefits paid directly by the Company	(2.44)	(1.42)
Other Adjustments in relation to employees whose cost is cross charged as per the contractual arrangements in this regard	10.67	-
Present value of defined benefit obligation as at the end of the year	**68.95**	**36.11**

Current liability (refer note 15)	3.72	1.68
Non-current liability (refer note 15)	65.23	34.43

(iv) Actuarial assumptions

Description	As at 31 March 2026	As at 31 March 2025
Discount rate	6.80%	6.50% p.a.
Normal retirement age	58 years	58 years
Mortality rate	Indian Assured Lives Mortality (IALM) (2006-08) (modified) Ult.	Indian Assured Lives Mortality (IALM) (2006-08) (modified) Ult.
Disability rate	5.0% of mortality rate	5.0% of mortality rate
Employee turnover#	Upto 24 years: 1%, 25-34 years: 10%, 35-49 years: 6.5%, 50 years & above: 0.5%	Upto 24 years: 1%, 25-34 years: 10%, 35-49 years: 6.5%, 50 years & above: 0.5%
Expected rate of return on Plan Assets	NA	NA
Salary increase rate^#	10%p.a.	10%p.a.

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

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

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(All amounts in Rs Millions, unless otherwise stated)

(v) A quantitative sensitivity analysis for gratuity liability:

Description	As at 31 March 2026	As at 31 March 2025
Impact of the change in discount rate		
- Impact due to increase of 0.50 %	(2.54)	(34.52)
- Impact due to decrease of 0.50 %	2.71	37.79
Impact of the change in salary increase		
- Impact due to increase of 0.50 %	2.62	(37.73)
- Impact due to decrease of 0.50 %	(2.48)	34.56

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

The weighted average duration of the defined benefit obligation is 7 years as on 31 March 2026 (31 March 2025: 8 years).

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

The weighted average duration of the defined benefit obligation is 7 years. The expected maturity analysis of defined benefit plan (gratuity) (on as undiscounted basis) is as follows:

Description	As at 31 March 2026
Year ended 31 March 2027	3.84
Year ended 31 March 2028	3.55
Year ended 31 March 2029	3.10
Year ended 31 March 2030	25.09
Year ended 31 March 2031	4.20
Year ended 32 March 2036 and above (Next 6 years)	39.77

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

B. Compensated absences

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

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

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

Description	As at 31 March 2026
Year ended 31 March 2027	1.88
Year ended 31 March 2028	1.98
Year ended 31 March 2029	1.83
Year ended 31 March 2030	2.80
Year ended 31 March 2031	1.56
Year ended 32 March 2036 and above (Next 6 years)	7.33

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

34.a As per transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961, the Company is required to use certain specific methods in computing arm's length prices of international transactions with associated enterprises and maintain adequate documentation in this respect. Since law requires existence of such information and documentation to be contemporaneous in nature, the Company has appointed independent consultants for conducting a Transfer Pricing Study (the 'Study') to determine whether the transactions with associate enterprises undertaken during the financial year are on an "arms length basis". Basis the on going study by an independent consultants, the management is of the opinion that the Company's international transactions are at arm's length and are not expected to result in any transfer pricing adjustments having impact on the tax expenses recognized on the financial statements .

34.b There are certain ongoing matters related to tax, labour laws, Goods and Service Tax and other regulatory matter ('litigations'), the outcome of which may not be favourable to the Company. The Company is actively seeking to resolve these actual and potential statutory, taxation and regulatory matters. Management is in consultation with the legal, tax and others advisers to assess the likelihood that a pending claim will succeed. The Company has applied its judgement and has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities where economic outflows are considered possible but not probable. Based on management assessment on likelihood, timing of cash outflows (current/non-current), interpretation of local laws, pending disposal of these matters and consultations obtained from the management experts, where considered necessary in respect of these matters, the management has recognised for provision for contingencies towards legal, tax and other regulatory matters amounting to Rs.17.63 millions as at 31 March 2026 (31 March 2025: Rs. 16.30 millions).

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(All amounts in Rs Millions, unless otherwise stated)

35 Ratio as per schedule III requirements

Ratio	Numerator	Denominator	Year ended 31 March 2026	Year ended 31 March 2025	Reason for variance
Current ratio	Current Assets	Current Liabilities	2.38	1.82	Due to increase in Inventory & Cash at Bank at year end.
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	30.61%	20.00%	Improved on account of profit from operations during the year.
Inventory Turnover ratio	Revenue from operations	Average Inventories	6.01	6.45	Due to Increase in Inventory
Trade Receivable Turnover Ratio	Revenue from operations	Average Trade Receivables	6.72	6.71	Refer note 1 below
Trade Payable Turnover Ratio	Purchases	Average Trade Payables	2.94	3.26	Refer note 1 below
Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets - Current liabilities	3.40	5.57	Dropped due to increase in Inventory & Cash at year end.
Net Profit ratio	Net profit after taxes	Revenue from operations	11.05%	7.61%	Improved due to increase in profit from operations.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	37.17%	32.45%	Improved due to increase in profit from operations.
Return on Investment (ROI)	Income generated from funds in fixed deposits	Average invested funds in fixed deposits	4.73%	1.41%	Due to increase in Interest income from fixed deposit.

Note 1: Schedule III require explaination where the change in the ratio is more than 25% as compared to the preceding year, Since there are six instances where the change is more than 25% i.e. Current ratio, Return on Equity ratio, Net capital turnover ratio, Net Profit ratio, Return on capital employed and Return on Investment (ROI) , hence explanation is given only for the said ratios.

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

36 As per the MCA notification dated 05 August 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up on daily basis of such books of account and other relevant books and papers maintained in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create back-up of accounts or servers physically located in India on a daily basis. The books of accounts along with other relevant records and papers of the Company are maintained in electronic mode on servers physically located out of India till December 16, 2025 and thereafter, the Company has started keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India.

37 Additional Disclosures

i) The Company does not have any immovable properties, other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee held in its name.

ii) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.

iii) The Company has not revalued its property, plant and equipment or intangible assets or both during the year.

iv) The Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets. So, there is no requirement to file monthly / quarterly return with banks.

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

vi) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

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

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

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

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

xi) The Company did not have any long term contracts including derivative contracts for which there were any material forseeable losses.

xii) The Company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

xiii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

xiv) As per the proviso to Rule 3(1) of Companies(Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023 every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.
The Company uses SAP as its primary accounting softwares for recording all the accounting transactions viz., sales, purchases, production/costing, fixed assets, other expenses, payroll, cash and bank transactions, journal entries and all other general ledger accounting transactions for the year ended 31 March 2026. The Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes.

Additionally, the audit trail that was enabled and operated has been preserved by the Company as per the statutory requirements for record retention.

xv) The provisions of Section 177 of Companies Act, 2013 are not applicable to the Company as it is wholly owned subsidiary of Tenneco Clean Air India Limited, listed parent company.

xvi) There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

38 The Company had overseas receivable from related parties and others on account of goods and services provided which included balances due for more than nine months as at March 31, 2026 amounting to Rs. 8.08 million (31 March 2025 Rs. 10.51 million,). These amounts are overdue for a period beyond the time stipulated under Foreign Exchange Management Act 1999 ("FEMA"). 'The Company has intimated the AD banker in respect of aforesaid outstanding receivables. Management is of view that outstanding amount of Rs.8.08 million as on 31 March 2026 will be received in due course and consequential penalty, if any is not expected to be material to the financial statements and therefore, no provision has been recognized in the financial statements.

39 The Company had payables to overseas parties on account of import of goods and services which include balance due for more than six months as at March 31, 2026 amounting to Rs. 4.10 million (31 March 2025: Rs. 1.77 million). These amounts are overdue for a period beyond the time stipulated under Foreign Exchange Management Act 1999 ("FEMA"). 'The Company has intimated AD banker in respect of aforesaid outstanding payables. Management is of view, that outstanding amount of Rs. 4.10 million will be paid in due course and consequential penalty, if any is not expected to be material to the financial statements and therefore, no provision has been recognized in the financial statements.

40 The Company could not convene Annual General Meeting of the shareholders for the year ended 31 March 2024 within stipulated time period resulting in non-compliances with applicable provisions (such as section 92, 96 and 137) of the Companies Act, 2013.

Based on the compounding order received recived durig the year ended 31 March 2026, the Company paid the compounding fees of Rs. 0.30 million and the consequently, excess provision of Rs. 4.98 million was reversed. The matter stands fully compounded with no further liability or pending legal exposure.

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41 The Board of Directors is of view that there are no subsequent events requiring adjustments/disclosures to the financial statements for the year ended 31 March 2026.

42 Amounts mentioned as "0" in the financial statements denote amounts rounded off being less than INR million and rounding differences may occur between individual figures and totals.

43 Figures for the previous period are re-arranged, wherever necessary, to conform to the figures of the current period. The same does not have any material impact on the financial statements.

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

Jasbir Singh	**Upkar Singh Randhawa**
Whole time Director	Whole time Director
DIN: 10817653	DIN: 10834630
Place: Patiala	Place: Bhiwadi
Manoj Sharma	**Priya Nimje**
Chief Financial Officer	Company Secretary
PAN: BROPM7222C	Membership No: A-69348
Place: Bhiwadi	Place: Pune

Date: 30 May 2026