

Independent Auditor's Report

To the Members of

Tenneco Clean Air India Limited (Formerly known as Tenneco Clean Air India Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Tenneco Clean Air India Limited** (Formerly known as Tenneco Clean Air India Private 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 standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards 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, other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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 Management Discussion and Analysis and Board's Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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 standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India (refer Note 38A to the standalone 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 books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 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 standalone 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 standalone 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 director 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 standalone financial statements - Refer Note 31(b) to the standalone financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amount which were required to be transferred to the Investor Education and Protection fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 38A to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 38A to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act. The Company 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 the 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 43 to the standalone financial statements).

Additionally, the audit trail that was enabled and operated for the year ended 31 March 2025 has been preserved by the Company as per the statutory requirements for record retention, as stated in note 43 to the standalone 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)

Sachanand C Mohnani

Partner

(Membership No. 407265)

UDIN: 26407265APHECV3442

Place: Pune

Date: 30 May 2026

Annexure “A” to the Independent Auditor’s Report

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

Report on the Internal Financial Controls with reference to standalone 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 standalone financial statements of Tenneco Clean Air India Limited (Formerly known as Tenneco Clean Air India Private Limited) (the “Company”) as at 31 March 2026 in conjunction with our audit of the standalone 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 standalone financial statements based on the internal control with reference to standalone 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 standalone 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 standalone 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company’s internal financial control with reference to standalone 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 standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any

evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2026, based on the criteria for internal financial control with

reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm 's Registration No.117366W/W-100018)

Sachanand C Mohnani

Partner

(Membership No. 407265)

UDIN: 26407265APHECV3442

Place: Pune

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 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.
- (c) With respect to immovable properties disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us, we report that, the lease agreements of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

Description of Property	As at the Balance Sheet Date (₹ in Mn)		Held in the name of	Whether promoter, director or their relative or employee	Period held since	Reasons for not being in the name of the Company
	Gross Carrying value	Carrying value in the financial statements				
Lease hold land situated at Plot No. G-6, Phase III, Chakan MIDC, At Post Kurali, Taluka-Khed, Pune – 410501	98.82	82.95	Tenneco Exhaust India Private Limited	No	2018	There was change in the name of the company from Tenneco Exhaust India Private Limited to Tenneco Automotive India Private Limited and then to Tenneco Clean Air India Limited. Hence, the property is in the name of the earliest 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 stock held with third parties), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanation given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. 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. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has been sanctioned working capital facility in excess of ₹ 5 Crores from banks or financial institution on the basis of security of current assets but not utilised the said amount, 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 section 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 deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause 3(vi) of the Order is not applicable.

- (vii) In respect of statutory dues:

- (a) Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, duty of Excise, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, cess and other material statutory dues in arrears as at 31 March 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:

Amount (₹) in Million.

Name of the Statute	Nature of the Dues	Amount	Amount paid under protest	Period to which the Amount Relates	Forum where Dispute is Pending
Maharashtra Stamp Act, 1958	Stamp Duty on demerger (including penalty)	196.57	Nil	2019-20	Collector of Stamps (Enforcement-I) Mumbai
Customs Act, 1962	Customs Duty	59.26	Nil	2011-12	Commissioner of customs (Import)
Customs Act, 1962	Customs Duty	20.48	0.50	2021-22 2022-23	Commissioner of Customs NS-I
Customs Act, 1962	Customs Duty	1.12	Nil	2024-25	Addl. Commissioner of Customs, NS-I, JNCH
The Central Excise Act, 1944	Excise Duty	5.54	Nil	2015-16	Commissioner of Central Excise, Pune
Income Tax Act, 1961	Income Tax	8.24	Nil	2019-20	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	65.11	Nil	2020-21	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	21.55	Nil	2022-23	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	75.98	Nil	2022-23	Commissioner of Income Tax (Appeals)
Good & Services Tax Act, 2017	GST	5.62	Nil	2020-21	Deputy Commissioner of State Tax
Good & Services Tax Act, 2017	GST	3.45	Nil	2021-22	Deputy Commissioner of State Tax
Good & Services Tax Act, 2017	GST	0.55	Nil	2019-20	Joint Commissioner of State Tax (Appeals)
Good & Services Tax Act, 2017	GST	1.11	0.10	2020-21	Joint Commissioner of State Tax (Appeals)
Good & Services Tax Act, 2017	GST	0.09	Nil	2019-20	Assistant Commissioner

- (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 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, prima-facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries.
- (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 up to the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by Company during the year (and upto the date of this report) and provided to us, when performing our audit.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act, where applicable, for all the transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto 31 March 2026.
- (xv) In our opinion, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group does not have any Core Investment Company as part of the group as at 31 March 2026, and accordingly reporting under clause 3 (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year and accordingly reporting under clause 3 (xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability

of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In respect of other than ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a fund specified in Schedule VII to the Companies Act, 2013 before the date of this report and within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of Section 135 of the said Act.

- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

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

Sachanand C Mohnani
Partner

Place: Pune
Date: 30 May 2026

(Membership No. 407265)
UDIN: 26407265APHECV3442

Standalone Balance Sheet

as at March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	2,185.13	2,476.97
Right-of-use assets	4	264.98	269.90
Capital work in progress	3(a)	43.78	29.67
Intangible assets	3(b)	3.58	5.57
Financial assets			
i. Investments	5(a)	54,741.55	54,741.55
ii. Loans	5(f)	0.13	0.31
iii. Other financial assets	5(b)	43.58	38.56
Deferred tax assets (net)	6	123.33	97.95
Income tax assets (net)	7	63.45	8.24
Other non-current assets	8	253.34	2.16
Total non-current assets		57,722.85	57,670.88
Current assets			
Inventories	9	1,165.29	943.04
Financial assets			
i. Trade receivables	5(c)	2,386.45	2,631.35
ii. Cash and cash equivalents	5(d)	3,592.86	1,769.92
iii. Bank balances other than (ii) above	5(e)	1.65	1.55
iv. Loans	5(f)	290.83	306.06
v. Other financial assets	5(b)	1,086.77	324.71
Income tax assets (net)	7	26.60	-
Other current assets	10	312.80	272.36
Total current assets		8,863.25	6,248.99
Total assets		66,586.10	63,919.87
EQUITY AND LIABILITIES			
Equity			
i. Equity share capital	11(a)	4,036.04	4,036.04
ii. Other Equity	11(b)	56,344.64	54,700.65
Total equity		60,380.68	58,736.69
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Lease Liabilities	12(b)	127.44	131.75
Provisions	14	319.63	193.31
Total non-current liabilities		447.07	325.06
Current liabilities			
Financial liabilities			
i. Lease Liabilities	12(b)	34.99	29.01
ii. Trade payables	12(a)		
(a) total outstanding dues of micro enterprises and small enterprises		298.50	299.02
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		4,774.68	3,451.62
iii. Other financial liabilities	12(c)	84.70	73.50
Other current liabilities	13	520.60	851.10
Provisions	14	44.88	54.01
Current tax liabilities (net)	15	-	99.86
Total current liabilities		5,758.35	4,858.12
Total liabilities		6,205.42	5,183.18
Total equity and liabilities		66,586.10	63,919.87

The accompanying material accounting policies and other explanatory notes (1-46) form an integral part of the Standalone Financial Statements.

As per our report attached

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

Sachanand C Mohnani
Partner
Membership No.: 407265

Place: Pune
Date: May 30, 2026

For and on behalf of the Board of Directors
Tenneco Clean Air India Limited
(formerly known as **Tenneco Clean Air India Private Limited**)

Arvind Chandrasekharan
Whole-time Director and CEO
DIN: 08721916
Place: Bengaluru

Mahender Chhabra
Chief Financial Officer

Place: Gurugram
Date: May 30, 2026

Manavendra Singh Sial
Director
DIN: 11095791
Place: California, USA

Roopali Singh
Company Secretary
Membership No.: ACS15006
Place: Gurugram

Standalone Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Income			
Revenue from operations	16	22,885.20	22,367.55
Other income	17	9,119.66	73.46
Total income		32,004.86	22,441.01
Expenses			
Cost of materials consumed	18	14,745.87	14,473.20
Change in inventories of finished goods and work-in-progress	19	(149.72)	85.95
Employee benefits expense	20	1,360.30	1,184.49
Finance cost	21	164.43	147.22
Depreciation and amortisation expense	22	482.40	492.49
Other expenses	23	2,218.68	1,943.23
Total expenses		18,821.96	18,326.58
Profit before exceptional item and tax		13,182.90	4,114.43
Exceptional Items			
Statutory impact of New Labour Codes	20	(85.31)	-
Profit before tax		13,097.59	4,114.43
Tax expense	24		
Current tax		1,095.26	1,078.11
Deferred tax		(19.13)	(19.69)
Excess Provision of tax relating to earlier years		(6.93)	(4.81)
Total tax expense		1,069.20	1,053.61
Profit for the year		12,028.39	3,060.82
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		(24.79)	(9.83)
- Income tax relating to items that will not be reclassified to profit or loss		6.24	2.48
Total other comprehensive income/(loss) for the year		(18.55)	(7.35)
Total comprehensive income for the year		12,009.84	3,053.47
Earnings per equity share (nominal value of ₹10 each)			
Basic (₹)	25	29.80	14.09
Diluted (₹)		29.80	14.09

The accompanying material accounting policies and other explanatory notes (1-46) form an integral part of the Standalone Financial Statements.

As per our report attached

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm Registration No. 117366W/W-100018)

Sachanand C Mohnani

Partner

Membership No.: 407265

Place: Pune

Date: May 30, 2026

For and on behalf of the Board of Directors

Tenneco Clean Air India Limited

(formerly known as Tenneco Clean Air India Private Limited)

Arvind Chandrasekharan

Whole-time Director and CEO

DIN: 08721916

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Place: Gurugram

Date: May 30, 2026

Manavendra Singh Sial

Director

DIN: 11095791

Place: California, USA

Roopali Singh

Company Secretary

Membership No.: ACS15006

Place: Gurugram

Standalone Statement of Cash Flows

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash flow from operating activities		
Profit before tax	13,097.59	4,114.43
Adjustments for:		
Depreciation on property, plant and equipment	437.08	459.40
Amortisation on intangible assets	3.75	1.54
Amortisation on Right of Use Asset	41.57	31.55
Provision for expected credit loss	(3.87)	(6.19)
Excess provisions/Liabilities no longer required written back	-	(2.68)
Provision for doubtful advances	2.99	(14.34)
Provision for doubtful balances with government authorities	(14.06)	2.65
Provision for warranties	1.19	(4.67)
Interest income from financial assets	(105.30)	(50.23)
Finance cost	164.43	147.22
Loss / (Gain) on disposal of property, plant and equipment	1.45	(0.44)
Gain on termination of lease	-	(2.41)
Interest Income on Inter-Corporate Deposit	(25.79)	(12.30)
Dividend Income	(8,958.87)	-
Unrealised foreign exchange gain	(49.47)	6.10
Operating cashflow before movements in working capital	4,592.69	4,669.63
Change in operating assets and liabilities		
(Increase)/Decrease in		
- Inventories	(222.25)	701.68
- Trade receivables	248.77	(18.61)
- Current financial assets - Loans	0.22	0.00
- Other current financial assets	(758.40)	(189.78)
- Other current assets	(29.37)	505.81
- Non-Current financial assets - Loans	0.18	0.27
- Other non current financial assets	(3.24)	(9.01)
- Other non-current assets	(174.40)	0.67
Increase/(Decrease) in		
- Trade payables	1,364.00	(474.14)
- Provisions - non-current	101.53	38.33
- Provisions - current	(10.32)	14.67
- Other current financial liabilities	6.45	-
- Other current liabilities	(330.50)	168.58
Cash generated from operations	4,785.36	5,408.10
Income taxes paid (including tax deducted at source)	(1,270.02)	(1,206.82)
Net cash inflow from operating activities (A)	3,515.34	4,201.28
B. Cash flows from investing activities:		
Purchase of property plant and equipments, including capital work-in-progress and capital advances	(236.61)	(193.68)
Sale of property plant and equipments	0.63	1.23
Movement in other bank balances	(0.00)	1.46
Deposits held as margin money placed	(2.37)	(2.19)
Deposits held as margin money redeemed	1.64	-
Decrease / (Increase) in Inter-corporate deposit (net)	15.00	(150.00)
Dividend Income	8,958.87	-
Interest received	126.31	55.27
Net cash outflow from investing activities (B)	8,863.47	(287.91)

Standalone Statement of Cash Flows

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
C. Cash flows from financing activities:		
Dividend paid	(10,365.85)	(2,404.43)
Share issue expenses	-	(3.73)
Interest paid	(143.11)	(137.96)
Interest paid on Lease Liabilities	(13.34)	(9.26)
Repayment of Lease Liabilities	(33.57)	(28.07)
Net cash outflow from financing activities (C)	(10,555.87)	(2,583.45)
Net increase in cash and cash equivalents (A+B+C)	1,822.94	1,329.92
Cash and cash equivalents at the beginning of the financial year	1,769.92	440.00
Cash and cash equivalents at end of the year	3,592.86	1,769.92

Cash and Cash Equivalents as per above comprise of the following (refer note no. 5 (d))

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks		
- on current accounts	201.06	259.25
Deposits with original maturity less than 3 months	3,391.80	1,510.67
	3,592.86	1,769.92

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

The accompanying material accounting policies and other explanatory notes (1-46) form an integral part of the Standalone Financial Statements.

As per our report attached

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

Sachanand C Mohnani
Partner
Membership No.: 407265

Place: Pune
Date: May 30, 2026

For and on behalf of the Board of Directors
Tenneco Clean Air India Limited
(formerly known as Tenneco Clean Air India Private Limited)

Arvind Chandrasekharan
Whole-time Director and CEO
DIN: 08721916
Place: Bengaluru

Mahender Chhabra
Chief Financial Officer

Place: Gurugram
Date: May 30, 2026

Manavendra Singh Sial
Director
DIN: 11095791
Place: California, USA

Roopali Singh
Company Secretary
Membership No.: ACS15006
Place: Gurugram

Standalone Statement of Changes in Equity

as at March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

A) Equity share capital

Particulars	No. of shares	Amount
Balance as at April 01, 2024	21,40,88,829	2,140.89
Changes in equity share capital during the previous year	18,95,15,480	1,895.15
Balance as at April 01, 2025	40,36,04,309	4,036.04
Changes in Equity Share Capital due to prior period errors	-	-
Balance as at April 01, 2025	40,36,04,309	4,036.04
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2026	40,36,04,309	4,036.04

B) Other equity

Particulars	Reserves and Surplus			Total Equity
	Retained Earnings	Security Premium	Deemed Equity Contribution from Parent Company	
Balance as at April 01, 2024	1,187.16	-	21.79	1,208.95
Profit for the year	3,060.82	-	-	3,060.82
Dividend paid during the year (refer note 41)	(2,404.43)	-	-	(2,404.43)
Premium on issue of shares	-	52,842.66	-	52,842.66
Other comprehensive income/(loss) (net of taxes)	(7.35)	-	-	(7.35)
Balance as at March 31, 2025	1,836.20	52,842.66	21.79	54,700.65
Balance as at April 01, 2025	1,836.20	52,842.66	21.79	54,700.65
Profit for the year	12,028.39	-	-	12,028.39
Dividend paid during the year (refer note 41)	(10,365.85)	-	-	(10,365.85)
Other comprehensive income/(loss) (net of taxes)	(18.55)	-	-	(18.55)
Balance as at March 31, 2026	3,480.19	52,842.66	21.79	56,344.64

The accompanying material accounting policies and other explanatory notes (1-46) form an integral part of the Standalone Financial Statements.

As per our report attached

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm Registration No. 117366W/W-100018)

Sachanand C Mohnani

Partner

Membership No.: 407265

Place: Pune

Date: May 30, 2026

For and on behalf of the Board of Directors

Tenneco Clean Air India Limited

(formerly known as Tenneco Clean Air India Private Limited)

Arvind Chandrasekharan

Whole-time Director and CEO

DIN: 08721916

Place: Bengaluru

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Chief Financial Officer

Place: Gurugram

Date: May 30, 2026

Manavendra Singh Sial

Director

DIN: 11095791

Place: California, USA

Roopali Singh

Company Secretary

Membership No.: ACS15006

Place: Gurugram

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

1 Company overview

Tenneco Clean Air India Limited (formerly known as Tenneco Clean Air India Private Limited) ("the Company"), is principally engaged in the manufacture of catalytic converters, mufflers and exhaust pipes. The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act. The registered office of the Company is located at RNS2, Nissan Supplier Park, SIPCOT Industrial Park Oragadam, Industrial Corridor, Kancheepuram, Tamil Nadu.

Pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof) and the rules framed thereunder, vide Board approval dated February 18, 2025 and approval of Shareholders dated February 21, 2025, the name of the Company has changed from "Tenneco Clean Air India Private Limited" to "Tenneco Clean Air India Limited" by deletion of the word "Private" from the name of the Company which was approved by Ministry of Corporate Affairs dated May 16, 2025. During the year ended March 31, 2026, the Company's equity shares were listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") on November 19, 2025.

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

2 Material accounting policies

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

2.2 Summary of Material Accounting Policies

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

Basis of preparation

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

b) Current and non-current classification

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

c) Use of estimates

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

d) Property, plant and equipment

Recognition and initial measurement

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

Subsequent measurement (depreciation and useful lives)

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

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

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

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

De-recognition

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

e) Intangible assets

Recognition and initial measurement

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

Subsequent measurement (amortisation)

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

f) Impairment of non-financial assets

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

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

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

g) Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. Company performs credit assessment for customers on an annual basis. Company recognizes credit risk, on the basis of lifetime expected losses and where receivables are due for more than twelve months.

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

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

h) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Trade receivable that do not contain significant financing component are initially recognised at transaction price. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

- i. Financial assets carried at amortised cost – a financial asset is measured at the amortised cost if both the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

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. Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in a separate component of equity. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings. Dividends on these investments in equity instruments are recognised in profit or loss in accordance with Ind AS 109, unless the dividends clearly represent a recovery of part of the cost

of the investment. Dividends are included in the 'Other income' line item in profit or loss. The Group designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition (see note 5).

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

v. 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

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026
(All amounts in INR Millions, unless otherwise stated)

amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

i) **Leases**

The Company as a lessee

The Company's leased asset classes primarily consist of leases for land, building and vehicles. 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 bought out tools.	Lower of cost and net realisable value. Cost represents purchase price and other direct costs and is determined on a moving weighted average cost basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
Work-in-progress	Lower of cost and net realisable value. Cost for this purpose includes material, labour and appropriate allocation of overheads. Cost is determined on a moving weighted average basis.
Finished Goods: - Manufactured	Lower of cost and net realisable value. Cost for this purpose includes material, labour and appropriate allocation of overheads. Cost is determined on a moving weighted average basis.

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

k) **Revenue Recognition**

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. A performance obligation is a promise in a contract to transfer a distinct good (or a bundle of goods) to the customer and is the unit of account in Ind AS 115. A contract's transaction

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

price is allocated to each distinct performance obligation and recognised as revenue, as or when, the performance obligation is satisfied. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the Contract. The Company recognises revenue from the following major sources:

(i) Sale of products:

Revenue from sale of products is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. It is measured at consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. The Company recognises revenue when it transfers control over a product to a customer i.e. when goods are delivered at the delivery point, as per terms of the agreement, which could be either customer premises or carrier premises who will deliver goods to the customer. When payments received from customers exceed revenue recognised to date on a particular contract, any excess 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 30-90 days.

Variable considerations associated with such sales

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

(ii) Revenue from services

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

The Company provides 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.

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

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

(iii) Revenue from development of customer paid tools:

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

(iv) Contract assets

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

The Company's contract assets are disclosed in Note 5(b), Note 5(c) and Note 34.

(v) Contract liabilities

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

The Company's contract liabilities are disclosed in Note 13 and Note 34.

(vi) Interest:

Interest income is recorded on accrual basis.

(vii) Export Benefits/Incentives:

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

l) Statement of Cash flows

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

m) Foreign Currency Transactions

Functional and presentation currency

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

Transactions and balances

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

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

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

n) Retirement and other employee benefits

(i) Defined Contribution plan

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

(ii) Defined benefit plan

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

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

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

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

(iv) Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually

obliged or where there is a past practice that has created a constructive obligation.

o) Income Taxes

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

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

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

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

p) Earnings per Share

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

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

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

q) Provisions, contingent liabilities and contingent assets

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

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

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

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

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

Contingent liability is disclosed for:

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

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

r) Cash and Cash Equivalents

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

s) 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.

t) Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

The Company declares and pays dividends in Indian rupees. Companies are required to pay / distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

u) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

The directors of Tenneco Clean Air India Limited assess the financial performance and position of the Company and make strategic decisions. The director who has been identified as being the Chief Operating Decision Maker is the Chief Executive Officer and Whole-time Director. Refer Note 32 for segment information presented.

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

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

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognised is

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

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

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

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

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of

provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this judgement.

Significant estimates

Provision 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. Provision of 100% is made against such inventories.

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

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

w) Standards that became effective during the year

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

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

3(a). Property, Plant and Equipment

Description	Buildings	Plant and Machinery	Computers	Furniture and Fixtures	Vehicles	Total
Gross carrying amount						
Opening carrying amount as on April 01, 2024	755.79	3,997.92	137.72	42.28	2.29	4,936.00
Additions	35.39	201.41	48.16	16.50	-	301.46
Disposals/adjustments	-	(15.48)	-	-	-	(15.48)
Closing carrying amount as on March 31, 2025	791.18	4,183.85	185.88	58.78	2.29	5,221.98
Opening carrying amount as on April 01, 2025	791.18	4,183.85	185.88	58.78	2.29	5,221.98
Additions	9.30	107.10	30.30	0.61	-	147.31
Disposals/adjustments	-	(25.91)	-	(1.63)	(1.08)	(28.62)
Closing carrying amount as on March 31, 2026	800.48	4,265.04	216.18	57.76	1.21	5,340.67
Accumulated depreciation						
Opening accumulated depreciation as on April 01, 2024	197.83	1,996.49	76.97	27.63	1.39	2,300.31
Depreciation charge for the year	26.66	401.82	26.70	4.12	0.10	459.40
Disposals	-	(14.70)	-	-	-	(14.70)
Closing accumulated depreciation as on March 31, 2025	224.49	2,383.61	103.67	31.75	1.49	2,745.01
Opening accumulated depreciation as on April 01, 2025	224.49	2,383.61	103.67	31.75	1.49	2,745.01
Depreciation charge for the year	28.14	364.77	39.85	4.22	0.10	437.08
Disposals	-	(23.98)	-	(1.54)	(1.03)	(26.55)
Closing accumulated depreciation as on March 31, 2026	252.63	2,724.40	143.52	34.43	0.56	3,155.54
Net carrying amount as on March 31, 2025	566.69	1,800.24	82.21	27.03	0.80	2,476.97
Net carrying amount as on March 31, 2026	547.85	1,540.64	72.66	23.33	0.65	2,185.13

Capital Work in Progress (CWIP)

Particulars	Amount
Balance as at April 01, 2024	134.30
Additions during the year	197.20
Capitalised during the year	(301.83)
Balance as at March 31, 2025	29.67
Balance as at April 01, 2025	29.67
Additions during the year	163.17
Capitalised during the year	(149.06)
Balance as at March 31, 2026	43.78

Capital Work in Progress (CWIP) Ageing Schedule

As at March 31, 2026

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	43.78	-	-	-	43.78
Projects temporarily suspended	-	-	-	-	-

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

3(a). Property, Plant and Equipment (Contd..)

As at March 31, 2025

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	29.67	-	-	-	29.67
Projects temporarily suspended	-	-	-	-	-

There are no capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

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 (including right-of-use assets) or intangible assets or both during the current or previous period.
- 4) There is no property, plant and equipment that is pledged or under lien.
- 5) There are no impairment losses recognised during each reporting year.

3(b). Intangible assets

Description	Computer Software
Gross carrying amount	
Opening gross carrying amount as on April 01, 2024	76.40
Additions	0.38
Disposals/Adjustments	-
Closing gross carrying amount as on March 31, 2025	76.78
Opening gross carrying amount as on April 01, 2025	76.78
Additions	1.76
Disposals/Adjustments	-
Closing gross carrying amount as on March 31, 2026	78.54
Accumulated amortisation	
Opening accumulated amortisation as on April 01, 2024	69.67
Amortisation charge for the year	1.54
Disposals	-
Closing accumulated amortisation as on March 31, 2025	71.21
Opening accumulated amortisation as on April 01, 2025	71.21
Amortisation charge for the year	3.75
Disposals	-
Closing accumulated amortisation as on March 31, 2026	74.96
Net carrying amount as on March 31, 2025	5.57
Net carrying amount as on March 31, 2026	3.58

Notes:

- 1) Refer to Note 31(a) for disclosure of contractual commitments for the acquisition of Intangible assets.
- 2) No Intangible assets are pledged as security by the Company.
- 3) There are no Intangible assets under development as at each reporting year.
- 4) The Company has not revalued its Intangible Assets as on each reporting year and therefore Schedule III disclosure requirements with respect to fair value details is not applicable.

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

4. Leases

(i) Right of use assets

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

Particulars	Category of ROU asset			
	Vehicles	Leasehold land	Buildings	Total
Gross carrying value				
As at April 01, 2024	18.56	137.00	133.17	288.73
Additions	6.50	-	88.66	95.16
Disposals	(3.71)	-	(49.20)	(52.91)
Closing Gross carrying value as at March 31, 2025	21.35	137.00	172.63	330.98
As at April 01, 2025	21.35	137.00	172.63	330.98
Additions	7.17	-	29.48	36.65
Disposals	-	-	-	-
Closing Gross carrying value as at March 31, 2026	28.52	137.00	202.11	367.63
Accumulated depreciation				
As at April 01, 2024	9.89	18.43	44.29	72.61
Depreciation charge for the year	4.93	1.43	25.19	31.55
Disposals	(3.52)	-	(39.56)	(43.08)
Closing accumulated depreciation as at March 31, 2025	11.30	19.86	29.92	61.08
As at April 01, 2025	11.30	19.86	29.92	61.08
Depreciation charge for the year	5.55	1.43	34.59	41.57
Disposals	-	-	-	-
Closing accumulated depreciation as at March 31, 2026	16.85	21.29	64.51	102.65
Net carrying value				
As at March 31, 2025	10.05	117.14	142.71	269.90
As at March 31, 2026	11.67	115.71	137.60	264.98

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities for the year ended March 31, 2026

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current lease liabilities	127.44	131.75
Current lease liabilities	34.99	29.01
Total	162.43	160.76

The Company has taken building and vehicles on lease for an average lease term of 26 months to 60 months. 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 95-99 years for land leases.

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

4. Leases (Contd..)

The following is the movement in lease liabilities:

Particulars	Amount
As at April 01, 2024	108.34
Additions	92.73
Finance cost accrued during the year	9.26
Deletions	(12.24)
Payment of lease liabilities	(37.33)
Balance as at March 31, 2025	160.76
As at April 01, 2025	160.76
Additions	35.24
Finance cost accrued during the year	13.34
Deletions	-
Payment of lease liabilities	(46.91)
Balance as at March 31, 2026	162.43

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 March 31, 2026	As at March 31, 2025
Less than one year	47.65	40.72
One to five years	142.19	150.40
More than five years	-	3.88
	189.84	195.00

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 profit or loss:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation expense of right-of-use assets	41.57	31.55
Interest expense on lease liabilities	13.34	9.26
Expense relating to short-term leases (included in other expenses)	6.40	2.87
Total	61.31	43.68

(ii) Lease related disclosures

- The Company has leases for Land, buildings and vehicles. 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. The Company classifies its right-of-use assets in a consistent manner to its Land, buildings and vehicles.
- Total cash outflow for leases for the year ended March 31, 2026 was ₹ 46.91 Millions (March 31, 2025 - ₹ 37.33 Millions).
- 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.

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

5. Financial Assets

5(a) Investments

Non-Current

	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Unquoted Investments (Fully paid)				
Investments in Equity Instruments				
Tenneco Automotive India Private Limited (Face value of ₹10 each fully paid)	100,000	45,480.61	100,000	45,480.61
Federal-Mogul Sealings India Limited (Face value of ₹10 each fully paid)	7,491,712	1,153.20	7,491,712	1,153.20
Federal-Mogul Ignition Products India Limited (Face value of ₹10 each fully paid)	42,789,029	4,182.20	42,789,029	4,182.20
Federal-Mogul Bearings India Limited (Face value of ₹10 each fully paid)	8,721,086	3,925.54	8,721,086	3,925.54
	59,101,827	54,741.55	59,101,827	54,741.55

i. Investments

- The valuation methodology for these investments are disclosed in Note 2(h).
- Dividend received in respect of these investments are disclosed in Note 17 - Other Income.

5(b) Other Financial assets

Unsecured, considered good (measured at amortised cost)

Non-Current

	As at March 31, 2026	As at March 31, 2025
Security deposits	35.36	32.12
Deposits held as margin money with original maturity of more than 12 months (including accrued interest)	8.22	6.44
	43.58	38.56

Current

	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good (measured at amortised cost)		
Deposits held as margin money with original maturity of more than 12 months	0.50	1.64
Interest accrued on bank deposits	12.24	8.71
Interest accrued on inter-corporate deposits and other deposits	1.30	1.02
Receivable from Related Party [refer note 26(c)]	102.24	73.81
Unbilled revenue	27.95	239.53
Balance in Escrow Account (Refer Note below)	942.54	-
	1,086.77	324.71

Note: During the year ended March 31, 2026, the Company's equity shares were listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") on November 19, 2025, pursuant to the completion of its Initial Public Offering ("IPO") through an Offer for Sale ("OFS") of 90.68 Million equity shares of face value ₹10 each at an issue price of ₹397 per equity share by Tenneco Mauritius Holdings Limited (the "Selling Shareholder"). As per the offer agreement entered between the Company and the Selling Shareholder, the selling shareholder shall reimburse the share issue expenses. Accordingly, the Company has recovered the expenses incurred in connection with the issue on completion of IPO during

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

5. Financial Assets (Contd..)

the current year. The Company has received proceeds in the share escrow account aggregating to ₹36,000 Million, out of which ₹29,231 Million was paid to the Selling Shareholder, and ₹ 5,826.46 Million to various agencies for IPO expenses (including taxes and stamp duty) up to 31 March 2026. The remaining funds amounting to ₹ 942.54 Million, which are yet to be paid to the selling shareholders after payments of balance IPO expenses, is held in share escrow account with scheduled commercial bank. Being 100% OFS, the Company has not presented the utilisation of the proceeds of IPO.

5(c) Trade receivables

	As at March 31, 2026	As at March 31, 2025
Trade receivables from external parties	1,823.54	2,147.29
Trade receivables from related parties [Refer Note 26(c)]	562.91	487.93
Less: Allowance for expected credit loss	-	(3.87)
Total receivables	2,386.45	2,631.35
Break-up of security details:		
Unsecured, considered good	2,386.45	2,631.35
Unsecured, credit impaired	-	3.87
Total	2,386.45	2,635.22
Less: Allowance for expected credit loss	-	(3.87)
Total Trade receivables	2,386.45	2,631.35

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

As at March 31, 2026

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	2,010.94	215.24	159.25	-	0.72	0.30	2,386.45
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	2,010.94	215.24	159.25	-	0.72	0.30	2,386.45
Less: Expected credit loss allowance							-
							2,386.45

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

5. Financial Assets (Contd..)

As at March 31, 2025

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	2,528.81	82.41	20.13	-	-	-	2,631.35
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	2.42	1.32	0.13	3.87
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	2,528.81	82.41	20.13	2.42	1.32	0.13	2,635.22
Less: Expected credit loss allowance							3.87
							2,631.35

Notes:

- (1) Refer note no. 29 (b) for allowance for expected credit loss.
- (2) Refer note no. 26(c) for balances due from related parties.
- (3) Refer note no. 39 for FEMA Compliances.

5(d) Cash and cash equivalents

	As at March 31, 2026	As at March 31, 2025
Balances with scheduled banks		
- in current accounts	201.06	259.25
Deposits with original maturity less than 3 months	3,391.80	1,510.67
	3,592.86	1,769.92

5(e) Bank balances other than 5(d) above

	As at March 31, 2026	As at March 31, 2025
Deposit held as margin money with original maturity less than 12 months	1.65	1.55
	1.65	1.55

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

5. Financial Assets (Contd..)

5(f) Loans

Non-Current

	As at March 31, 2026	As at March 31, 2025
Loan to employees	0.13	0.31
	0.13	0.31

Current

	As at March 31, 2026	As at March 31, 2025
Inter Corporate Deposit to Related Party (considered good - unsecured)*	290.00	305.00
Loan to employees	0.83	1.06
	290.83	306.06

*Note - The Company has provided its subsidiary - Federal-Mogul Sealings India Limited, India (w.e.f. March 26, 2025) with Inter Corporate Deposit at rate comparable to the average commercial rate of interest. Inter Corporate Deposit to subsidiary is held by the Company within a business model whose objective is to collect their contractual cashflows which are solely payments of principal and interest on the principal amount outstanding. Hence this deposit are classified at amortised cost.

6. Deferred tax assets (Net)

	Opening as at April 01, 2025	Recognised in Statement of Profit and Loss	Recognised in OCI	Closing balance as at March 31, 2026
Deferred tax assets				
Provision for employee benefits	61.03	22.12	6.24	89.39
Provision for doubtful advances and expected credit loss	0.97	(0.97)	-	-
Provision for Inventory obsolete stock	19.99	7.16	-	27.15
Lease Liability	40.46	0.42	-	40.88
Others	40.51	(27.43)	-	13.08
	162.96	1.30	6.24	170.50
Deferred tax liabilities				
Property, plant and equipment and Intangible assets on account of difference in Written Down Value (WDV)	26.55	(16.95)	-	9.60
Right to Use Assets	38.45	(0.88)	-	37.57
	65.01	(17.83)	-	47.17
Net Deferred tax assets	97.95	19.13	6.24	123.33

	Opening as at April 01, 2024	Recognised in Statement of Profit and Loss	Recognised in OCI	Closing balance as at March 31, 2025
Deferred tax assets				
Provision for employee benefits	44.65	13.90	2.48	61.03
Provision for doubtful advances and expected credit loss	2.54	(1.57)	-	0.97
Provision for Inventory obsolete stock	33.75	(13.76)	-	19.99

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

6. Deferred tax assets (Net) (Contd..)

	Opening as at April 01, 2024	Recognised in Statement of Profit and Loss	Recognised in OCI	Closing balance as at March 31, 2025
Lease Liability	27.27	13.19	-	40.46
Others	51.93	(11.42)	-	40.51
	160.14	0.34	2.48	162.96
Deferred tax liabilities				
Property, plant and equipment and Intangible assets on account of difference in Written Down Value (WDV)	59.79	(33.24)	-	26.55
Right to Use Assets	24.56	13.89	-	38.45
	84.35	(19.35)	-	65.01
Net Deferred tax assets	75.79	19.69	2.48	97.95

Note:

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

7. Income tax assets (Net)

	As at March 31, 2026		As at March 31, 2025	
	Non Current	Current	Non Current	Current
Income Tax Asset (net of provision for tax)	63.45	26.60	8.24	-
	63.45	26.60	8.24	-

8. Other non-current assets

	As at March 31, 2026	As at March 31, 2025
Capital advances (Unsecured, considered good)	78.32	1.54
Prepaid Expenses	175.02	0.62
	253.34	2.16

9. Inventories (Valued at lower of cost and net realisable value)

	As at March 31, 2026	As at March 31, 2025
Raw materials and components (includes stock in transit of ₹400.29 Millions (March 31, 2025: ₹256.52 Millions))	854.81	781.53
Work-in-progress	132.94	84.34
Finished goods (includes stock in transit of ₹101.41 Millions (March 31, 2025 : ₹ 6.53 Millions))	173.21	72.09
Stores and spares	4.33	5.08
	1,165.29	943.04

The cost of inventories recognised as an expense includes ₹1.57 Millions (Previous year ₹3.97 Millions) in respect of write-downs of inventory to net realisable value. The same has been included in Note No.18 and 19.

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

10. Other current assets

	As at March 31, 2026	As at March 31, 2025
Balances with government authorities		
- Considered good	62.93	15.93
- Considered doubtful	-	14.06
	62.93	29.99
Less: Provision for doubtful advances	-	(14.06)
	62.93	15.93
Prepaid expenses	23.43	14.61
Advance to employees		
- Considered good	5.30	2.00
Advance to suppliers		
- Considered good	221.14	239.82
- Considered doubtful	7.29	4.30
	228.43	244.12
Less: Provision for doubtful advances	(7.29)	(4.30)
	221.14	239.82
	312.80	272.36

11. Share Capital and Other Equity

(a) Share Capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised equity share capital		
780,050,000 (as on March 31, 2025: 780,050,000) equity shares of ₹ 10 each	7,800.50	7,800.50
	7,800.50	7,800.50
Issued, subscribed and fully paid up equity share capital		
40,36,04,309 (as on March 31, 2025: 40,36,04,309) equity shares of ₹ 10 each	4,036.04	4,036.04
	4,036.04	4,036.04

(i) Movements in Issued, subscribed and fully paid up equity share capital

	Number of shares	Equity Share Capital (Par value)
As at April 01, 2024	214,088,829	2,140.89
Movement during the year (refer note (iv)(b) below)	189,515,480	1,895.15
As at March 31, 2025	403,604,309	4,036.04
Movement during the year	-	-
As at March 31, 2026	403,604,309	4,036.04

Terms/rights attached to equity shares and preference shares

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

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

11. Share Capital and Other Equity (Contd..)

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

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% holding	Number of shares	% holding
Equity Shares of ₹10/- fully paid:				
Tenneco Mauritius Holdings Limited, Mauritius	243,045,430	60.22%	344,808,654	85.43%
Tenneco Mauritius Limited, Mauritius	26,734,261	6.62%	26,734,261	6.62%
Federal-Mogul Pty Ltd	14,478,794	3.59%	14,478,794	3.59%
Federal-Mogul Investment B V	10,607,654	2.63%	10,607,654	2.63%
Tenneco LLC, USA (formerly known as Tenneco Inc. upto April 29, 2025)	6,974,946	1.73%	6,974,946	1.73%

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

Name of the shareholder*	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% holding	Number of shares	% holding
Equity shares of INR 10 each fully paid				
Tenneco Mauritius Holdings Limited, Mauritius	243,045,430	60.22%	344,808,654	85.43%
Tenneco Mauritius Limited, Mauritius	26,734,261	6.62%	26,734,261	6.62%

* As per records of the Company, including register of shareholders / members and other declarations received from shareholders regarding beneficial interests, the above shareholding represents both legal and beneficial owners of shares.

(iv) Others

- Pursuant to the order dated April 20, 2021, for approval of reduction in share capital of the Company by the Hon'ble National Company Law Tribunal, Chennai, the paid up share capital of the Company has been reduced from ₹ 7,777.13 Millions divided into 777,713,120 equity shares of ₹ 10/- each to ₹ 3,134.06 Millions divided into 313,406,120 equity shares of ₹ 10/- each (refer note 40(a)).
- Pursuant to the order dated November 23, 2023, for approval of reduction in share capital of the Company by the Hon'ble National Company Law Tribunal, Chennai, the paid up share capital of the Company has been reduced from ₹ 3,134.06 Millions divided into 31,34,06,120 equity shares of ₹ 10/- each to ₹ 2,140.89 Millions divided into 21,40,88,829 equity shares of ₹ 10/- each (refer note 40(b)).

(v) Disclosure of shareholding of Promoters*

Promoter Name	As at March 31, 2026		As at March 31, 2025		% change during the year
	No of Shares	% of Total Shares	No of Shares	% of Total Shares	
Tenneco Mauritius Holdings Limited, Mauritius	243,045,430	60.22%	344,808,654	85.43%	-25.21%
Tenneco Mauritius Limited, Mauritius	26,734,261	6.62%	26,734,261	6.62%	0.00%
Federal-Mogul Pty Ltd	14,478,794	3.59%	14,478,794	3.59%	0.00%
Federal-Mogul Investment B V	10,607,654	2.63%	10,607,654	2.63%	0.00%
Tenneco LLC, USA (formerly known as Tenneco Inc. upto April 29, 2025)	6,974,946	1.73%	6,974,946	1.73%	0.00%

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

11. Share Capital and Other Equity (Contd..)

Promoter Name	As at March 31, 2025		As at 31 March 2024		% change during the year
	No of Shares	% of Total Shares	No of Shares	% of Total Shares	
Tenneco Mauritius Holdings Limited, Mauritius	344,808,654	85.43%	198,684,964	92.80%	-7.37%
Tenneco Mauritius Limited, Mauritius	26,734,261	6.62%	15,403,865	7.20%	-0.57%
Federal-Mogul Pty Ltd	14,478,794	3.59%	-	0.00%	3.59%
Federal-Mogul Investment B V	10,607,654	2.63%	-	0.00%	2.63%
Tenneco LLC, USA (formerly known as Tenneco Inc. upto April 29, 2025)	6,974,946	1.73%	-	0.00%	1.73%

*Promoter here means Promoter defined under Companies Act, 2013.

Note: The Company has identified Tenneco Mauritius Holdings Limited, Tenneco Mauritius Limited, Federal-Mogul Pty Limited, Federal-Mogul Investment B V and Tenneco LLC (formerly known as Tenneco Inc. upto 29 April 2025) as 'Promoters' in line with the definition provided under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") vide its resolution passed in the Board meeting dated 15 May 2025.

(b) Reserves and Surplus

	As at March 31, 2026	As at March 31, 2025
Deemed Equity Contribution from Tenneco LLC	21.79	21.79
Securities Premium	52,842.66	52,842.66
Retained Earnings	3,480.19	1,836.20
Total Reserves and Surplus	56,344.64	54,700.65

(i) Deemed Equity Contribution from Tenneco LLC

	March 31, 2026	March 31, 2025
Balance as at the beginning of the year	21.79	21.79
Add: movement during the year	-	-
Balance as at the end of the year	21.79	21.79

(ii) Security Premium:

	March 31, 2026	March 31, 2025
Balance as at the beginning of the year	52,842.66	-
Add: On issue of shares during the year	-	52,842.66
Balance as at the end of the year	52,842.66	52,842.66

(iii) Retained earnings:

	March 31, 2026	March 31, 2025
Balance as at the beginning of the year	1,836.20	1,187.16
Add: Profit for the year	12,009.84	3,053.47
Less: Dividend paid including taxes thereon	(10,365.85)	(2,404.43)
Balance as at the end of the year	3,480.19	1,836.20

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

11. Share Capital and Other Equity (Contd..)

Nature and purpose of other reserves

(i) Deemed Equity Contribution from Tenneco LLC:

Deemed Equity Contribution from Tenneco LLC reserve is used to recognise the grant date fair value of Restricted Stock Units (RSUs) issued to employees by Tenneco LLC under 'Tenneco Inc.' Restricted Stock Units (RSUs) plan.

(ii) Securities Premium:

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

(iii) 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.

12. Financial Liabilities

12 (a) Trade Payables

	As at March 31, 2026	As at March 31, 2025
Dues of micro enterprises and small enterprises (Refer Note 35)	298.50	299.02
Dues of creditors other than micro enterprises and small enterprises	4,774.68	3,451.62
	5,073.18	3,750.64

Trade Payables Ageing:

As at March 31, 2026

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	269.49	28.81	-	0.20	-	298.50
(ii) Others	316.50	3,705.59	749.10	-	3.09	0.40	4,774.68
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	316.50	3,975.08	777.91	-	3.29	0.40	5,073.18

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	278.19	19.19	1.22	0.04	0.38	299.02
(ii) Others	191.66	2,773.25	476.29	6.48	-	3.94	3,451.62
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	191.66	3,051.44	495.48	7.70	0.04	4.32	3,750.64

The average credit period on purchase is 30-90 days.

For explanation on liquidity risk process, refer Note 29.

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

12. Financial Liabilities (Contd..)

12 (b) Lease Liabilities

	As at March 31, 2026	As at March 31, 2025
Non-current	127.44	131.75
Current	34.99	29.01
	162.43	160.76

12 (c) Other financial liabilities

	As at March 31, 2026	As at March 31, 2025
Employee benefits payable	68.88	62.43
At amortised Cost		
Capital creditors	15.82	11.07
	84.70	73.50

13. Other current liabilities:

	As at March 31, 2026	As at March 31, 2025
Statutory dues	147.01	223.89
Advance from customers	127.14	327.67
Payable to Related Parties (Refer Note 26(c))	194.23	12.19
Unearned revenue	50.77	285.90
Security deposit received	1.45	1.45
	520.60	851.10

14. Provisions

	As at March 31, 2026		As at March 31, 2025	
	Non Current	Current	Non Current	Current
Provision for employee benefits (refer note 33)				
Gratuity	239.28	-	119.30	-
Compensated absences	80.35	19.27	74.01	28.18
Provision for Warranty (refer note (a) below)	-	25.61	-	25.83
	319.63	44.88	193.31	54.01

(a) Movement in Provision for Warranty:

	As at March 31, 2026	As at March 31, 2025
Opening balance	25.83	30.51
Add: Additional provisions made/(reversed) during the year	1.19	(4.67)
Less: Utilised during the year	(1.41)	-
Closing balance	25.61	25.83

Warranty estimates are determined on a scientific basis using historical data on the nature, frequency, and average cost of warranty claims, along with management's assessment of potential future outflows required for servicing customers and undertaking corrective actions related to product failures.

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

15. Current Tax Liabilities

	As at March 31, 2026	As at March 31, 2025
Current tax Liabilities (net of advance tax)	-	99.86
	-	99.86

16. Revenue from operations*

	Year ended March 31, 2026	Year ended March 31, 2025
Sale of products		
Manufactured goods	22,270.70	21,627.40
Tool Sales	221.73	136.16
Sale of services		
Design and development services	112.00	216.55
Business Support Services	234.46	341.95
	22,838.89	22,322.06
Other operating revenue		
Scrap sales	28.46	35.78
Export Incentives	17.85	9.71
	46.31	45.49
Total revenue from operations	22,885.20	22,367.55

*Refer note 34 for revenue related disclosures.

17. Other Income

	Year ended March 31, 2026	Year ended March 31, 2025
Interest Income		
- on bank deposits	102.95	47.60
- on Inter-Corporate Deposit [Refer note 26(b)]	25.79	12.30
- on measuring Financial Assets at Amortised Cost	0.97	1.15
- on other deposits	1.38	1.48
Liabilities no longer required written back	-	2.68
Foreign exchange fluctuation (net)	26.08	-
Gain on termination of lease	-	2.41
Gain on sale/disposal of property, plant and equipment	-	0.44
Dividend Income	8,958.87	-
Miscellaneous income	3.62	5.40
	9,119.66	73.46

18. Cost of materials consumed

	Year ended March 31, 2026	Year ended March 31, 2025
Raw materials at the beginning of the year	781.53	1,401.75
Add : Purchases (net)	14,819.15	13,852.98
Less: Raw material at the end of the year	(854.81)	(781.53)
Total Cost of raw materials consumed	14,745.87	14,473.20

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

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

	Year ended March 31, 2026	Year ended March 31, 2025
Opening Stock		
Work in progress	84.34	122.25
Finished goods	72.09	120.13
Total (A)	156.43	242.38
Closing Stock		
Work in progress	132.94	84.34
Finished goods	173.21	72.09
Total (B)	306.15	156.43
(Increase)/ decrease in stocks (A-B)	(149.72)	85.95

20. Employee benefits expense

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	1,143.56	1,005.78
Contribution to provident and other funds [Refer Note (a) below]	61.80	59.32
Workmen and staff welfare expenses	154.94	119.39
	1,360.30	1,184.49
(a) Defined Contribution Plans		
Amount recognised in the Statement of Profit and Loss :		
(i) Gratuity and Provident fund	61.02	58.70
(ii) Employee state insurance	0.78	0.62
	61.80	59.32

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 November 21, 2025. Past service cost resulting from plan amendments amounting to ₹ 85.31 Million has been recognised immediately in the Statement of Profit and Loss and has been classified as a part of "Exceptional items". ₹ 11.32 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".

21. Finance costs

	Year ended March 31, 2026	Year ended March 31, 2025
Interest		
- to banks	142.03	123.44
- on delayed payment of taxes	1.08	6.94
- on lease liability	13.34	9.26
- to micro and small enterprises	7.98	7.58
	164.43	147.22

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

22. Depreciation and amortisation expense

	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on property, plant and equipment (Refer Note 3(a))	437.08	459.40
Amortisation on intangible assets (Refer Note 3(b))	3.75	1.54
Depreciation on right of use asset (Refer Note 4)	41.57	31.55
Total depreciation and amortisation expense	482.40	492.49

23. Other expenses

	Year ended March 31, 2026	Year ended March 31, 2025
Rent (Refer Note 4)	6.40	2.87
Rates and taxes	7.25	30.91
Power and fuel	106.59	107.29
Travelling expenses	114.29	89.14
Insurance	38.64	28.25
Stores and spares consumed	149.96	144.59
Packing Materials consumed	166.03	146.46
Communication expenses	6.35	6.06
Professional and consultancy charges	139.53	55.72
Payment to auditors (Refer details (a) below)	8.57	4.93
Carriage outwards	126.67	95.33
Director's sitting fees (Refer note 26(d))	24.48	-
Bad debts written off	-	12.77
Provision for expected credit loss	(3.87)	(6.19)
Provision for doubtful advances	2.99	(14.34)
Provision for doubtful balances with government authorities	(14.06)	2.65
Corporate social responsibility expenses (Refer note (b) below)	69.31	47.93
Research and development expenses	41.01	23.74
Networking fees (Refer note 26)	86.16	-
Management support charges (Refer note 26)	-	78.21
Royalty expense (Refer note 26)	538.54	537.29
Contract wages	403.13	334.88
Repairs and maintenance:		
- Buildings	4.12	7.21
- Plant and machinery	82.60	95.36
- Others	35.85	37.49
Loss on sale/disposal of property, plant and equipment	1.45	-
Provision for warranty expenses	1.19	(4.67)
Foreign exchange fluctuation (net)	-	16.35
Miscellaneous expenses	75.50	63.00
	2,218.68	1,943.23

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

23. Other expenses (Contd..)

(a) Payment to auditors

	Year ended March 31, 2026	Year ended March 31, 2025
- Audit fee	4.11	3.63
- Tax audit fee	0.57	0.60
- Limited Review Fees	3.71	-
- Group reporting fee	0.18	0.70
	8.57	4.93

*Note: The above fees as of March 31, 2026 exclude audit fees related to Initial Public Offer (IPO) expenses amounting to ₹ 81.27 Million, which have been reimbursed or are recoverable from the selling shareholders.

(b) Expenditure towards Corporate Social Responsibility

	Year ended March 31, 2026	Year ended March 31, 2025
a) Gross amount required to be spent by the Company as per Section 135 of Companies Act, 2013 during the year	69.31	47.93

b) Amount spent during the year

Particulars	Year ended March 31, 2026		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above*	69.31	-	69.31
	69.31	-	69.31

Nature of CSR Activity

*The CSR activity focus areas are education, employment, employability and other key allied social initiatives.

Particulars	Year ended March 31, 2025		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) purposes other than (i) above*	47.93	-	47.93
	47.93	-	47.93

24. Income tax expense

	Year ended March 31, 2026	Year ended March 31, 2025
Current tax		
- Current tax expenses	1,095.26	1,078.11
- Tax related to earlier years	(6.93)	(4.81)
Total Current tax	1,088.33	1,073.30
Deferred tax charge/(credit)	(19.13)	(19.69)
Income tax expense reported in the Statement of Profit and Loss	1,069.20	1,053.61

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

24. Income tax expense (Contd..)

Income Tax relating to Other Comprehensive Income

	Year ended March 31, 2026	Year ended March 31, 2025
Remeasurement gain / (loss) of defined benefit obligations	6.24	2.48
Income tax expense charged to Other Comprehensive Income	6.24	2.48

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

	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before income tax	13,097.59	4,114.43
India's statutory income tax rate	25.17%	25.17%
Computed Tax Expense	3,296.40	1,035.52
Tax effect on permanent non deductible expenses:		
Current tax relating to prior years	(6.93)	(4.81)
Effect of expenses/provision not deductible in determining taxable profit	34.50	20.42
Dividend Income	(2,254.77)	-
Income tax expense reported in the Statement of Profit and Loss	1,069.20	1,051.13
Tax rate		
Base rate	22.00%	22.00%
Surcharge	2.20%	2.20%
Education cess	0.97%	0.97%
Total	25.17%	25.17%

25. Earnings per Share

The Earnings per Share (Basic and Diluted) computed as per requirement under Ind AS 33 on 'Earnings per Share' is as follows-

	Year ended March 31, 2026	Year ended March 31, 2025
Profit for the year as per Statement of Profit and Loss	12,028.39	3,060.82
Number of equity shares outstanding at the beginning of the year	403,604,309	214,088,829
Less: Shares increase/(reduced) during the year (refer note 40)	-	189,515,480
Number of equity shares outstanding at the end of the year	403,604,309	403,604,309
Weighted average number of equity shares for the purpose of basic and diluted EPS	403,604,309	217,204,152
Face value of per equity share (₹)	10	10
Basic and Diluted Earnings per share (₹)	29.80	14.09

Note: During the year ended March 31, 2025, the Company completed a business combination under common control accounted for using the pooling of interests method. In the standalone financial statements, Earning Per Share ("EPS") has been computed in accordance with Ind AS 33 using the weighted average number of equity shares actually outstanding during the period, and shares issued have been considered from the date of allotment. Accordingly, prior period EPS has not been restated. In contrast, the consolidated financial statements have been drawn up in accordance with Appendix C to Ind AS 103. Consequently, EPS presented in the consolidated financial statements is not directly comparable with standalone EPS.

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

26. Related Party Disclosures

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

(i) Immediate Parent Company

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) Subsidiaries

Tenneco Automotive India Private Limited, India
Federal-Mogul Sealings India Limited, India
Federal-Mogul Ignition Products India Limited, India
Federal-Mogul Bearings India Limited, India

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

Fellow Subsidiaries

Tenneco Mauritius Limited, Mauritius
Federal-Mogul Pty Limited
Federal-Mogul Investment B V
Tenneco Automotive Europe BV, Belgium
Tenneco Japan Ltd., Japan
Tenneco Sistemas Automotivos Ltda, Brazil
Tenneco GmbH, Germany
Tenneco Emission Control (PTY) Ltd., South Africa
Tenneco Automotive Polska Sp. zoo, Poland
Tenneco Silesia SP ZOO, Poland
Walker Exhaust (Thailand) Co.Ltd., Thailand
Shanghai Tenneco Exhaust System Co. Limited, China
Tenneco (Suzhou) Emission System Co. Ltd., China
Federal Mogul Goetze India Limited, India
Tenneco Zwickau GmbH, Germany
Federal Mogul Motorparts LLC, USA
Tenneco Automotive Operating Company LLC, USA
(formerly Tenneco Automotive Operating Company Inc., USA)
Tenneco Walker U.K. Ltd, United Kingdom
Federal-Mogul Powertrain LLC, USA
Tenneco Fawsn (Tianjin) Automobile
The Pullman Company, USA
Tenneco Global Service Private Limited, India
Tenneco Holdings LLC, USA
Tenneco Mexico S DE RL DE CV, Mexico
Tenneco India Operations Private Limited, India
Motocare India Private Limited, India

(iv) Key Management Personnel

Gangasagar Neminath Hemade, Director (upto May 15, 2025)
Rishi Verma, Managing Director (upto May 15, 2025)
Nadella Phani Kishor Rao, Director (upto May 15, 2025)
Digambar Jagannath Parkhi, Director (upto May 15, 2025)
Priya Dekate, Company Secretary (upto May 05, 2025)
Arvind Chandrasekharan, CEO and Whole time Director (w.e.f. May 05, 2025)

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

26. Related Party Disclosures (Contd..)

Utsav Bajjal, Non-Executive Director (w.e.f. May 15, 2025)
Manavendra Singh Sial, Non-Executive Director (w.e.f. May 15, 2025)
Prakash Mahesh, Non-Executive Director (w.e.f. May 15, 2025)
Nathan Patrick Bowen, Non-Executive Director (w.e.f. May 15, 2025)
Jaidit Singh Brar, Independent Director (w.e.f. May 05, 2025)
Gopika Pant, Independent Director (w.e.f. May 05, 2025)
Niranjan Kumar Gupta, Independent Director (w.e.f. May 05, 2025)
Garima Sharma, Company Secretary (w.e.f. May 05, 2025 till July 31, 2025)
Mahender Chhabra, Chief Financial Officer (w.e.f. June 05, 2025)
Roopali Singh, Company Secretary (w.e.f. August 01, 2025)

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

Nature of transaction	Nature of related party relationship	Year ended March 31, 2026	Year ended March 31, 2025
(i) Sale of goods			
Tenneco Japan Ltd., Japan	Fellow subsidiary	4.68	16.57
Tenneco Sistemas Automotivos Ltda, Brazil	Fellow subsidiary	250.81	271.18
Tenneco Zwickau GmbH, Germany	Fellow subsidiary	87.96	22.81
Tenneco Automotive Operating Company LLC, USA (formerly Tenneco Automotive Operating Company Inc., USA)	Fellow subsidiary	169.10	49.14
Tenneco Mexico S DE RL DE CV, Mexico	Fellow subsidiary	0.56	-
Tenneco (Suzhou) Emission System Co. Ltd., China	Fellow subsidiary	-	0.14
Tenneco Automotive Polska Sp. Zoo, Poland	Fellow subsidiary	-	0.37
Tenneco GmbH, Germany	Fellow subsidiary	0.07	0.21
Total		513.18	360.42
(ii) Sale of services			
Tenneco (Suzhou) Emission System Co. Ltd., China	Fellow subsidiary	5.42	13.95
Tenneco Automotive Operating Company LLC, USA (formerly Tenneco Automotive Operating Company Inc., USA)	Fellow subsidiary	56.53	68.94
Tenneco Sistemas Automotivos Ltda, Brazil	Fellow subsidiary	0.83	5.18
Tenneco GmbH, Germany	Fellow subsidiary	8.66	10.31
Shanghai Tenneco Exhaust System Co. Limited, China	Fellow subsidiary	4.83	6.58
Federal Mogul Goetze India Limited, India	Fellow subsidiary	3.11	10.66
Federal Mogul Motorparts LLC USA	Fellow subsidiary	-	5.41
Federal-Mogul Powertrain LLC, USA	Fellow subsidiary	148.24	219.45
Tenneco Japan Ltd., Japan	Fellow subsidiary	-	1.48
The Pullman Company, USA	Fellow subsidiary	4.32	-
Motocare India Private Limited, India	Fellow subsidiary	2.52	-
Total		234.46	341.96
(iii) Purchase of goods			
Tenneco Automotive Operating Company LLC, USA (formerly Tenneco Automotive Operating Company Inc., USA)	Fellow subsidiary	9.49	2.88
Tenneco Fawsn (Tianjin) Automobile	Fellow subsidiary	0.47	-
Tenneco Automotive Polska Sp. zoo, Poland	Fellow subsidiary	11.60	31.79
Tenneco Zwickau GmbH, Germany	Fellow subsidiary	0.28	-
Tenneco (Suzhou) Emission System Co. Ltd., China	Fellow subsidiary	11.94	15.52

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

26. Related Party Disclosures (Contd..)

Nature of transaction	Nature of related party relationship	Year ended March 31, 2026	Year ended March 31, 2025
Tenneco GmbH, Germany	Fellow subsidiary	0.30	0.17
Tenneco Silesia SP ZOO, Poland	Fellow subsidiary	15.33	22.97
Shanghai Tenneco Exhaust System Co. Limited, China	Fellow subsidiary	0.17	-
Total		49.58	73.33
(iv) Purchase of services			
Tenneco Automotive Operating Company LLC, USA (formerly Tenneco Automotive Operating Company Inc., USA)	Fellow subsidiary	10.20	0.11
Tenneco Automotive Polska Sp. zoo, Poland	Fellow subsidiary	1.07	2.92
Tenneco GmbH, Germany	Fellow subsidiary	0.34	10.75
Shanghai Tenneco Exhaust System Co. Limited, China	Fellow subsidiary	3.49	3.41
Tenneco Automotive Europe BV, Belgium	Fellow subsidiary	-	0.24
Tenneco Silesia SP ZOO, Poland	Fellow subsidiary	0.77	0.96
Tenneco (Suzhou) Emission System Co. Ltd., China	Fellow subsidiary	0.18	-
Federal Mogul Goetze India Limited, India	Fellow subsidiary	6.02	4.50
Tenneco India Operations Private Limited, India	Fellow subsidiary	16.54	-
Tenneco Global Service Private Limited, India	Fellow subsidiary	28.17	-
Total		66.78	22.89
(v) Royalty Expenses			
Tenneco Automotive Operating Company LLC, USA (formerly Tenneco Automotive Operating Company Inc., USA)	Fellow subsidiary	132.56	537.29
Tenneco Holdings LLC	Fellow subsidiary	405.98	-
		538.54	537.29
(vi) Management support charges			
Tenneco Automotive Operating Company LLC, USA (formerly Tenneco Automotive Operating Company Inc., USA)	Fellow subsidiary	-	78.21
		-	78.21
(vii) Networking Fees			
Tenneco Automotive Operating Company LLC, USA (formerly Tenneco Automotive Operating Company Inc., USA)	Fellow subsidiary	86.16	-
		86.16	-
(viii) Re-imbursement of expenses paid			
Tenneco Automotive India Private Limited, India	Subsidiary	50.94	0.69
Federal-Mogul Ignition Products India Limited, India	Subsidiary	3.95	-
Federal-Mogul Sealings India Limited, India	Subsidiary	1.11	-
Federal-Mogul Bearings India Limited, India	Subsidiary	2.69	-
Tenneco Zwickau GmbH, Germany	Fellow subsidiary	15.63	-
Tenneco Automotive Operating Company LLC, USA (formerly Tenneco Automotive Operating Company Inc., USA)	Fellow subsidiary	10.41	17.04
Tenneco Automotive Polska Sp. zoo, Poland	Fellow subsidiary	-	0.52
Tenneco Silesia SP ZOO, Poland	Fellow subsidiary	0.44	-
Federal Mogul Goetze India Limited, India	Fellow subsidiary	31.72	2.40
Tenneco Global Service Private Limited, India	Fellow subsidiary	8.66	-
Total		125.55	20.65
(ix) Re-imbursement of expenses received			
Tenneco Automotive India Private Limited, India	Subsidiary	48.86	0.24
Federal-Mogul Sealings India Limited, India	Subsidiary	0.26	-
Federal-Mogul Bearings India Limited, India	Subsidiary	0.51	-
Federal-Mogul Ignition Products India Limited, India	Subsidiary	0.58	-
Tenneco Automotive Polska Sp. zoo, Poland	Fellow subsidiary	0.08	-

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

26. Related Party Disclosures (Contd..)

Nature of transaction	Nature of related party relationship	Year ended March 31, 2026	Year ended March 31, 2025
Federal-Mogul Powertrain LLC, USA	Fellow subsidiary	10.41	0.80
Tenneco Silesia SP ZOO, Poland	Fellow subsidiary	0.13	0.00
Tenneco Zwickau GmbH, Germany	Fellow subsidiary	5.47	-
Tenneco Global Service Private Limited, India	Fellow subsidiary	20.43	-
Federal Mogul Goetze India Limited, India	Fellow subsidiary	0.96	0.49
Tenneco Automotive Europe BV, Belgium	Fellow subsidiary	-	0.61
Tenneco India Operations Private Limited	Fellow subsidiary	6.33	-
Tenneco Mauritius Holdings Limited, Mauritius	Immediate Parent Company	211.00	-
Total		305.02	2.14
(x) Inter company deposit given			
Federal-Mogul Sealings India Limited, India	Subsidiary	-	185.00
Total		-	185.00
(xi) Interest Received on Inter company deposit given			
Federal-Mogul Sealings India Limited, India	Subsidiary	25.79	12.30
Total		25.79	12.30
(xii) Inter company deposit repayment			
Federal-Mogul Sealings India Limited, India	Subsidiary	15.00	35.00
Total		15.00	35.00
(xiii) Purchase of capital goods			
Tenneco Walker U.K. Ltd, United Kingdom	Fellow subsidiary	17.38	-
Total		17.38	-
(xiv) Dividend Received			
Tenneco Automotive India Private Limited, India	Subsidiary	8,958.87	-
Total		8,958.87	-
(xv) Dividend Paid			
Tenneco Mauritius Holdings Limited, Mauritius	Immediate Parent Company	8,855.79	2,231.43
Tenneco Mauritius Limited, Mauritius	Fellow subsidiary	686.62	173.00
Federal-Mogul Pty Limited	Fellow subsidiary	371.86	-
Federal-Mogul Investment B V	Fellow subsidiary	272.44	-
Tenneco LLC (formerly known as Tenneco Inc. upto April 29, 2025)	Fellow subsidiary	179.14	-
Total		10,365.85	2,404.43

(c) Balances with related parties as at the year end March 31, 2026:

Nature of outstanding	Nature of related party relationship	As at March 31, 2026	As at March 31, 2025
(i) Trade Payable			
Tenneco Automotive India Private Limited, India	Subsidiary	0.50	-
Tenneco Automotive Operating Company LLC, USA (formerly Tenneco Automotive Operating Company Inc., USA)	Fellow subsidiary	15.26	-
Tenneco GmbH, Germany	Fellow subsidiary	0.28	0.20
Tenneco Automotive Polska Sp. zoo, Poland	Fellow subsidiary	1.04	4.00
Tenneco Silesia SP ZOO, Poland	Fellow subsidiary	8.02	2.61
Federal Mogul Goetze India Limited, India	Fellow subsidiary	6.08	1.82
Tenneco Holdings LLC, USA	Fellow subsidiary	109.25	-
Tenneco Mauritius Holding Limited, Mauritius	Promoter Company	-	42.20

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

26. Related Party Disclosures (Contd..)

Nature of outstanding	Nature of related party relationship	As at March 31, 2026	As at March 31, 2025
Tenneco Mauritius Limited, Mauritius	Promoter Company	-	3.27
Tenneco Zwickau GmbH, Germany	Fellow subsidiary	0.11	-
Tenneco India Operations Private Limited, India	Fellow subsidiary	2.85	-
Total		143.39	54.10
ii) Advance paid			
Tenneco Automotive Operating Company LLC, USA (formerly Tenneco Automotive Operating Company Inc., USA)	Fellow subsidiary	-	41.01
Tenneco Zwickau GMBH	Fellow subsidiary	-	-
Shanghai Tenneco Exhaust System Co., China	Fellow subsidiary	-	0.11
		-	41.12
(iii) Trade receivables			
Federal-Mogul Ignition Products India Limited, India	Subsidiary	0.63	-
Federal-Mogul Sealings India Limited, India	Subsidiary	0.14	-
Federal-Mogul Bearings India Limited, India	Subsidiary	0.55	-
Tenneco Automotive India Private Limited, India	Subsidiary	14.08	-
Tenneco Automotive Operating Company LLC, USA (formerly Tenneco Automotive Operating Company Inc., USA)	Fellow subsidiary	347.61	90.02
Tenneco (Suzhou) Emission System Co. Limited, China	Fellow subsidiary	21.22	13.92
Tenneco GmbH, Germany	Fellow subsidiary	4.31	1.55
Tenneco Japan Ltd., Japan	Fellow subsidiary	-	17.95
Tenneco Sistemas Automotivos Ltda, Brazil	Fellow subsidiary	82.35	127.36
Shanghai Tenneco Exhaust System Co., China	Fellow subsidiary	12.61	8.24
Federal Mogul Goetze India Limited, India	Fellow subsidiary	-	5.41
Federal-Mogul Powertrain LLC, USA	Fellow subsidiary	25.14	208.46
Tenneco Zwickau GmbH, Germany	Fellow subsidiary	46.47	15.02
Tenneco Mexico S DE RL DE CV, Mexico	Fellow subsidiary	0.56	-
The Pullman Company LLC, USA	Fellow subsidiary	4.72	-
Motocare India Private Limited, India	Fellow subsidiary	2.52	-
Total		562.91	487.93
(iv) Payable to Related Party			
Tenneco LLC (formerly known as Tenneco Inc. upto April 29, 2025)	Controlling Party	-	2.24
Tenneco Mauritius Holdings Limited, Mauritius	Immediate Parent Company	194.23	-
Federal-Mogul Investment B V	Fellow subsidiary	-	1.13
Federal-Mogul Pty Limited	Fellow subsidiary	-	8.82
Federal Mogul Motorparts LLC, USA	Fellow subsidiary	-	0.16
		194.23	12.35
(v) Receivable from Related Party			
Tenneco Mauritius Holdings Limited, Mauritius	Immediate Parent Company	100.61	-
Federal-Mogul Investment B V	Fellow subsidiary	1.63	-
		102.24	-
(vi) Inter corporate Loan given (including interest accrued)			
Federal-Mogul Sealings India Limited, India	Subsidiary	290.00	305.00
Total		290.00	305.00
(vii) Capital Creditors			
Tenneco Walker U.K. Ltd, United Kingdom	Fellow subsidiary	3.49	-
Total		3.49	-

Note (i): Loss allowance has been determined by applying expected credit loss model (Refer Note 30Aii). Loss allowance has been determined on the entire trade receivable balance from related parties.

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

26. Related Party Disclosures (Contd..)

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

	Designation	Year ended March 31, 2026	Year ended March 31, 2025
Remuneration to KMP			
Gangasagar Neminath Hemade (upto May 15, 2025)	Director	3.42	48.94
Rishi Verma (upto May 15, 2025)	Managing Director	2.99	54.72
Nadella Phani Kishor Rao (upto May 15, 2025)	Director	1.44	13.85
Digambar Jagannath Parkhi (upto May 15, 2025)	Director	1.45	18.21
Priya Dekate (upto May 05, 2025)	Company Secretary	-	0.62
Arvind Chandrasekharan (w.e.f. May 05, 2025)	CEO and Whole time Director	85.37	-
Garima Sharma (w.e.f. May 05, 2025 till July 31, 2025)	Company Secretary	0.91	-
Mahender Chhabra (w.e.f. June 05, 2025)	Chief Financial Officer	23.42	-
Roopali Singh, Company Secretary (w.e.f. August 01, 2025)	Company Secretary	16.94	-
		135.94	136.34
Director's Sitting Fees			
Jaidit Singh Brar (w.e.f. May 05, 2025)	Independent Director	7.71	-
Gopika Pant (w.e.f. May 05, 2025)	Independent Director	7.71	-
Niranjan Kumar Gupta (w.e.f. May 05, 2025)	Independent Director	9.06	-
		24.48	-

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

(e) Additional information:

- The information above has been determined to the extent such parties have been identified by the Company and relied upon by the auditors.
- There are no commitments in respect of related party transactions.
- There are no provisions for doubtful debts related to the amount of outstanding balances.
- The reimbursement of expenses received disclosed above does not include amount recovered from the IPO proceeds towards the IPO expenses incurred by the Company on behalf of the selling shareholders (Refer note 5(b) for details).

27. Company had applied for unilateral APA application for a period of 5 years (F.Y.2023-24 to 2027-28) and for 3 rollback years (F.Y.2020-21 to 2022-23) regarding payment of royalty (Technology and Trademark) and payment of management support charges. Company is making payment at the specified rate as per the agreement during the year. However, the Company has filed the APA withdrawal application with Income Tax authorities.

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR 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 maximize the use of observable market data rely as little as possible on entity specific estimates.

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

ii) Fair value of instruments measured at amortised cost

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

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

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

29. Financial risk management

i) Financial instruments by category

Particulars	As at March 31, 2026			As at March 31, 2025		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Inter Corporate Deposit	-	-	290.96	-	-	306.37
Trade receivables	-	-	2,386.45	-	-	2,631.35
Cash and cash equivalents	-	-	3,592.86	-	-	1,769.92
Other bank balances	-	-	1.65	-	-	1.55
Other financial assets	-	-	1,130.35	-	-	363.27
Investments	54,741.55	-	-	54,741.55	-	-
Total	54,741.55	-	7,402.27	54,741.55	-	5,072.46
Financial liabilities						
Trade payable	-	-	5,073.18	-	-	3,750.64
Lease Liabilities	-	-	162.43	-	-	160.76
Other financial liabilities (excluding interest accrued on borrowings)	-	-	84.70	-	-	73.50
Total	-	-	5,320.31	-	-	3,984.90

ii) Risk Management

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

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

29. Financial risk management (Contd..)

A) Credit risk

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

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

a) Credit risk management

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

A: Low

B: Medium

C: High

Assets under credit risk –

Credit rating	Particulars	As at March 31, 2026	As at March 31, 2025
A: Low	Cash and cash equivalents	3,592.86	1,769.92
	Other bank balances	1.65	1.55
	Other financial assets	1,130.35	363.27
	Trade receivables (gross of expected credit loss)	2,386.45	2,631.35
	Inter Corporate Deposit	290.96	306.37
B: High	Trade receivables	-	3.87

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.

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

29. Financial risk management (Contd..)

b) Expected credit losses

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

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	>365 days	0 - 365 Days	>365 days	0 - 365 Days
Gross amount of trade receivables where no default (as defined above) has occurred	1.02	2,385.43	3.87	2,631.35
Expected loss rate (in %)	0.00%	0.00%	100%	0.00%
Expected credit loss (loss allowance provision)	-	-	3.87	-

Reconciliation of loss provision – lifetime expected credit losses

Reconciliation of loss allowance	Amount
Loss allowance on April 01, 2024	10.06
Impairment loss recognised/reversed during the year	-
Provision for expected credit loss (Net)	(6.19)
Loss allowance on March 31, 2025	3.87
Loss allowance on April 01, 2025	3.87
Impairment loss recognised/reversed during the year	-
Provision for expected credit loss (Net)	(3.87)
Loss allowance as on March 31, 2026	-

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

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

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

	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
March 31, 2026					
Trade payable	5,073.18	-	-	-	5,073.18
Lease liabilities	34.99	86.42	41.02	-	162.43
Other financial liabilities	84.70	-	-	-	84.70
Total	5,192.87	86.42	41.02	-	5,320.31

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

29. Financial risk management (Contd..)

	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
March 31, 2025					
Trade payable	3,750.64	-	-	-	3,750.64
Lease liabilities	29.01	60.94	66.98	3.83	160.76
Other financial liabilities	73.50	-	-	-	73.50
Total	3,853.15	60.94	66.98	3.83	3,984.90

C) Market Risk

a) Foreign currency risk

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

(i) Foreign currency risk exposure:

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

	Foreign currency	As at March 31, 2026	As at March 31, 2025
Financial liabilities			
Trade Payable	USD	2.09	0.85
	Equivalent in ₹ Millions	189.16	72.86
	EUR	3.66	2.80
	Equivalent in ₹ Millions	399.01	258.67
	GBP	0.00	0.01
	Equivalent in ₹ Millions	0.60	1.12
	CNY	2.11	1.62
	Equivalent in ₹ Millions	27.79	19.11
Financial assets			
Trade Receivable	USD	6.29	5.73
	Equivalent in ₹ Millions	595.05	489.76
	EUR	1.12	0.03
	Equivalent in ₹ Millions	122.29	2.58
Receivable from Related Party	USD	1.06	-
	Equivalent in ₹ Millions	100.61	-
	EUR	0.02	-
	Equivalent in ₹ Millions	1.63	-

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

29. Financial risk management (Contd..)

Sensitivity

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

	As at March 31, 2026	As at March 31, 2025
(a) Trade payables		
USD sensitivity		
INR/USD- increase by 0.50%*	(0.95)	(0.36)
INR/USD- decrease by 0.50%*	0.95	0.36
EUR sensitivity		
INR/EUR- increase by 0.50%*	(2.00)	(1.29)
INR/EUR- decrease by 0.50%*	2.00	1.29
GBP sensitivity		
INR/GBP- increase by 0.50%*	(0.00)	(0.01)
INR/GBP- decrease by 0.50%*	0.00	0.01
CNY sensitivity		
INR/CNY- increase by 0.50%*	(0.14)	(0.10)
INR/CNY- decrease by 0.50%*	0.14	0.10
(b) Trade receivables		
USD sensitivity		
INR/USD- increase by 0.50%*	2.98	2.45
INR/USD- decrease by 0.50%*	(2.98)	(2.45)
EUR sensitivity		
INR/EUR- increase by 0.50%*	0.61	0.01
INR/EUR- decrease by 0.50%*	(0.61)	(0.01)
(c) Receivable from Related Party		
USD sensitivity		
INR/USD- increase by 0.50%*	0.50	-
INR/USD- decrease by 0.50%*	(0.50)	-
EUR sensitivity		
INR/EUR- increase by 0.50%*	0.01	-
INR/EUR- decrease by 0.50%*	(0.01)	-

* Holding all other variables constant

b) Interest rate risk

i) Liabilities

The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. As at March 31, 2026, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in fixed deposits pay fixed interest rates.

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

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

30. Capital management

The Company's capital management objectives are:

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

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

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

	As at March 31, 2026	As at March 31, 2025
Total debt (including accrued interest)	-	-
Less: Cash and bank balances	3,592.86	1,769.92
Net debt	(3,592.86)	(1,769.92)
Total equity (as shown on the face of balance sheet)	60,380.68	58,736.69
Net debt to equity ratio (in %)	(6%)	(3%)

The Company has declared dividend in current year.

31. Commitments and Contingent liabilities

a) Contractual commitments

	As at March 31, 2026	As at March 31, 2025
Property, plant and equipment (net of advances paid)	279.06	20.81
	279.06	20.81

b) Contingent liabilities

	As at March 31, 2026	As at March 31, 2025
Stamp Duty on demerger (including penalty)	196.57	196.57
Income Tax matters**	170.88	94.90
Customs*	80.86	79.74
Central excise*	5.54	5.54
Goods and Service Tax	10.34	10.73
Others	2.82	2.82
	467.01	390.30

* Inclusive of contingent liabilities taken over pursuant to the scheme of arrangement. Certain of the above claims are still in the name of the Tenneco Automotive India Private Limited ('Demerged Company').

The above amounts do not include interest and penalty amounts which may be payable till the date of settlements, if any. The Company, based on the current position, believes that the outcome of the aforesaid cases going against the Company is not probable.

** Primarily includes corporate tax matters and also certain transfer pricing matters. Matters are pending before CIT(A) for FY 2019-20, 2020-21 and 2022-23.

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

32. Segment information

As the Company's business activities fall within a single primary business segment viz. auto components for automobile industry, the disclosure requirement of Indian Accounting Standard (Ind AS-108), Operating Segments is not applicable.

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

- Customer 1 represented approximately 17.77% of revenue from operations.
- Customer 2 represented approximately 17.26% of revenue from operations.
- Customer 3 represented approximately 15.93% of revenue from operations.

No other single customer represents 10% or more to the revenue of the Company for financial year ended March 31, 2026.

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

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Within India	21,939.46	21,416.54
Outside India	945.74	951.01
	22,885.20	22,367.55

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

Particulars	As at March 31, 2026	As at March 31, 2025
Within India	1,669.10	2,139.01
Outside India	717.35	492.34
	2,386.45	2,631.35

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

33. Employee benefit obligations

A. Gratuity

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

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

Disclosure of gratuity

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

Description	Year ended March 31, 2026	Year ended March 31, 2025
Current service cost	19.13	12.46
Past service cost	85.31	-
Interest expense on defined benefit obligation	12.19	9.63
Interest income on plan assets	(2.77)	(3.05)
Expected Return on plan assets	-	-
Total amount recognised in the Statement of Profit and Loss	113.86	19.04

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

33. Employee benefit obligations (Contd..)

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

Description	Year ended March 31, 2026	Year ended March 31, 2025
Actuarial (gain) on obligations arising from changes in demographic adjustments	-	-
Actuarial (gain) on obligations arising from changes in experience adjustments	29.23	21.57
Actuarial (gain) on obligations arising from changes in financial assumptions	(4.23)	(12.09)
Remeasurements of the post employment defined benefit plans (gain)	25.00	9.48
Return on plan assets (greater)/ less than discount rate	(0.21)	0.35
Remeasurements of the post employment defined benefit plans (gain) recognised in OCI	24.79	9.83

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

Description	Year ended March 31, 2026	Year ended March 31, 2025
Present value of defined benefit obligation as at the beginning of the year	163.18	135.95
Current service cost	19.13	12.46
Past service cost	85.31	-
Acquisitions (credit) / cost	(17.22)	-
Interest cost	12.19	9.63
Actuarial (gain) / loss due to DBO experience	29.23	21.57
Actuarial (gain) / loss due to DBO assumption changes	(4.23)	(12.09)
Benefits paid directly by the company	-	(1.04)
Benefits paid from the fund	(3.92)	(3.30)
Present value of defined benefit obligation as at the end of the year	283.67	163.18

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

Description	Year ended March 31, 2026	Year ended March 31, 2025
Fair Value of plan assets at beginning of year	43.88	43.65
Interest income on plan assets	2.77	3.05
Contributions by employer	1.45	1.00
Benefits paid	(3.92)	(3.30)
Increase (decrease) due to effect of any business combination / divestitures / transfers	-	(0.17)
Return on plan assets greater / (lesser) than discount rate	0.21	(0.35)
Fair Value of plan Assets at the end of the year	44.39	43.88

(v) Plan (assets)/ liability

Description	As at March 31, 2026	As at March 31, 2025
Defined benefit obligation	283.67	163.18
Fair valuation of plan assets	(44.39)	(43.88)
	239.28	119.30

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

33. Employee benefit obligations (Contd..)

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

Description	Year ended March 31, 2026	Year ended March 31, 2025
Insurance company products	100.00%	100.00%

(vi) Actuarial assumptions

Description	As at March 31, 2026	As at March 31, 2025
Discount rate	6.70% p.a.	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 [#]	15% p.a.	15% p.a.
Expected rate of return on Plan Assets	6.70% p.a.	6.50% p.a.
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.

(vii) A quantitative sensitivity analysis for significant assumptions:

Description	As at March 31, 2026	As at March 31, 2025
Impact of the change in discount rate		
Present value of obligation at the end of the year	283.67	163.18
- Impact due to increase of 0.50 %	275.83	158.42
- Impact due to decrease of 0.50 %	291.73	167.69
Impact of the change in salary increase		
Present value of obligation at the end of the year	283.67	163.18
- Impact due to increase of 0.50 %	291.91	167.60
- Impact due to decrease of 0.50 %	275.78	158.59

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 year.

The weighted average duration of the defined benefit obligation is 6 years.

The following pay-outs are expected in future years:

Description	As at March 31, 2026
Year ended March 31, 2027	37.63
Year ended March 31, 2028	43.99
Year ended March 31, 2029	38.92
Year ended March 31, 2030	39.73
Year ended March 31, 2031	50.17
Year ended March 31, 2032 and above (Next 5 years)	228.99

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

33. Employee benefit obligations (Contd..)

B. Other long term employee benefits

The compensated absences cover the Company liability for sick, casual and earned leave. The liability towards compensated absence for the year ended March 31, 2026 based on the actuarial valuation carried out by using projected unit credit method stood at ₹ 99.62 Millions (March 31, 2025 : ₹ 102.19 Millions).

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

Description	As at March 31, 2026	As at March 31, 2025
Discount rate	6.70% p.a.	6.50% p.a.
While in service Availment Rate*	0.00%	0.00%
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
Normal retirement age	58 years	58 years
Employee turnover#	15% p.a.	15% p.a.
Salary increase rate^#	10%p.a.	10%p.a.

*The leave availment rate has been considered at 0% as the leaves are encashed on gross salary.

^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.

No Other post retirement benefits are provided to employees.

34. Revenue related disclosures

a. Revenue from Contracts with Customers

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

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

b. Disaggregation of revenue

Revenue recognised mainly comprises of sale of products which majorly comprises of catalytic converters, mufflers and exhaust pipes. Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	Year ended March 31, 2026	Year Ended March 31, 2025
Revenue from contracts with customers		
Sale of products and service		
Domestic	21,893.15	21,371.05

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

34. Revenue related disclosures (Contd..)

Particulars	Year ended March 31, 2026	Year Ended March 31, 2025
Export	945.74	951.01
Other operating income	46.31	45.49
Total revenue covered under Ind AS 115	22,885.20	22,367.55

c. Timing of revenue recognition

Particulars	Year ended March 31, 2026	Year Ended March 31, 2025
Revenue from contracts with customers		
Goods transfer at a point in time	22,885.20	22,367.55
Service transferred over time	-	-
	22,885.20	22,367.55

d. Contract balances

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

Particulars	As at March 31, 2026	As at March 31, 2025
Contract assets		
Unbilled revenue	27.95	239.53
Total contract assets	27.95	239.53
Contract liabilities		
Advances from consumers	127.14	327.67
Unearned revenue	50.77	285.90
Total contract liabilities	177.91	613.57
Receivables		
Trade receivables	2,386.45	2,635.22
Less : Allowances for expected credit loss	-	(3.87)
Net receivables	2,386.45	2,631.35

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

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

Particulars	As at March 31, 2026		
	Contract Assets	Contract Liabilities	
	Unbilled revenue	Advances from customers	Unearned revenue
Opening balance as on April 01, 2025	239.53	327.67	285.90
Addition during the year	376.05	201.36	573.92
Revenue recognised during the year/ amount refunded during the year	(587.63)	(401.89)	(809.05)
Closing balance as on March 31, 2026	27.95	127.14	50.77

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34. Revenue related disclosures (Contd..)

Particulars	As at March 31, 2025		
	Contract Assets	Contract Liabilities	
	Unbilled revenue	Advances from customers	Unearned revenue
Opening balance as on April 01, 2024	122.44	168.33	291.01
Addition during the year	195.85	555.57	133.95
Revenue recognised during the year/ amount refunded during the year	(78.76)	(396.23)	(139.06)
Closing balance as on March 31, 2025	239.53	327.67	285.90

f. Satisfaction of performance obligations

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

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

g. Payment terms

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

35. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

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

Particulars	As at March 31, 2026	As at March 31, 2025
a The principal amount remaining unpaid as at the end of year	295.11	296.71
b Interest due on above principal and remaining unpaid as at the end of the year	3.40	2.31
c The amount of interest paid by the buyer in terms of section 16, of the micro, small and medium enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	6.90	2.96
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.	-	-
e The amount of interest accrued and remaining unpaid at the end of each accounting year; and	3.40	2.31
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	3.40	2.31

Notes to the standalone financial statements

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

37. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

Particulars	Leases	Short term borrowings	Interest
Opening Balance April 01, 2024	108.34	-	-
Non cash changes due to	-	-	-
- Recognition of lease liabilities	92.73	-	-
- Interest expense #	9.26	-	137.96
- Deletion	(12.24)	-	-
- Adjustment	-	-	-
Cash flows during the year due to	-	-	-
- Movement in Short term borrowings during the year (net)	-	-	-
- Repayment of lease liabilities	(28.07)	-	-
- Payment of interest	(9.26)	-	(137.96)
Closing Balance as on March 31, 2025	160.76	-	-

Particulars	Leases	Short term borrowings	Interest
Opening Balance April 01, 2025	160.76	-	-
Non cash changes due to	-	-	-
- Recognition of lease liabilities	35.24	-	-
- Interest expense #	13.34	-	151.10
- Deletion	-	-	-
Cash flows during the year due to	-	-	-
- Movement in Short term borrowings during the year (net)	-	-	-
- Repayment of lease liabilities	(33.57)	-	-
- Payment of interest	(13.34)	-	(151.10)
Closing Balance as on March 31, 2026	162.43	-	-

Interest expense of ₹13.34 Million (March 31, 2025 - ₹ 9.26 Million) related to interest on right of use liabilities as per Ind AS 116 "Leases".

38 Ratio Analysis and its elements

Ratio	Numerator	Denominator	Year ended March 31, 2026	Year ended March 31, 2025	% change	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	1.54	1.29	20%	N.A.
Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.00	0.00	-2%	N.A.

Notes to the standalone financial statements

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38 Ratio Analysis and its elements (Contd..)

Ratio	Numerator	Denominator	Year ended March 31, 2026	Year ended March 31, 2025	% change	Reason for variance
Debt Service Coverage ratio (in times)	Earnings for debt service = Net profit before taxes + Non-cash operating expenses : (EBITDA)	Debt service = Interest & Lease Payments + Principal Repayments	65.85	20.19	226%	Change in the ratio is mainly due to dividend income from the subsidiary, leading to higher profit before tax for the year.
Return on Equity ratio (in %)	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	20%	10%	105%	Change in Ratio is mainly on account of increase in Net profit as compared to previous year.
Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	13.85	11.25	23%	N.A.
Trade Receivable Turnover Ratio (in times)	Revenue from operations	Average Trade Receivable	9.12	8.54	7%	N.A.
Trade Payable Turnover Ratio (in times)	Purchases	Average Trade Payables	3.36	3.45	-3%	N.A.
Net Capital Turnover Ratio (in times)	Revenue from operations	Working capital = Current assets - Current liabilities	7.37	16.08	-54%	Change in the ratio is mainly attributable to an increase in working capital due to higher investments in fixed deposits and escrow balances during the year.
Net Profit ratio (in %)	Net profit after taxes	Revenue from operations	53%	14%	284%	Change in the ratio is mainly due to dividend income from the subsidiary, leading to higher profits for the year.
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	7%	7%	-3%	N.A.
Return on Investment (in %)	Interest (Finance Income)	Investment	5%	6%	-18%	N.A.

38A Other Statutory Information

- (i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Notes to the standalone financial statements

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38A Other Statutory Information (Contd..)

- (ii) The Company has transactions/balances with company struck off under section 248 of the Companies Act, 2013

Name of Struck off Company	Nature of transactions with struck off Company	Balance outstanding as on March 31, 2026 (Full Figure)	Balance outstanding as on March 31, 2025 (Full Figure)	Balance outstanding as on March 31, 2026 (in Million)	Balance outstanding as on March 31, 2025 (in Million)	Relationship
Actisai Foodline Private Limited	Payable	-	27,490	-	0.03	Vendor

- (iii) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- 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
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- 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,
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (viii) The Company have not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (ix) The Company has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013, which has an accounting impact on current financial year.
- (x) The Company has been sanctioned a working capital limit in excess of ₹ 5 crore by bank on the basis of security of current assets during the year. The Company has not utilised the said amount. Pursuant to the terms of the sanction letter, the Company is not required to file any quarterly return or statement with such banks or financial institutions till the time the said limit remains unutilised. As at the year end, the sanctioned working capital limit has been withdrawn.
- (xi) As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up on daily basis of such books of account and other relevant books and papers maintained in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis. The books of account along with other relevant records and papers of the Company are maintained in electronic mode. These are readily accessible in India at all times however backup is not maintained in India.
- (xii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

38B Title deeds of immovable properties are held in name of the company except:

Factory buildings and other buildings transferred to the Company as part of demerger, which are in the process of being registered in the name of the Company.

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Leasehold land	Land	98.82	Tenneco Exhaust India Private Limited	No	2018	There was change in the name of the Company from Tenneco Exhaust India Private Limited to Tenneco Automotive India Private Limited and then to Tenneco Clean Air India Limited. Hence, the property is in the name of the earliest company.

39. As at March 31, 2026, the Company has an outstanding payable for import of goods and services for a period exceeding six month from date of shipment amounting to ₹6.96 Million (subsequently paid ₹Nil) which exceeds the permissible time frame stipulated by Reserve Bank of India ('RBI') Master Direction No.17/2016-17, Import of Goods and services issued by the RBI dated January 01, 2016 (amended from time to time).

As at March 31, 2026, the Company has an outstanding receivable for export of goods and services for a period exceeding nine month from the date of shipment of goods or the date of invoice, whichever is later amounting to ₹79.66 Million (subsequently received ₹Nil) which exceeds the permissible time frame stipulated by Reserve Bank of India ('RBI') Master Circular No.10/2011-12, Export of Goods and services issued by the RBI dated July 01, 2011 (amended from time to time).

As per the assessment performed by the Company, the consequential impact of this matter, including the liability for penal charges, if any, on the standalone financial statements is presently not expected to be material and therefore no provision made in standalone financial statements.

40. Capital reduction

- Board of directors of Company at its meeting held on October 14, 2019 have approved the Scheme of Reduction of Capital pursuant to the provision of Section 66 of the Companies Act, 2013. The said scheme has been approved by shareholder of the Company in its extra ordinary general meeting on October 16, 2019. The reduction in share capital of the Company has been approved by the Hon'ble National Company Law Tribunal, Chennai vide order dated April 20, 2021. Pursuant to the said order, the paid up share capital of the Company is reduced from ₹ 7,777.13 Millions divided into 777,713,120 equity shares of ₹ 10/- each to ₹ 3,134.06 Millions divided into 313,406,120 equity shares of ₹ 10/- each in the previous year. The resultant surplus of ₹ 4,643.03 Millions is adjusted against Capital Reserve Account.
- Board of directors of Company at its meeting held on June 07, 2022 have approved the Scheme of Reduction of Capital pursuant to the provision of Section 66 of the Companies Act, 2013. The said scheme has been approved by shareholder of the Company in its extra ordinary general meeting on June 08, 2022. The reduction in share capital of the Company has been approved by the Hon'ble National Company Law Tribunal, Chennai vide order dated November 23, 2023. Pursuant to the said order, the paid up share capital of the Company is reduced from ₹ 3,134.06 Millions divided into 313,406,120 equity shares of ₹ 10/- each to ₹ 2,140.89 Millions divided into 214,088,829 equity shares of ₹ 10/- each in the previous year. The 99,317,291 equity shares have been reduced at a premium of ₹ 2 per share. The total outlay of ₹ 1191.81 Millions is adjusted against Capital Reserve Account of ₹ 342.17 Millions and ₹ 849.64 Millions is returned to shareholders.

Notes to the standalone financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

41. Dividend

Dividends paid during the year ended March 31, 2026 at ₹ 1.28 per equity share (amounting to ₹516.61 Millions), at ₹ 2.9732 per equity share (amounting to ₹ 1,200.00 Millions), at ₹ 8.67 per equity share (amounting to ₹ 3,499.24 Millions) and at ₹ 12.76 per equity share (amounting to ₹ 5,150.00 Millions) towards interim dividend.

Dividends paid during the year ended March 31, 2025 at ₹ 4.288 per equity share (amounting to ₹918.01 Millions), at ₹ 1.373 per equity share (amounting to ₹ 293.94 Millions), at ₹ 3.55 per equity share (amounting to ₹ 760.02 Millions) and at ₹ 2.02 per equity share (amounting to ₹ 432.46 Millions) towards interim dividend.

42. On March 26, 2025, the Company ('the Transferee Company'), directly acquired the shareholding in the businesses of entities namely Federal-Mogul Ignition Products India Limited, Federal Mogul Sealings India Limited, Federal Mogul Bearings India Limited & Tenneco Automotive India Private Limited (together referred as "Transferor Companies") which were ultimately controlled by the same parties who control it, both before and after the business combination. The consideration paid was determined based on a share-swap ratio. As per the share swap ratio approved by the Board in its meeting held on March 26, 2025, Transferee Company has issued 189,515,480 Equity Shares of ₹ 10 each ("New Equity Shares") to Shareholders of Transferor Companies. Pursuant to this transaction, Federal-Mogul Ignition Products India Limited, Federal Mogul Sealings India Limited, Federal Mogul Bearings India Limited & Tenneco Automotive India Private Limited became subsidiaries of the Company.

43. The Company has used an accounting software for maintaining its books of account for the year ended March 31, 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, audit trail was not enabled at the database level to log any direct data changes. The audit trail that was enabled and operated for the year ended March 31, 2025 has been preserved by the Company as per the statutory requirements for record retention.

44. Subsequent to the year end, the Shareholders of the Company has ratified and approved amended Employee Stock Option Scheme 2025 by way of special resolution on May 04, 2026 through remote e-voting system.

45. Rounding off

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

46. Previous Year Figures

Previous Year Figures have been regrouped / reclassified wherever necessary.

The accompanying notes are an integral part of the standalone financial statements.

For and on behalf of the Board of Directors
Tenneco Clean Air India Limited
(formerly known as Tenneco Clean Air India Private Limited)

Arvind Chandrasekharan
Whole-time Director and CEO
DIN: 08721916
Place: Bengaluru

Manavendra Singh Sial
Director
DIN: 11095791
Place: California, USA

Mahender Chhabra
Chief Financial Officer

Place: Gurugram
Date: May 30, 2026

Roopali Singh
Company Secretary
Membership No.: ACS15006
Place: Gurugram

Independent Auditor's Report

To The Members of

Tenneco Clean Air India Limited (Formerly known as Tenneco Clean Air India Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Tenneco Clean Air India Limited** (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31 March 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated 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 consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules 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 consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Board's Report including annexures to Board's Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

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

due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group, 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 by the Parent and of its subsidiaries, (refer Note 40(x) to the consolidated financial statements) and in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on 31 March 2026 taken on record by the Board of Directors of the Company, none of the directors of the Group companies incorporated in India 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 consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- 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 and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies, to their respective directors during the year is in accordance with the provisions of section 197 of the Act. With respect to one subsidiary company, in our opinion and to the best of our information and according to explanations given to us, the said subsidiary company is a private company for the year ended 31 March 2026, hence, section 197 of the Act related to managerial remuneration is not applicable.
- 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - refer Note 32(b) to the consolidated financial statements.
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent, and its subsidiary companies incorporated in India.
 - iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, as disclosed in the note 40(v) to the consolidated 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 Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited

under the Act, have represented to us that, to the best of their knowledge and belief, as disclosed in the note 40(vi) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us or the other auditors 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 final dividend proposed in the previous year, declared and paid by the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Parent and its subsidiary which are the companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year and

until the date of this report is in accordance with section 123 of Companies Act, 2013.

- vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries incorporated in India whose financial statements have been audited under the Act, the Parent and its subsidiary companies incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year ended 31 March 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year, except that, the audit trail feature was not enabled at the database level for the accounting software to log any direct data changes (refer note 46 of the consolidated financial statements).

Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Parent and above referred subsidiary companies incorporated in India as per the statutory requirements for record retention.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No.117366W/W-100018)

Sachanand C Mohnani

Partner

(Membership No. 407265)

UDIN: 26407265GVKUHA3893

Place: Pune

Date: 30 May 2026

Annexure “A” to the Independent Auditor’s Report

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

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

In conjunction with our audit of consolidated Ind AS financial statements of the Tenneco Clean Air India Limited as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to consolidated financial statements of Tenneco Clean Air India Limited (hereinafter referred to as “Parent”) and its subsidiary companies, which are companies incorporated in India, as of that date.

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

The respective Company’s management and Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on, the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, 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 consolidated 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the 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 internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company’s internal financial control with reference to consolidated 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 consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject

to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2026, based on, the criteria for internal financial control with reference to consolidated

financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sachanand C Mohnani
Partner

Place: Pune
Date: 30 May 2026

(Membership No. 407265)
UDIN: 26407265GVKUHA3893

Consolidated Balance Sheet

as at March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	5,077.03	5,348.37
Right-of-use assets	4	736.13	457.49
Capital work in progress	3(b)	580.65	310.67
Intangible assets	5	8.06	12.81
Financial assets			
i. Investments	6(a)	3.29	3.29
ii. Loans	6(e)	2.52	2.64
iii. Other financial assets	6(f)	109.26	8,421.73
Deferred tax assets (net)	7	286.12	218.26
Income tax assets (net)	8	261.53	183.20
Other non-current assets	9	1,029.41	79.80
Total non-current assets		8,094.00	15,038.26
Current assets			
Inventories	10	3,383.81	2,777.27
Financial assets			
i. Trade receivables	6(b)	6,348.33	6,872.31
ii. Cash and cash equivalents	6(c)	5,712.26	2,858.98
iii. Bank balances other than (ii) above	6(d)	2.15	3.36
iv. Loans	6(e)	17.85	4.75
v. Other financial assets	6(f)	1,255.33	367.22
Current tax assets (net)	8	41.21	-
Other current assets	11	515.97	384.99
Current assets excluding assets classified as held for sale		17,276.91	13,268.88
Assets classified as held for sale	33	-	8.70
Total current assets		17,276.91	13,277.58
Total assets		25,370.91	28,315.84
EQUITY AND LIABILITIES			
Equity			
i. Equity share capital	12(a)	4,036.04	4,036.04
ii. Other Equity	12(b)	7,937.95	12,063.66
Equity attributable to owners of Parent		11,973.99	16,099.70
Non-Controlling Interest		31.30	23.97
Total equity		12,005.29	16,123.67
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	13(b)	421.73	146.07
Provisions	16	771.25	301.97
Deferred tax liabilities (net)	7	-	1.05
Other non-current liabilities	14	-	241.43
Total non-current liabilities		1,192.98	690.52
Current liabilities			
Financial liabilities			
i. Lease liabilities	13(b)	93.23	50.85
ii. Vendor Bill financing	13(c)	283.13	503.44
iii. Trade payables	13(a)		
(a) total outstanding dues of micro enterprises and small enterprises		1,464.58	1,201.27
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		8,918.85	7,160.51
iv. Other financial liabilities	13(d)	484.89	150.33
Other current liabilities	15	647.80	1,088.40
Provisions	16	261.45	341.53
Current tax liabilities (net)	17	18.71	996.62
Total current liabilities excluding liabilities relating to assets held for sale		12,172.64	11,492.95
Liabilities relating to assets classified as held for sale	33	-	8.70
Total current liabilities		12,172.64	11,501.65
Total equity and liabilities		25,370.91	28,315.84

The accompanying material accounting policies and other explanatory notes (1-48) form an integral part of the Consolidated Financial Statements.

As per our report attached

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

Sachanand C Mohnani
Partner
Membership No.: 407265

Place: Pune
Date: May 30, 2026

For and on behalf of the Board of Directors
Tenneco Clean Air India Limited
(formerly known as Tenneco Clean Air India Private Limited)

Arvind Chandrasekharan
Whole-time Director and CEO
DIN: 08721916
Place: Bengaluru

Mahender Chhabra
Chief Financial Officer

Place: Gurugram
Date: May 30, 2026

Manavendra Singh Sial
Director
DIN: 11095791
Place: California, USA

Roopali Singh
Company Secretary
Membership No.: ACS15006
Place: Gurugram

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Income			
I. Revenue from operations	18	54,039.76	48,904.30
II. Other income	19	589.51	410.15
III. Total income (I+II)		54,629.27	49,314.45
IV. Expenses			
a) Cost of materials consumed	20	34,926.30	31,813.40
b) Change in inventories of finished goods, work-in-progress & traded goods	21	(295.17)	52.21
c) Purchase of stock in trade		468.19	346.06
d) Employee benefits expense	22	3,367.55	2,979.24
e) Finance cost	23	335.73	202.66
f) Depreciation and amortisation expense	24	1,081.65	1,031.72
g) Other expenses	25	6,318.22	5,561.00
Total expenses		46,202.47	41,986.29
V. Profit before exceptional items and tax (III-IV)		8,426.80	7,328.16
VI. Exceptional Items			
Statutory impact of new Labour Codes		(271.68)	-
VII. Profit before tax (V-VI)		8,155.12	7,328.16
VIII. Tax expense	26		
Current tax		2,202.58	1,878.16
Deferred tax		(53.88)	(91.28)
Short provision of tax relating to earlier years		(371.7)	9.85
Total tax expense		2,111.53	1,796.73
IX. Profit for the year (VII-VIII)		6,043.59	5,531.43
Attributable to:			
- Owners of the Parent		6,035.80	5,520.63
- Non-Controlling Interest		7.79	10.80
X. Other comprehensive (loss) / gain			
Items that will not be reclassified subsequently to consolidated statement of profit and loss			
- Remeasurements of defined benefit plans		(59.66)	(52.62)
- Income tax relating to above		15.01	13.08
Other comprehensive (loss) / gain for the year		(44.65)	(39.54)
Attributable to:			
- Owners of the Parent		(44.19)	(39.46)
- Non-Controlling Interest		(0.46)	(0.08)
IX. Total comprehensive income for the year (VII+VIII)		5,998.94	5,491.89
Attributable to:			
- Owners of the Parent		5,991.61	5,481.17
- Non-Controlling Interest		7.33	10.72
Earnings per equity share of Face Value ₹ 10 each	27		
Basic (₹)		14.95	13.68
Diluted (₹)		14.95	13.68

The accompanying material accounting policies and other explanatory notes (1-48) form an integral part of the Consolidated Financial Statements.

As per our report attached

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm Registration No. 117366W/W-100018)

Sachanand C Mohnani

Partner

Membership No.: 407265

For and on behalf of the Board of Directors

Tenneco Clean Air India Limited

(formerly known as Tenneco Clean Air India Private Limited)

Arvind Chandrasekharan

Whole-time Director and CEO

DIN: 08721916

Place: Bengaluru

Mahender Chhabra

Chief Financial Officer

Manavendra Singh Sial

Director

DIN: 11095791

Place: California, USA

Roopali Singh

Company Secretary

Membership No.: ACS15006

Place: Gurugram

Place: Pune

Date: May 30, 2026

Place: Gurugram

Date: May 30, 2026

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash flow from operating activities		
Profit before tax	8,155.12	7,328.16
Adjustments for:		
Depreciation on property, plant and equipment	970.64	977.26
Amortisation on intangible assets	6.51	6.25
Amortisation on Right of Use Asset	104.49	48.21
Provision for expected credit loss	(4.95)	2.54
Excess provisions / liabilities no longer required written back	(4.98)	(11.42)
Provision for doubtful advances	2.99	(19.34)
Provision for doubtful balances with government authorities	(14.06)	2.65
Provision for warranties	101.82	59.02
Interest income from financial assets	(146.05)	(72.11)
Interest income on loans to related parties	(340.38)	(19.09)
Finance cost	335.72	202.67
(Gain)/ loss on disposal of property, plant and equipment	(1.02)	0.31
Loss/ (gain) on termination of lease	4.64	(2.41)
Unrealised foreign exchange (gain)/ loss	(71.73)	16.91
Dividend income	-	(294.19)
Operating cash flows before working capital changes	9,098.76	8,225.42
Change in operating assets and liabilities		
(Increase) / Decrease in		
- Inventories	(606.53)	516.17
- Trade receivables	570.36	(1,288.41)
- Financial and other assets	7,048.79	340.78
Increase / (Decrease) in		
- Trade payables	1,900.84	163.04
- Provisions	235.73	25.98
- Financial and other liabilities	(658.41)	(410.72)
Cash generated from operations	17,589.54	7,572.26
Income taxes paid (net)	(3,294.77)	(1,948.40)
Net cash inflow from operating activities (A)	14,294.77	5,623.86
B. Cash flows from investing activities:		
Purchase of property, plant and equipments, including capital work in progress and capital advances	(1,150.28)	(647.81)
Sale of property, plant and equipment	306.52	20.26
Purchase of Investments	-	(3.10)
Investment in fixed deposits and other bank deposits	(0.17)	(20.36)
Redemption of fixed deposits and other bank deposits	20.36	3.95
Investment in deposits held as margin money	(2.37)	(2.19)
Redemption of deposits held as margin money	1.64	-
Interest received	136.37	87.26
Dividend received	-	294.19
Net cash outflow from investing activities (B)	(687.93)	(267.80)

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
C. Cash flows from financing activities: (Refer note 38)		
Dividend paid	(10,365.85)	(4,092.42)
Interest paid	(242.59)	(169.42)
Interest paid on lease liabilities	(34.83)	(13.50)
Repayment of lease liabilities	(110.29)	(48.74)
Share issue expenses	-	(3.73)
Net cash outflow from financing activities (C)	(10,753.56)	(4,327.81)
Net increase in cash and cash equivalents (A)+(B)+(C)	2,853.28	1,028.25
Cash and cash equivalents at the beginning of the financial year	2,858.98	1,830.73
Cash and cash equivalents at end of the year	5,712.26	2,858.98

Cash and Cash Equivalents as per above comprise of the following (refer note no. 6(c))

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks:		
On current accounts	795.09	1,009.22
Bank deposits with original maturity of less than three months	4,917.17	1,849.76
	5,712.26	2,858.98

The accompanying material accounting policies and other explanatory notes (1-48) form an integral part of the Consolidated Financial Statements.

As per our report attached

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

Sachanand C Mohnani
Partner
Membership No.: 407265

Place: Pune
Date: May 30, 2026

For and on behalf of the Board of Directors
Tenneco Clean Air India Limited
(formerly known as Tenneco Clean Air India Private Limited)

Arvind Chandrasekharan
Whole-time Director and CEO
DIN: 08721916
Place: Bengaluru

Mahender Chhabra
Chief Financial Officer

Place: Gurugram
Date: May 30, 2026

Manavendra Singh Sial
Director
DIN: 11095791
Place: California, USA

Roopali Singh
Company Secretary
Membership No.: ACS15006
Place: Gurugram

A) Equity share capital

Particulars	No. of shares	Amount
Balance as at 01 April 2024	214,088,829	2,140.89
Changes in equity share capital during the year (Refer note 12)	189,515,480	1,895.15
Balance as at 31 March 2025	403,604,309	4,036.04
Changes in equity share capital during the year	-	-
Balance as at 31 March 2026	403,604,309	4,036.04

Attributable to Owners of Parent

Particulars	Reserves & Surplus					Deemed Equity Contribution from Parent Company	Share Application Money Pending Allotment	Total	Non-controlling interest	Total Equity
	Securities Premium	Retained Earnings	Capital Reserve	Capital Reserve on Business Combination under Common Control	Capital Redemption Reserve					
Balance as at 01 April 2024	769.66	6,338.43	3.84	(1,370.19)	0.65	21.79	1,895.15	7,659.33	13.25	7,672.58
Profit for the year	-	5,520.63	-	-	-	-	-	5,520.63	10.80	5,531.43
Other comprehensive income / (Loss) (net of taxes)	-	(39.46)	-	-	-	-	-	(39.46)	(0.08)	(39.54)
Dividend Paid during the year (Refer note 12)	-	(4,092.42)	-	-	-	-	-	(4,092.42)	-	(4,092.42)
Shares issued during the year (Refer note 12)	-	-	-	-	-	-	(1,895.15)	(1,895.15)	-	(1,895.15)
Share issue expenses	(3.74)	-	-	-	-	-	-	(3.74)	-	(3.74)
Adjustment for sale of investment by subsidiary (Refer note 40)	-	-	-	4,914.47	-	-	-	4,914.47	-	4,914.47
Balance as at 31 March 2025	765.92	7,727.18	3.84	3,544.28	0.65	21.79	-	12,063.66	23.97	12,087.63

Place: Pune
Date: May 30, 2026

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026
(All amounts in INR Millions, unless otherwise stated)

1 Group Information

Tenneco Clean Air India Limited (Formerly known as Tenneco Clean Air India Private Limited) ("the Parent" or "the Company") was originally incorporated as a private limited company on 21 December 2018 and is converted into a public limited company on 16 May 2025, with Company identification no: L29308TN2018FTC126510. The Parent along with its subsidiaries (collectively the "Group") is engaged in the manufacture and supply of automotive components, shock absorbers, struts, catalytic converters, mufflers and exhaust pipes. The ultimate controlling party is Tenneco LLC. The address of its registered office and principal place of business is RNS2, Nissan Supplier Park, SIPCOT Industrial Park Oragadam, Industrial Corridor, Kancheepuram, Tamil Nadu.

These consolidated financial statements comprise the financial statements of the Company and the following subsidiaries:

Name of subsidiary	% holding as at		Country of Origin	Principal Activity
	31-Mar-26	31-Mar-25		
Tenneco Automotive India Private Limited	100%	100%	India	TAIPL is engaged in the manufacture of shock absorbers and struts.
Federal Mogul Ignition Products (India) Limited	99.99%	99.99%	India	FM IPL is engaged in the business of manufacture and trading of spark-plugs and its accessories. It also trades in auto-ignition systems and auto components.
Federal Mogul Sealings India Limited	89.89%	89.89%	India	FMSIL is engaged in the manufacture and supply of automotive components used in two/four wheeler automobiles.
Federal Mogul Bearings India Limited	99.59%	99.59%	India	FMBIL is engaged in the business of manufacture and sale of bi-metal engine bearings, bushes, washers, flanges for automotive, industrial, and agricultural, earth moving, marine and stationary engines.

2 Basis of preparation, measurement and material accounting policies

2.1 Basis of preparation

These consolidated financial statements ("financial statements") have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and guidelines issued by Securities and Exchange Board of India (SEBI) to the extent applicable.

Until the financial year ended 31 March 2024, the Company did not have any subsidiary and hence it prepared a set of standalone Ind AS financial statements for itself. In lieu of IPO, the ultimate holding company did a reorganisation in which certain fellow subsidiaries of the Company (namely, Federal Mogul Ignition Products (India) Limited, Federal Mogul Sealings India Limited, Federal Mogul Bearings India Limited and Tenneco Automotive India Private Limited ("TAIPL")) became subsidiaries of the Company with effect from 25 March 2025 through a

Pursuant to share swap agreements dated 25 March 2025 between Tenneco Clean Air India Limited and the shareholders of Tenneco Automotive India Private Limited (TAIPL), Federal Mogul Ignition Products (India) Limited (FM IPL), Federal Mogul Sealings India Limited (FMSIL) and Federal Mogul Bearings India Limited (FMBIL) (hereinafter referred to as the subsidiaries), the Company acquired control of these subsidiaries in exchange for issue of its own equity shares. These financial statements are presented in Indian Rupees "INR" or "₹" and all values are stated as INR or ₹ Million, except when otherwise indicated.

share swap arrangement wherein the Company acquired the shareholding in the subsidiaries through an issue of its own equity shares. Prior to such reorganisation, TAIPL was owning DRIV business segment through its wholly owned subsidiary i.e. Motocare India Private Limited ("MIPL") and the shareholding in MIPL was transferred on 24 March 2025 ("MIPL Transfer") to Federal-Mogul Motorparts India Limited, a fellow subsidiary, as DRIV business segment was not meant to be part of the reorganisation for the IPO. Such transfer of shareholding of MIPL was done against a cash consideration of ₹ 8,293.51 Million (representing fair value of net assets of MIPL ("MIPL Consideration")) receivable over the period of next two years bearing an interest rate of 12% per annum. This reorganisation is considered as a common control transaction as required under Appendix C of Ind AS 103 ("Business Combinations").

As a result, as per Appendix C of Ind AS 103, the Company prepared and presented consolidated financial statements including Federal Mogul Ignition Products (India) Limited, Federal Mogul Sealings India Limited, Federal Mogul Bearings India Limited and Tenneco Automotive India Private Limited (standalone only) as

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

at and for the year ended 31 March 2025. Considering, MIPL was not acquired by the Company as part of the reorganisation, the financial statements of the Company do not include the financial information of MIPL (DRIV business segment) for the comparative period presented. The Company has reflected the impact of MIPL Transfer from the date of opening balance sheet of earliest period presented while preparing the financial statements as at and for the year ended 31 March 2025 and recorded a receivable equivalent to MIPL Consideration value and recognised the difference between MIPL consideration value and carrying value of investment in MIPL in the books of TAIPL under 'Capital Reserve on Business Combination under Common Control'.

Pursuant to the Companies (Indian Accounting Standard) Second Amendment Rules, 2015, Federal Mogul Ignition Products (India) Limited, Federal Mogul Sealings India Limited, Federal Mogul Bearings India Limited (collectively known as "Certain subsidiaries") prepared their first set of statutory financial statements as per Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) for the year ended 31 March 2025.

These financial statements have been prepared on accrual basis and on a historical cost basis, except for certain items of financial assets and financial liabilities measured at fair value / amortised cost. Refer note 29.

These financial statements have been approved by the Board of Directors of the Group on 30 May 2026.

2.2 Summary of Material Accounting Policies

a) Basis of Consolidation

The financial statements incorporate the financial statements of the Group and entities controlled by the Group (its subsidiaries) up to 31 March each year. Control is achieved when the Group:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, the results of subsidiaries

acquired or disposed of during the year are included in profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost of initial recognition of an investment in an associate or a joint venture.

Business Combinations under Common Control

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, are considered as common control business combinations. Such business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method.

The assets and liabilities of the combining entities or businesses are reflected at their carrying amounts, barring certain assets and liabilities not taken over in terms of business transfer agreements. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies. The financial information in the financial statements in respect of prior periods should be as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves appearing in the financial statements of the transferor is preserved and appears in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor, for case of acquisition of stake in equity.

The differences, if any, between the amount of consideration paid or payable in cash or and the amount of share capital of the transferor and further adjusted for harmonization of the accounting policies, has been transferred to 'Capital reserve on business combination under common control' and presented separately from other capital reserves.

During the financial year ended 31 March 2025, Tenneco Clean Air India Limited, acquired businesses from entities which were ultimately

controlled by the same parties both before and after the business combination. These transactions were in the nature of acquisition of the equity stake from the existing shareholders.

Pursuant to the requirements of Appendix C of the Ind AS 103, these business combinations under common control are accounted for using the pooling of interest method as explained above. The details of the business combinations, the carrying value of the assets, liabilities and reserves acquired and harmonized as per the revised accounting policies, and the resultant capital reserve are given in note 30.

b) Current and non-current classification

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

c) Use of estimates and judgements

The preparation of 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 Group. All other repair and maintenance costs are recognised in Consolidated Statement of Profit and Loss as incurred.

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Subsequent measurement (depreciation and useful lives)

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

Asset Class	Estimated useful life (in years)
Plant and machinery	5-15 years
Furniture and fixtures	10 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years
Solar panels	30 years
Buildings	30 years

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

De-recognition

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

e) Intangible assets

Recognition and initial measurement

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

Subsequent measurement (amortisation)

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

f) Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication

exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

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

g) Impairment of financial assets

The Group 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. Group performs credit assessment for customers on an annual basis. Group recognizes credit risk, on the basis of lifetime expected losses and where receivables are due for more than twelve months.

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

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

h) Financial instruments

Financial assets

Initial recognition and measurement

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

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

initially at fair value. Trade receivable that do not contain significant financing component are initially recognised at transaction price. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

- i. **Financial assets carried at amortised cost – a financial asset is measured at the amortised cost if both the following conditions are met:**
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

- ii. **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 Consolidated Statement of Profit and Loss.

Offsetting of financial instruments

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

- i) **Fair value measurement**

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

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

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

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value,

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

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maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

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

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

j) Leases

The Group as a lessee

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

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these short term or low value asset leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a

corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group 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 Group changes its assessment of whether it will exercise an extension or a termination option.

k) Inventories

Inventories are valued as follows:

Raw materials, components, stores and spares and packing material.	Lower of cost and net realisable value. Cost represents purchase price and other direct costs and is determined on a moving weighted average cost basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
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Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

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Work-in-progress	Lower of cost and net realisable value. Cost for this purpose includes material, labour and appropriate allocation of overheads. Cost is determined on a moving weighted average basis.
Finished Goods:- Manufactured	Lower of cost and net realisable value. Cost for this purpose includes material, labour and appropriate allocation of overheads. Cost is determined on a moving weighted average basis.

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

I) 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 Group recognises revenue from the following major sources:

i) Sale of products:

Revenue from sale of products is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. It is measured at consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. The Company recognises revenue when it transfers control over a product to a customer i.e. when goods are delivered at the delivery point, as per terms of the agreement, which could be

either customer premises or carrier premises who will deliver goods to the customer. When payments received from customers exceed revenue recognised to date on a particular contract, any excess (a contract liability) is reported in the Balance Sheet under other current liabilities.

Satisfaction of performance obligations

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

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

Payment terms

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

(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

Summary of material accounting policies and other explanatory information

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to be provided overtime since the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group 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.

Where the Group cannot reasonably measure the outcome of a performance obligation, but the Group expects to recover the costs incurred in satisfying the performance obligation, in those circumstances, the Group 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 Group 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 Group to manufacture such tools, similarly tooling cost (net) represents costs incurred by the Group in excess of amounts recovered from customers. The Group recognizes such tooling income (net)/ tooling cost (net) when the control of the goods have passed on to the customer. The Group 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 Consolidated Statement of Profit and Loss in the period in which such probability occurs. The tooling income (net) is recognized at the time of receipt of Production Part Approval Process from customer.

(v) Contract assets

A contract asset is the Group's right to consideration in exchange for goods or services that the Group has transferred to

the customer. A contract asset becomes a receivable when the Group'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 Group comprises of deferred income which relates to expenses incurred but not billed yet as per the terms of contract.

The Group's contract assets are disclosed in Note 6(b), Note 6(f) and Note 18.

(vi) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group 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 Group 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 Group's contract liabilities are disclosed in Note 14, Note 15 and Note 18.

(vii) Export Benefits/Incentives:

Export entitlements under the Duty Entitlement Pass Book (DEPB) Scheme/ Duty Drawback scheme are recognised in the Consolidated 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 Group are segregated.

n) Foreign Currency Transactions

Functional and presentation currency

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

Summary of material accounting policies and other explanatory information

for the year ended March 31, 2026

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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 Consolidated 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 Group pays pre-defined amounts to funds administered by government authority/ Company and does not have any legal or constructive obligation to pay additional sums. These comprise contributions in respect of Employees' Provident Fund and Employees' State Insurance. The Group'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 year. The actuarial valuation is done as per projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to other comprehensive income in the year in which such gains or losses are determined.

(iii) Short term compensated absences are provided for based on estimates. Long term compensation liability for leave encashment is determined in accordance with Group 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 Consolidated Statement of Profit and Loss in the year in which such gains or losses are determined.

(iv) Bonus Plans:

The Group recognises a liability and an expense for bonuses. The Group 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.

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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 Group 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 Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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

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) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group 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.

u) Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

The Group declares and pays dividends in Indian rupees. Group is required to pay / distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

v) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

The directors of Tenneco Clean Air India Limited assess the financial performance and position of the Company and make strategic decisions. The director who has been identified is the Whole-time Director and CEO. Refer Note 34 for segment information presented.

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

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

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Significant management judgements

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

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

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

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

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal

aspects, the Group assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this judgement.

Significant estimates

Provision 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.

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

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

x) Standards issued but not yet effective

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

Notes to the Consolidated financial statements

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3(a) Property, Plant and Equipment

Particulars	Freehold Land	Buildings	Plant and machinery	Office equipment	Furniture and fixtures	Computer	Vehicles	Total
Gross carrying value								
As at 01 April 2024	5.17	1,528.25	8,242.79	10.08	78.21	232.56	18.95	10,116.01
Additions	-	92.35	510.78	1.15	16.66	63.38	8.34	692.66
Disposals/adjustments (refer note 1)	-	(2.82)	(54.94)	(1.83)	-	(0.03)	-	(59.62)
As at 31 March 2025	5.17	1,617.78	8,698.63	9.40	94.87	295.91	27.29	10,749.05
As at 01 April 2025	5.17	1,617.78	8,698.63	9.40	94.87	295.91	27.29	10,749.05
Additions (refer note 2)	61.31	63.77	507.45	1.63	0.61	73.40	-	708.17
Disposals/adjustments	-	(5.63)	(123.57)	(2.49)	(1.63)	-	(1.37)	(134.68)
As at 31 March 2026	66.48	1,675.93	9,082.51	8.54	93.86	369.31	25.92	11,322.54
Accumulated depreciation								
As at 01 April 2024	-	369.58	3,908.87	4.24	47.78	121.40	10.60	4,462.47
Depreciation charge for the year	-	63.07	853.78	1.60	8.56	48.08	2.17	977.26
Disposals	-	(1.24)	(36.10)	(1.71)	-	-	-	(39.05)
As at 31 March 2025	-	431.41	4,726.55	4.13	56.34	169.48	12.77	5,400.68
As at 01 April 2025	-	431.41	4,726.55	4.13	56.34	169.48	12.77	5,400.68
Depreciation charge for the year	-	65.18	831.02	1.36	8.02	62.27	2.80	970.65
Disposals	-	(1.23)	(119.37)	(2.36)	(1.54)	-	(1.32)	(125.82)
As at 31 March 2026	-	495.36	5,438.20	3.13	62.82	231.75	14.25	6,245.51
Net carrying value as at 31 March 2026	66.48	1,180.57	3,644.31	5.41	31.04	137.56	11.67	5,077.03
Net carrying value as at 31 March 2025	5.17	1,186.37	3,972.08	5.27	38.53	126.43	14.52	5,348.37

Notes:

- (i) On 17 February 2025, a fire incident occurred at the Parwanoo Plating Plant of Federal-Mogul Bearings India Limited (FMBIL), a subsidiary of the Company. The incident resulted in damage to plant and machinery, with a net carrying value of INR 9.91 Million. Additionally, the fire caused a business loss amounting to INR 56.33 Million.

The incident was promptly reported to the insurance company. The Company has adequate insurance coverage for both the asset damage and business interruption losses. During the current financial year, the insurance company has made an interim disbursement of INR 15 Million against the machinery replacement claim.

- (ii) The Haryana State Industrial and Infrastructure Development Corporation Limited ("HSIIDC") allotted the land at the Bawal facility ("Land") to the Company vide Letter of Allotment dated 6 July 2007, which was accepted pursuant to an agreement dated 21 September 2007 providing for payment of consideration on a deferred payment basis along with applicable interest. The Company subsequently obtained the occupation certificates in relation to the Land from HSIIDC and paid the entire consideration, with the final installment being paid on 30 December 2009. However, as the conveyance deed had not been executed at that time due to administrative and legal transitions within the Company, including changes in the board of directors and certain corporate restructuring activities requiring updates to statutory records, approvals and registrations, the Land continued to be disclosed as leasehold land/right-of-use asset in the financial statements. During the current year, upon completion of the requisite administrative and regulatory formalities and pursuant to the application submitted to HSIIDC on 6 October 2025, the conveyance deed was executed and registered in favor of the Company on 15 January 2026. Consequently, the said Land has been capitalised during the current year.

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3(b) Capital Work in Progress (CWIP)

Particulars	Capital Work in Progress (CWIP)
As at 01 April 2024	366.18
Additions during the year	632.76
Capitalised during the year	(688.27)
As at 31 March 2025	310.67
As at 1 April 2025	310.67
Additions during the year	1,168.63
Capitalised during the year	(898.65)
As at 31 March 2026	580.65

Capital Work in Progress (CWIP) Ageing Schedule

As at 31 March 2026

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	469.99	91.74	6.09	12.55	580.37
Projects temporarily suspended	-	-	-	0.28	0.28

As at 31 March 2025

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	271.65	27.14	11.60	-	310.39
Projects temporarily suspended	-	-	-	0.28	0.28

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	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Plant and machinery	12.56	-	-	-	12.56

As at 31 March 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Plant and machinery	13.42	13.82	-	-	27.23

Notes:

- 1.) Refer to Note 32(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 Group has not revalued its property, plant and equipment during the current or previous year.
- 4.) There is no property, plant and equipment that is pledged or under lien except plant and machinery in Federal Mogul Bearings India Limited (FMBIL) pledged as security (2nd pari passu charge) against credit facilities availed.
- 5.) There are no impairment losses recognised during each reporting year.

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4 Right-of-use assets

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

Particulars	Vehicles	Leasehold land	Plant and machinery	Buildings	Total
Gross carrying value					
As at 01 April 2024	37.86	305.04	-	275.54	618.44
Additions	8.34	-	-	102.37	110.71
Disposals	(4.72)	-	-	(49.20)	(53.92)
As at 31 March 2025	41.48	305.04	-	328.71	675.23
As at 01 April 2025	41.48	305.04	-	328.71	675.23
Additions	7.17	-	350.32	86.99	444.48
Disposals	(12.40)	(61.45)	-	(97.18)	(171.03)
As at 31 March 2026	36.25	243.59	350.32	318.52	948.68
Accumulated depreciation					
As at 01 April 2024	23.25	32.85	-	156.98	213.08
Depreciation charge for the year	7.49	3.23	-	37.49	48.21
Disposals/adjustments	(4.00)	-	-	(39.55)	(43.55)
As at 31 March 2025	26.74	36.08	-	154.92	217.74
As at 01 April 2025	26.74	36.08	-	154.92	217.74
Depreciation charge for the year	7.69	2.57	35.03	59.20	104.49
Disposals/adjustments	(12.40)	(9.51)	-	(87.77)	(109.68)
As at 31 March 2026	22.03	29.14	35.03	126.35	212.55
Net carrying amount as at 31 March 2026	14.22	214.45	315.29	192.17	736.13
Net carrying amount as at 31 March 2025	14.74	268.96	-	173.79	457.49

Note:

- The Group has not revalued its right-of-use assets during each reporting year.
- The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the Consolidated Statement of Profit and Loss.

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

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current lease liabilities	421.73	146.07
Current lease liabilities	93.23	50.85
Total	514.96	196.92

The Group has taken building, plant and machinery and vehicles on lease for an average lease term of 26 months to 60 months. 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 Group has entered into long term leases of around 50-99 years for land leases.

The following is the movement in lease liabilities:

Particulars	Amount
As at 01 April 2024	150.96
Additions	108.28
Finance cost accrued during the year (Refer note 23)	13.57
Derecognised during the year	(13.65)
Payment of lease liabilities	(62.24)
As at 31 March 2025	196.92

Notes to the Consolidated financial statements

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(All amounts in INR Millions, unless otherwise stated)

4 Right-of-use assets (Contd..)

Particulars	Amount
As at 01 April 2025	196.92
Additions	433.05
Finance cost accrued during the year (Refer note 23)	34.89
Derecognised during the year	(4.78)
Payment of lease liabilities	(145.12)
As at 31 March 2026	514.96

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 March 31, 2026	As at March 31, 2025
Less than one year	135.82	65.08
One to five years	439.86	165.51
More than five years	1.22	5.10
	576.90	235.69

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

The following are the amounts recognised in profit or loss:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation expense of right-of-use assets	104.49	48.21
Interest expense on lease liabilities (Refer note 23)	34.89	13.57
Expense relating to short-term leases (included in other expenses) (Refer note 25)	11.35	15.97
Total	150.73	77.75

Lease related disclosures

- The Group has leases for Land, Buildings and Vehicles. 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.
- Total cash outflow for leases for the year ended 31 March 2026 was ₹145.12 Million (previous year: ₹ 62.24 Million).
- The Group has short term lease agreements in which there are no lock in periods. The disclosure requirement related to total commitment of short term leases is thus not applicable to the Group.

5 Intangible assets

Particulars	Computer Software
Gross carrying amount	
Opening gross carrying amount as at 01 April 2024	99.00
Additions	2.65
Disposals/Adjustments	(0.03)
Closing gross carrying amount as at 31 March 2025	101.62
Opening gross carrying amount as at 01 April 2025	101.62
Additions	1.76
Disposals/Adjustments	-
Closing gross carrying amount as at 31 March 2026	103.38

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

5 Intangible assets (Contd..)

Particulars	Computer Software
Accumulated amortisation	
Opening accumulated amortisation as at 01 April 2024	82.56
Amortisation charge for the year	6.25
Disposals	-
Closing accumulated amortisation as at 31 March 2025	88.81
Opening accumulated amortisation as at 01 April 2025	88.81
Amortisation charge for the year	6.51
Disposals	-
Closing accumulated amortisation as at 31 March 2026	95.32
Net carrying amount as at 31 March 2026	8.06
Net carrying amount as at 31 March 2025	12.81

Notes:

- 1.) No Intangible assets are pledged as security by the Group.
- 2.) There are no Intangible assets Under Development as at each reporting year.
- 3.) The Group has not revalued its Intangible Assets as at each reporting year and therefore Schedule III disclosure requirements with respect to fair value details is not applicable.

6 Financial assets

6(a) Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Investments at fair value through profit or loss		
(i) Investment in equity shares of other entity, unquoted 3,545 equity shares (previous year: 3,545) fully paid of ₹ 53.03 each in Caparo Power Limited	0.19	0.19
(ii) Investment in equity shares of other entity, unquoted 62,000 equity shares (previous year: 62,000) fully paid of ₹ 10 each in Yash Metal Resources Private Limited	3.10	3.10
Total	3.29	3.29
Aggregate amount of unquoted investments	3.29	3.29
Aggregate amount of impairment in the value of investments	-	-

6(b) Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables from external parties	4,945.68	5,951.15
Trade receivables from related parties [Refer Note 28(c)]	1,448.95	973.75
Less: Allowance for expected credit loss	(46.30)	(52.59)
Total receivables	6,348.33	6,872.31
Break-up of security details:		
Unsecured, considered good	6,348.33	6,872.31
Trade receivables which have a significant increase in credit risk	28.30	45.13
Trade receivables - credit impaired	18.00	7.46
Total	6,394.63	6,924.90
Less: Allowance for expected credit loss	(46.30)	(52.59)
Total Trade receivables	6,348.33	6,872.31

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

6 Financial assets (Contd..)

The average credit period on sales of goods is 30-120 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	4,900.40	1,193.64	224.69	28.55	0.75	0.30	6,348.33
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	2.45	12.40	5.69	7.32	0.44	-	28.30
(iii) Undisputed Trade Receivables – credit impaired	-	4.09	5.62	5.44	0.01	2.84	18.00
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	4,902.85	1,210.13	236.00	41.31	1.20	3.14	6,394.63
Less: Expected credit loss allowance							(46.30)
							6,348.33

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	3,310.25	3,525.57	26.57	7.26	0.49	2.17	6,872.31
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	10.53	18.60	12.55	2.55	0.90	-	45.13
(iii) Undisputed Trade Receivables – credit impaired	-	0.46	0.88	3.58	1.42	1.12	7.46
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	3,320.78	3,544.63	40.00	13.39	2.81	3.29	6,924.90
Less: Expected credit loss allowance							(52.59)
							6,872.31

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

6 Financial assets (Contd..)

Notes:

- (1) Refer Note 30 for allowance for expected credit loss.
- (2) Refer Note 28(c) for balances due from related parties.
- (3) Refer note no. 42 for FEMA Compliances.

6(c) Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with scheduled banks		
- in current accounts*	795.09	1,009.22
Bank deposits with original maturity less than 3 months	4,917.17	1,849.76
Total	5,712.26	2,858.98

* Bank balance includes both rupee accounts and foreign currency accounts

6(d) Bank balances other than 6(c) above

Particulars	As at March 31, 2026	As at March 31, 2025
Bank deposit held as margin money with original maturity less than 12 months	1.65	1.55
Bank deposits with original maturity more than 3 months but less than 12 months*	0.50	1.81
Total	2.15	3.36

*INR 0.50 Million (31 March 2025: ₹ 0.50 Million) is under lien with banks

6(e) Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Loan to employees	2.52	2.64
Total	2.52	2.64
Current		
Loan to employees	17.85	4.75
Total	17.85	4.75

6(f) Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Unsecured, considered good		
At amortised cost		
Security deposits	99.56	82.73
Deposits with original maturity more than 12 months (including accrued interest)***	9.70	26.80
Other receivables (Refer note 40)#	-	8,312.20
Total	109.26	8,421.73

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

6 Financial assets (Contd..)

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
At amortised cost		
Unsecured, considered good		
Interest accrued on bank deposits	15.72	10.42
Interest accrued on inter-corporate deposits and other deposits	1.30	1.02
Security deposits	1.23	0.13
Export incentive recoverable	3.04	5.96
Balance in Escrow Account**	942.54	-
Deposits held as margin money with original maturity of more than 12 months (including accrued interest)	0.50	1.64
Receivable from related party*	184.75	93.32
Unbilled revenue (Refer note 18)	105.65	244.22
Claims recoverable	0.60	10.51
Total	1,255.33	367.22

*Receivable from related party includes amount of ₹ 102.24 Million and ₹73.81 Million relating to Initial Public Offer related expenses incurred during the year ended 31 March 2026 and year ended 31 March 2025 respectively which the Company will recover from the Selling Shareholders.

#Other receivables includes amount of ₹ 8,293.51 Million receivable from Federal-Mogul Motorparts India Limited as at 31 March 2025 as a result of sale of investment in Motocare India Private Limited by our subsidiary Tenneco Automotive India Private Limited.

**During the year ended 31 March 2026, the Company's equity shares have been listed on National Stock Exchange of India Limited ("NSE") and on BSE Limited ("BSE") on 19 November 2025, by completing Initial Public Offering ("IPO") through offer for sale. The Company has received proceeds in the share escrow account amounting to ₹ 36,000 Million out of which ₹ 29,231 Million paid to selling shareholders and ₹ 5,826.46 Million to various parties for initial public offer expenses. The remaining funds amounting to ₹ 942.54 Million which is held in share escrow account. As per the Offer Agreement entered between the Company and the selling shareholders, the selling shareholders shall reimburse the share issue expenses. Accordingly, the Company has recovered the expenses incurred in connection with the Issue on completion of IPO during the current year. Being 100% OFS, the Company has not presented the utilisation of the proceeds of IPO. The unutilised amount as on 31 March 2026, is held in share escrow account with schedule commercial bank.

***Includes deposits given as security for bank guarantees furnished to custom and excise authorities.

7 Deferred tax assets (net)

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				
Unabsorbed depreciation	2.66	(2.66)		-
Provision for employee benefits	125.13	75.26	15.02	215.41
Provision for doubtful advances and expected credit loss	74.38	9.02	-	83.40
Provision for Inventory obsolescence	19.99	7.16	-	27.15
MAT Credit	17.83	(17.83)	-	-
Lease Liabilities	21.99	80.10	-	102.09
Others	68.10	(24.61)	-	43.49
	330.08	126.43	15.02	471.54
Deferred tax liabilities				
Property, plant and equipment and Intangible assets on account of difference in Written Down Value (WDV)	90.38	62.83	-	153.21
Right of Use Assets	22.49	9.72	-	32.21
	112.87	72.55	-	185.42
Net Deferred tax assets / (liabilities)	217.21	53.88	15.02	286.12

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

7 Deferred tax assets (net) (Contd..)

Closing Balance as on 31 March 2026 disclosed as:	
Deferred tax asset	286.12
Deferred tax liability	-
	286.12

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				
Unabsorbed depreciation	16.26	(13.60)	-	2.66
Provision for employee benefits	88.43	23.79	12.92	125.13
Provision for doubtful advances and expected credit loss	62.24	12.14	-	74.38
Provision for Inventory obsolescence	33.75	(13.76)	-	19.99
Demerger expenses	-	-	-	-
MAT Credit	(0.00)	17.83	-	17.83
Lease Liabilities	10.40	11.59	-	21.99
Others	65.56	2.40	0.16	68.10
	276.64	40.39	13.08	330.08
Deferred tax liabilities				
Property, plant and equipment and Intangible assets on account of difference in Written Down Value (WDV)	155.09	(64.71)	-	90.38
Right of Use Assets	8.67	13.82	-	22.49
	163.76	(50.89)	-	112.87
Net Deferred tax assets / (liabilities)	112.88	91.28	13.08	217.21

Closing Balance as on 31 March 2025 disclosed as:	
Deferred tax asset	218.26
Deferred tax liability	(1.05)
	217.21

Note:

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

8 Tax assets (Net)

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax assets (net)	261.53	-
Current tax assets (net)	41.21	183.20
Total	302.74	183.20

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

9 Other Non current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Amount paid under protest	28.20	9.34
Capital advances	413.91	39.05
Prepaid expenses	554.10	2.60
Balances with government authorities	-	0.08
Excess of fund payment over gratuity liability	-	0.78
Others (includes excess CSR spent, advances, etc.)	33.20	27.95
Total	1,029.41	79.80

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

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials and components (includes stock in transit of ₹745.81 Million (previous year: 513.58 Million))	2,128.54	1,821.70
Work-in-progress	543.11	422.06
Finished Goods (includes stock in transit of ₹ 250.14 Million (previous year: ₹101.18 Million))	499.06	348.91
Stores and spares (includes stock in transit of ₹ 30.92 Million (previous year: ₹ Nil))	146.17	136.47
Stock-in-trade (includes stock in transit of ₹ 0.71 Million (previous year: ₹ 9.21 Million))	64.14	40.17
Packing Material	2.79	7.96
Total	3,383.81	2,777.27

The cost of inventories recognised as an expense includes ₹ 13.50 Million (previous year: ₹ 8.03 Million) in respect of write-downs of inventory to net realisable value.

11 Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	45.68	52.80
Advance to employees		
- Considered good	5.53	2.10
Advance to suppliers		
- Considered good	282.42	268.34
- Considered doubtful	13.17	10.19
	295.59	278.53
Less: Provision for doubtful advances	(13.17)	(10.19)
	282.42	268.34
Balances with government authorities*		
- Considered good	167.57	44.36
- Considered doubtful	-	14.06
	167.57	58.42
Less: Provision for doubtful advances	-	(14.06)
	167.57	44.36
Export incentive recoverable	5.01	4.44
Others	9.76	12.95
Total	515.97	384.99

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

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

12(a) Equity Share Capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised share capital		
780,050,000 Equity shares of INR 10 each (780,050,000 Equity shares of ₹ 10 each as at 31 March 2025)	7,800.50	7,800.50
	7,800.50	7,800.50
Issued, subscribed and fully paid share capital		
403,604,309 Equity shares of INR 10 each (403,604,309 Equity shares of ₹ 10 each as at 31 March 2025)	4,036.04	4,036.04
	4,036.04	4,036.04

(i) Movements in share capital

Particulars	Number of shares	Amount
As at 01 April 2024	214,088,829	2,140.89
Movement during the year (refer note 39)	189,515,480	1,895.15
As at 31 March 2025	403,604,309	4,036.04
As at 01 April 2025	403,604,309	4,036.04
Movement during the year	-	-
As at 31 March 2026	403,604,309	4,036.04

Terms/rights attached to equity shares and preference shares

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

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

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% holding	Number of shares	% holding
Equity Shares of INR10/- fully paid:				
Tenneco Mauritius Holdings Limited, the Immediate Parent company	243,045,425	60.22%	344,808,654	85.43%
Tenneco Mauritius Limited	26,734,261	6.62%	26,734,261	6.62%
Federal-Mogul Pty Limited	14,478,795	3.59%	14,478,794	3.59%
Federal-Mogul Investment B V	10,607,655	2.63%	10,607,654	2.63%
Tenneco LLC (formerly known as Tenneco Inc. upto 29 April 2025)	6,974,947	1.73%	6,974,946	1.73%

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

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% holding	Number of shares	% holding
Equity shares of INR10 each fully paid				
Tenneco Mauritius Holdings Limited, the Immediate Parent company	243,045,425	60.22%	344,808,654	85.43%
Tenneco Mauritius Limited	26,734,261	6.62%	26,734,261	6.62%

As per records of the Company, including register of shareholders / members and other declarations received from shareholders regarding beneficial interests, the above shareholding represents both legal and beneficial owners of shares.

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

12(a) Equity Share Capital (Contd..)

(iv) Others

- (a) Pursuant to the order dated 20 April 2021, for approval of reduction in share capital of the Company by the Hon'ble National Company Law Tribunal, Chennai, the paid up share capital of the Company has been reduced from ₹ 7,777.1 Million divided into 777,713,120 equity shares of ₹ 10/- each to ₹ 3,134.1 Million divided into 313,406,120 equity shares of ₹ 10/- each (refer note 43)
- (b) Pursuant to the order dated 23 November 2023, for approval of reduction in share capital of the Company by the Hon'ble National Company Law Tribunal, Chennai, the paid up share capital of the Company has been reduced from ₹ 3,134.1 Million divided into 313,406,120 equity shares of ₹ 10/- each to ₹ 2,140.9 Million divided into 214,088,829 equity shares of ₹ 10/- each (refer note 43)
- (c) Pursuant to share swap agreements dated 25 March 2025 between the Company and the shareholders of Tenneco Automotive India Private Limited, Federal-Mogul Ignition Products India Limited, Federal Mogul Sealings India Limited and Federal Mogul Bearings India Limited (hereinafter referred to as the subsidiaries), the Company acquired control of these subsidiaries in exchange for issue of its own equity shares and accordingly issued an aggregate of 189,515,480 equity shares of the Company having a face value of ₹10/- (Rupees Ten) per equity share by the Company at a price of ₹ 288.85 per equity share. (refer note 39)

(v) Details of shareholding of Promoters*

Name of the Promoter	As at 31 March 2026		As at 31 March 2025		% change during the year
	Number of shares	% holding	Number of shares	% holding	
Tenneco Mauritius Holdings Limited, the Immediate Parent company	243,045,425	60.22%	344,808,654	85.43%	-30%
Tenneco Mauritius Limited	26,734,261	6.62%	26,734,261	6.62%	-

*Promoter here means Promoter defined under Companies Act, 2013.

Note: The Company has identified Tenneco Mauritius Holdings Limited, Tenneco Mauritius Limited, Federal-Mogul Pty Limited, Federal-Mogul Investment B V and Tenneco LLC (formerly known as Tenneco Inc. upto 29 April 2025) as 'Promoters' in line with the definition provided under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") vide its resolution passed in the Board meeting dated 15 May 2025.

12(b) Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025
Securities Premium	765.92	765.92
Retained Earnings	3,352.94	7,727.18
Capital Reserve	3.84	3.84
Capital Reserve on Business Combination under Common Control	3,544.28	3,544.28
Deemed Equity Contribution from Parent Company	270.32	21.79
Capital Redemption Reserve	0.65	0.65
Total Reserves and Surplus	7,937.95	12,063.66

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

12(b) Other Equity (Contd..)

(i) Securities Premium

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	765.92	769.66
Less: Share issue expenses	-	(3.74)
Balance as at the end of the year	765.92	765.92

Note: Pursuant to the Share Swap agreement, the Company has issued 189,515,480 New Equity Shares during the year ended 31 March 2025. The Company has incurred ₹ 3.74 Million for issue of such shares and the same is adjusted against securities premium.

(ii) Retained Earnings:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	7,727.18	6,338.43
Profit for the year	6,035.80	5,520.63
Remeasurement gain / (loss) (net of taxes)	(44.19)	(39.46)
Dividend paid	(10,365.85)	(4,092.42)
Balance as at the end of the year	3,352.94	7,727.18

(iii) Capital Reserve

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	3.84	3.84
Adjusted against capital reduction (Refer note 46)	-	-
Balance as at the end of the year	3.84	3.84

(iv) Capital Reserve on Business Combination under Common Control

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	3,544.28	(1,370.19)
Adjustment for sale of investment by subsidiary (Refer note 39)	-	4,914.47
Balance as at the end of the year	3,544.28	3,544.28

(v) Deemed Equity Contribution from Parent Company

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	21.79	21.79
Movement during the year*	248.53	-
Balance as at the end of the year	270.32	21.79

*During the current financial year, Tenneco Automotive India Private Limited (TAIPL) has received a machine (DynachromePlatter DCP 2000) from its Group Company, Drive Automotive Inc ("Drive Automotive") without consideration for further use. TAIPL has carried out an independent valuation from Chartered Engineer of this machinery and paid the customs duty of ₹ 23.20 Million based on the assessed fair value and freight of ₹ 24.88 Million. As the asset has been received without consideration, the assessed fair value ₹ 248.53 Million of the machine has been considered as Deemed equity contribution as both Drive Automotive and TAIPL are entities under common control.

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

12(b) Other Equity (Contd..)

(vi) Share Application Money Pending Allotment

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	-	1,895.15
Add: movement during the year	-	(1,895.15)
Balance as at the end of the year	-	-

(vii) Capital Redemption Reserve

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	0.65	0.65
Add: movement during the year	-	-
Balance as at the end of the year	0.65	0.65

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 Group 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.

(iii) Capital Reserve:

Capital Reserve is reserve created while transferring assets and liabilities from Tenneco Automotive India Private Limited under the scheme of demerger approved by National Company Law Tribunal. Refer note 43 in relation to the approval of the capital reduction scheme and its consequent impact on the capital reserve.

(iv) Capital Reserve on Business Combination under Common Control:

The assets and liabilities of the acquired entities are reflected at their carrying amounts. The difference between the amount of consideration paid / payable and the net assets taken over further adjusted for harmonization of the accounting policies, has been transferred to 'Capital reserve on business combination under common control. Refer note 40.

(v) Deemed Equity Contribution from Parent Company:

Deemed Equity Contribution from Parent Company reserve is used to recognise the grant date fair value of Restricted Stock Units (RSUs) issued to employees by Tenneco LLC under 'Tenneco Inc.' Restricted Stock Units (RSUs) plan and fair value of assets received from Group Companies under common control without adequate consideration.

(vi) Share Application Money Pending Allotment:

Pursuant to the Share Swap agreement, the Company has issued 189,515,480 New Equity Shares during the year ended 31 March 2025. The effect of the Share Swap agreement is given in accordance with Appendix C of Ind AS 103 and restated in the comparative financial years. Therefore, 189,515,480 Equity Shares (being additional number of Equity Shares) has been disclosed as share application money pending allotment in comparative years. Please Refer note 39 for details.

(vii) Capital Redemption Reserve:

Capital redemption reserve is the accumulation of profit on forfeiture of preference shares.

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

13 Financial Liabilities

13(a) Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025
Dues of micro enterprises and small enterprises (Refer note below)	1,464.58	1,201.27
Dues of creditors other than micro enterprises and small enterprises	7,566.00	6,185.88
Dues of related parties [Refer Note 28(c)]	1,352.85	974.63
Total	10,383.43	8,361.78

Trade Payables Ageing:

As at 31 March 2026

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	155.03	1,241.01	64.37	1.90	0.92	1.35	1,464.58
(ii) Others	1,290.88	5,647.63	1,941.70	21.53	8.76	8.35	8,918.85
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	1,445.91	6,888.62	2,006.08	23.43	9.69	9.71	10,383.43

As at 31 March 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	878.99	319.03	1.82	0.44	0.98	1,201.27
(ii) Others	957.98	1,524.65	4,645.35	15.77	6.05	10.71	7,160.51
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	957.98	2,403.64	4,964.38	17.59	6.49	11.69	8,361.78

The average credit period on purchases is 30-90 days

For explanations on the Group's liquidity risk management processes, refer Note 30

Trade payables from related parties are disclosed separately under Note 28.

Refer note no. 42 for FEMA Compliances.

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

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

Particulars	As at March 31, 2026	As at March 31, 2025
a. The principal amount remaining unpaid as at the end of year	1,464.58	1,201.27
b. Interest due on above principal and remaining unpaid as at the end of the year	4.88	0.16

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

13 Financial Liabilities (Contd..)

Particulars	As at March 31, 2026	As at March 31, 2025
c. The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	6.90	5.27
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.	16.45	34.46
e. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	164.59	147.36
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	164.59	4.09

13(b) Lease Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current	421.73	146.07
Current	93.23	50.85
Total	514.96	196.92

13(c) Vendor Bill financing

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Vendor Bill financing	283.13	503.44
Total	283.13	503.44

Note: Vendor bill financing refers to the balances payable to the banks post suppliers discounting their invoices under supplier financing arrangements. This facility is to enable select vendors to receive early payment for their invoices directly from the bank and the Group makes the payments within the due dates agreed with the supplier and there are no special guarantees to secure the payments to be made.

13(d) Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Capital creditors	287.27	73.23
Employee benefits payable	188.74	62.43
Security deposits	4.13	1.67
Others	4.75	13.00
Total	484.89	150.33

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for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

14 Other non-current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred income (tooling contracts) (Refer Note 18(d))	-	241.43
Total	-	241.43

15 Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues	243.67	406.96
Advance from customers (Refer Note 18(d))	156.82	346.33
Customer security deposit	2.31	2.21
Unearned revenue (Refer Note 18(d))	50.77	319.79
Payable to related party (Refer Note 28(c))	194.23	12.19
Other liabilities	-	0.92
Total	647.80	1,088.40

16 Provisions

Particulars	As at 31 March 2026		As at 31 March 2025	
	Non Current	Current	Non Current	Current
Provision for employee benefits (Refer Note 35)				
Gratuity	522.54	44.96	195.67	20.70
Compensated absences	224.75	42.88	98.41	162.61
Provision for Warranty	-	172.22	-	141.92
Provision for regulatory matters	16.24	1.39	-	16.30
Provision for litigation related to labour law	7.72	-	7.89	-
Total	771.25	261.45	301.97	341.53

Provision for warranties

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	141.92	158.67
Add: Provision made during the year	97.84	60.51
Less: Provision utilised during the year	(67.53)	(77.26)
Closing balance	172.22	141.92

Warranty estimates are determined on a scientific basis using historical data on the nature, frequency, and average cost of warranty claims, along with management's assessment of potential future outflows required for servicing customers and undertaking corrective actions related to product failures.

Provision for regulatory matters

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	16.30	18.94
Add: Provision made during the year	1.33	-
Less: Provision utilised during the year	-	(2.64)
Closing balance	17.63	16.30

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

16 Provisions (Contd..)

Provision for litigation related to labour law

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	7.89	7.89
Add: Provision made during the year	-	-
Less: Provision utilised during the year	(0.17)	-
Closing balance	7.72	7.89

17 Current Tax Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax Liabilities (net of advance tax)	18.71	996.62
Total	18.71	996.62

18 Revenue from operations

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Sale of products		
Manufactured goods	52,298.87	47,273.62
Traded goods	437.49	390.45
Tool sales	515.66	219.03
	53,252.02	47,883.10
Sale of services		
Design and development services	112.00	216.55
Business support services	247.91	415.01
Information technology enabled services	79.90	94.77
Engineering services	120.36	89.54
	560.17	815.87
Other operating revenue		
Scrap sales	164.27	159.43
Export Incentives	63.30	45.90
	227.57	205.33
Total	54,039.76	48,904.30

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.

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

18 Revenue from operations (Contd..)

b. Disaggregation of revenue

Revenue recognised mainly comprises of sale of products which majorly comprises of exhaust treatment systems, mufflers, shock absorbers, struts, exhaust pipes, spark plugs, ignition coil, sealed beam and seal and other automotive components. Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers		
Sale of products and service		
Domestic	50,835.08	45,777.05
Export	2,977.11	2,921.92
Other Operating revenue	227.57	205.33
Total revenue covered under Ind AS 115	54,039.76	48,904.30

c. Timing of revenue recognition

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue by time		
Revenue recognised at point in time	54,039.76	48,521.26
Services transferred over time	-	383.04
Total	54,039.76	48,904.30

d. Contract balances

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

Refer details of unbilled revenue in Note 6(f) and trade receivables in Note 6(b) and contract liabilities (deferred income, advance from customer and unearned revenue) in Note 14 and Note 15.

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

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Contracted price with the customers	54,054.77	49,220.35
Reduction towards variables considerations (Discounts, rebates, refunds, credits, price concessions)	(15.01)	(316.05)
Revenue from contract with customers (as per restated profit and loss account)	54,039.76	48,904.30

f. Satisfaction of performance obligations

The Company's revenue is derived from the single performance obligation to transfer primarily its products under arrangements in which the transfer of control of the products and the fulfilment of the Company's performance obligation occur at the same time. Revenue from the sale of goods is recognized when the Company has transferred control of the goods to the buyer and the buyer obtains the benefits from the goods, the potential cash flows and the amount of revenue (the transaction price) can be measured reliably, and it is probable that the Company will collect the consideration to which it is entitled to in exchange for the goods. Whether the customer has obtained control over the asset depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Company expects to be entitled to.

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

18 Revenue from operations (Contd..)

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.

g. Payment terms

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

19 Other Income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income		
- On deposits with bank	139.91	63.67
- On inter company receivable from related party	340.38	19.09
- On unwinding of security deposit	-	0.54
- On financial assets at amortised cost	2.94	2.23
- On income tax refund	1.70	3.88
- On other than bank deposits	1.50	2.61
Management services (Refer note 28)	8.78	4.16
Liabilities written back	4.98	11.42
Gain on sale of property, plant and equipment (net)	1.02	-
Foreign currency fluctuation gain (net)	14.45	-
Insurance claim received*	67.54	-
Dividend income**	-	294.19
Miscellaneous income	6.31	5.95
Total	589.51	410.15

* Includes an amount of ₹ 62.45 Million received from group company in relation to insurance claim filed by them with respect to inadequacies in vendor payments in the earlier years.

**Represents dividend income received from Motocare India Private Limited for the respective years prior to the reorganization as explained in Note 2.1.

20 Cost of materials consumed

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Raw materials at the beginning of the year	1,821.70	2,317.01
Add : Purchases (net)	35,233.14	31,318.09
Less: Raw material at the end of the year	(2,128.54)	(1,821.70)
Total Cost of raw materials consumed	34,926.30	31,813.40

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

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening Balances		
Work in progress	422.06	423.68
Finished goods	348.91	399.26

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

21 Change in inventories of finished goods, work-in-progress & traded goods (Contd..)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Stock-in-trade	40.17	40.41
Total (A)	811.14	863.35
Closing Balances		
Work in progress	543.11	422.06
Finished goods	499.06	348.91
Stock-in-trade	64.14	40.17
Total (B)	1,106.31	811.14
(Increase) / Decrease in inventories (A-B)	(295.17)	52.21

22 Employee benefits expense

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	2,824.51	2,515.59
Contribution to provident and other funds (Refer Note 35)	179.03	152.60
Workmen and staff welfare expenses	364.01	305.94
Total	3,367.55	2,979.24

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 November 21, 2025.

Past service cost resulting from plan amendments amounting to ₹ 271.68 Million has been recognised immediately in the Statement of Profit and Loss and has been classified as a part of "Exceptional items". ₹ 74.73 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".

23 Finance costs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest		
- on delayed payment of taxes	36.11	25.56
- on lease liability	34.89	13.57
- on factored receivables / borrowings	238.18	123.48
- others	26.55	40.05
Total	335.73	202.66

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

24 Depreciation and amortisation expense

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on property, plant and equipment (Refer Note 3(a))	970.65	977.26
Amortisation on intangible assets (Refer Note 5)	6.51	6.25
Amortisation on right of use asset (Refer Note 4)	104.49	48.21
Total	1,081.65	1,031.72

25 Other expenses

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Rent (Refer Note 4)	11.35	15.97
Rates and taxes	24.32	58.17
Power and fuel	494.82	484.22
Travelling expenses	256.03	185.44
Insurance	61.39	52.79
Stores and spares consumed	706.34	637.50
Packing materials consumed	480.96	457.45
Sub-contracting expenses	1,109.77	865.60
Communication expenses	21.17	16.67
Printing and stationery	15.26	14.68
Professional and consultancy charges	308.78	203.95
Payment to auditors (Refer details (a) below)	26.23	19.23
Freight and forwarding charges	399.58	332.65
Director's sitting fees	24.48	-
Bad debts written off	-	13.18
Provision for expected credit loss	(6.29)	2.54
Provision for doubtful advances	2.98	(19.76)
Provision for doubtful balances with government authorities	(14.06)	2.65
Security service charges	9.54	8.56
Exchange differences (net)	-	22.80
Corporate social responsibility expenses (refer note (b) below)	122.45	91.32
Network service fees (Refer Note 28)	227.58	-
Management support charges (Refer Note 28)	-	189.02
Corporate support services (Refer Note 28)	-	70.52
Royalty expense (Refer Note 28)	1,192.38	1,102.74
Research and development expense	108.41	66.86
Repairs and maintenance:		
- Buildings	34.89	37.08
- Plant and machinery	314.43	325.30
- Others	65.37	60.38
Loss on sale/disposal of property, plant and equipment (net)	-	0.31
Provision for warranty expenses	101.82	59.02
Loss recognised on early termination of lease	4.64	-
Miscellaneous expenses	213.60	184.16
Total	6,318.22	5,561.00

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

25 Other expenses (Contd..)

(a) Details of payment to auditors (excluding applicable taxes and out of pocket expenses)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
As statutory auditor*:		
- Audit fee	12.84	6.89
- Tax audit fee	0.97	1.20
- Group reporting fee	0.18	0.70
- Limited Review Fees	9.66	-
- Reimbursement of expenses	0.61	0.68
- Other services	1.97	0.66
Total	26.23	10.13

*Note: The above fees as of 31 March 2026 exclude audit fees related to Initial Public Offer (IPO) expenses amounting to ₹ 81.27 Million, which have been reimbursed or are recoverable from the selling shareholders.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
As component auditor:		
- Audit fee	-	6.80
- Other services	-	2.30
Total	-	9.10

(b) Expenditure towards Corporate Social Responsibility

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
a) Gross amount required to be spent by the Company as per Section 135 of Companies Act, 2013 during the year	122.25	91.32
b) Amount spent during the year	127.69	103.14

Particulars	Year ended 31 March 2026		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above*	127.69	-	127.69
	127.69	-	127.69

Particulars	Year ended 31 March 2025		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above*	103.14	-	103.14
	103.14	-	103.14

The Group does not have ongoing projects as at 31 March 2026 and 31 March 2025.

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

25 Other expenses (Contd..)

Nature of CSR Activity

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

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(i) The amount of shortfall at the end of the year out of amount required to be spent by the Company during the year,	-	-
(ii) total of previous years shortfall,	-	-
(iii) reason for shortfall,	NA	NA

26 Tax expense

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current tax	2,202.58	1,878.16
- Current tax expenses	2,202.58	1,878.16
Short provision of tax relating to earlier years	(37.17)	9.85
Deferred tax charge/(credit)	(53.88)	(91.28)
Income tax expense reported in the Consolidated Statement of Profit and Loss	2,111.53	1,796.73

Income Tax relating to Other Comprehensive Income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Remeasurement gain / (loss) of defined benefit obligations	15.01	13.08
Income tax expense charged to Other Comprehensive Income	15.01	13.08

Reconciliation of tax expense and the accounting profit multiplied by tax rate

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before income tax	8,155.12	7,328.16
India's statutory income tax rate	25.17%	25.17%
Computed Tax Expense	2,052.48	1,844.35
Tax effect on permanent non deductible expenses:		
Current tax relating to prior years	(30.46)	9.85
Effect of expenses/provision not deductible in determining taxable profit	59.77	45.76
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	0.44	(3.55)
MAT credit adjustment	19.69	(17.83)
CSR expenditure	1.19	0.84
Dividend income	0.00	(74.04)
Others	8.42	(8.65)
Income tax expense reported in the Consolidated Statement of Profit and Loss	2,111.53	1,796.73

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

26 Tax expense (Contd..)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Tax rate		
Base rate	22.00%	22.00%
Surcharge	2.20%	2.20%
Education cess	0.97%	0.97%
Total	25.17%	25.17%

Note:

Deferred tax asset on unabsorbed depreciation has been recognised from March 2025 onwards since it is probable that the asset will be realised. The amount of unabsorbed depreciation on which deferred tax asset is recognised is Nil. (previous year: INR 24.65 Million).

Unabsorbed depreciation is allowed to be carried forward for an unlimited period as per the provisions of Income Tax Act.

27 Earnings per Share

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit for the year as per Statement of Profit and Loss attributable to Owners of the Parent	6,035.80	5,520.63
No of equity shares outstanding at the beginning of the year		
No of equity shares outstanding at the end of the year		
Weighted average number of equity shares for calculating basic and diluted EPS*	403,604,309	403,604,309
Weighted average equity shares outstanding		
Face value of per equity share (INR)	10	10
Basic and Diluted Earnings per share for the year (INR)^	14.95	13.68

*Basic and Diluted EPS presented above have been retrospectively adjusted on account of business combination pursuant to the Share Swap Arrangement (refer note 40).

Particulars	Number of shares	Days outstanding considered for calculation of Weighted Average number of shares	Weighted Average number of shares
As at 01 April 2024	403,604,309	-	467,916,325
Movement during the year	-		
As at 31 March 2025	403,604,309		403,604,309
As at 01 April 2025	403,604,309	-	403,604,309
Movement during the period	-		-
As at 31 March 2026	403,604,309		403,604,309

Note: During the year ended 31 March 2025, the Company completed a business combination under common control accounted for using the pooling of interests method. In the standalone financial statements, Earning Per Share ("EPS") has been computed in accordance with Ind AS 33 using the weighted average number of equity shares actually outstanding during the period, and shares issued have been considered from the date of allotment. Accordingly, prior period EPS has not been restated. In contrast, the consolidated financial statements have been drawn up in accordance with Appendix C to Ind AS 103. Consequently, EPS presented in the consolidated financial statements is not directly comparable with standalone EPS.

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

28 Related Party Disclosures

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

(i) Immediate Parent Company:

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 / period

Fellow Subsidiaries

Tenneco Japan Ltd
Tenneco Indústria de Autopecas Ltda, Brazil
Tenneco Sistemas Automotivos LTDA
Tenneco Zwickau GmbH
Tenneco Automotive Polska Sp. Zoo
Tenneco GmbH
Tenneco (Suzhou) Emission System Co., Ltd., China
Federal Mogul Global Aftermarket EMEA BV
Yura Federal Mogul Sejong Ignition Limited Liability Company
Federal Mogul Motorparts LLC
Federal Mogul Yura (Qingdao) Ignition Co., Ltd
Federal-Mogul de Mexico S. de RL de CV
Motocare India Private Limited
Federal-Mogul Goetze (India) Limited
Federal-Mogul Sealing Systems GmbH
Federal-Mogul (China) Co., Ltd
Federal-Mogul Powertrain LLC
Federal-Mogul Bimet, S.A
Federal-Mogul Wiesbaden GmbH, Germany
Federal-Mogul of South Africa (Propriety) Limited
Federal-Mogul Sejong Co., Ltd
Tenneco Automotive Operating Company LLC (formerly, Tenneco Automotive Operating Company Inc., USA)
Advanced Suspension Technology LLC (formerly, DriV Automotive Inc.)
Tenneco Automotive Europe BV., Belgium
Tenneco Ride Control South Africa (PTY) Ltd., South Africa
Tenneco Automotive Eastern Europe Sp z. o. o.
Monroe Mexico S. de R. L de C.V
Driv Japan Ltd., Japan
Tenneco Automotive Brasil Ltd
Fric Rot S.A.I.C., Argentina
Tenneco Automotive Trading Company LLC (formerly known as Tenneco Automotive Trading Company)
Federal-Mogul Motorparts (Singapore) Pte. Ltd
Federal-Mogul Ignition LLC
Federal-Mogul Global
Servicios Administrativos Industriales, S. de R. L de C.V
Federal Mogul Yura Qingdao Ignition
Federal Mogul Ignition Products SAS- France

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

28 Related Party Disclosures (Contd..)

Federal Mogul De-Mexico SA DE
Tenneco Mexico S DE RL DE CV, Mexico
DRiV Poland Sp. z.o.o
Federal-Mogul Global Aftermarket EMEA BV
Servicios Administrativos Industriales
(Formerly known as Monroe mexico celaya)
Federal-Mogul Shanghai Compound Material Co. Limited
Federal - Mogul Italy S.r.l
Shanghai Tenneco Exhaust System Co., Ltd., China
The Pullman Company LLC (formerly, The Pullman Company)
Tenneco Automotive Brasil Ltd., Brazil
Walker Exhaust (Thailand) Co., Ltd., Thailand
Tenneco (Suzhou) Co., Ltd., China
Tenneco Silesia SP. Z.O.O
Monroe Czechia S.R.O., Czech Republic
Tenneco (Changzhou) Ride Control System Co., Ltd., China
Tenneco (Beijing) Ride Control System Co. Ltd, China
Tenneco (Suzhou) Ride Control Co., Ltd. China
Federal Mogul Coventry Limited, UK
Tenneco FAWSN (Tianjin) Automobile Parts Co., Ltd
Shanghai Tenneco Exhaust System Co. Limited, China
Tenneco Monroe Hodkovice., Czech Republic
Federal Mogul Powertrain Italy SARL
Tenneco (Suzhou) Emission System Co. Ltd., China
Tenneco India Operations Private Limited, India
Tenneco Global Service Private Limited, India
Tenneco Holdings LLC
Federal Mogul Ignition GmbH
Tenneco Korea Ltd, South Korea
Federal-Mogul Powertrain Italy Srl
TENNECO INDIA OPERATIONS
Tenneco Sistemas Automotives LTDA.
Federal Mogul Motorparts LLC
Federal-Mogul Holding Ltd, Mauritius
Federal-Mogul Sealing System (Nanchang) Co., Ltd., China
Federal-Mogul of South Africa (Propriety) Limited
Tenneco Automotive Polska Sp. zoo, Poland
Tenneco India Operations Private Limited
Federal Mogul Ignition Products SAS
Federal-Mogul Powertrain Italy Srl
Federal-Mogul Operations France S.A.S
Federal-Mogul Shanghai Compound Material Co., Ltd
Federal Mogul Sealing Systems GmbH
Federal Mogul Holding Deutschland GmbH
Tenneco Walker (U.K.) Ltd
Tenneco Automotive Portugal – Componentes para Automóvel
Unipessoal, Lda.
Tenneco Emission Control (PTY) Ltd
Monroe Australia Pty Ltd
TENNECO AUTOMOTIVE IBERICA S.A
Federal-Mogul Investment B V

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

28 Related Party Disclosures (Contd..)

Tenneco Mauritius Limited
Federal-Mogul Pty Ltd
Federal-Mogul Motorparts India Limited

(iii) Key Management Personnel

Thiagarajan Kannan (w.e.f. February 1, 2024)
Dr. Khalid Iqbal Khan
Manish Chadha (w.e.f. May 24, 2023)
Sanjeev Kumar Bhardwaj (up-to 10th May 2023)
Pankaj Dhir (w.e.f. August 7, 2023)
Amit Gandhi (up-to 23rd June 2023)
Sumit Gupta (w.e.f. March 1, 2024)
Gangasagar Neminath Hemade (upto May 15, 2025)
Rishi Verma (upto May 15, 2025)
Lalita Sanjay Notani
Priya Dekate
(from 29 September 2022; and upto May 05, 2025)
Nadella Phani Kishor Rao (upto May 15, 2025)
Digambar Jagannath Parkhi (upto May 15, 2025)
Arvind Chandrasekharan (w.e.f. May 05, 2025)
Mahender Chhabra (w.e.f. June 05, 2025)
Garima Sharma (w.e.f. May 05, 2025 till July 31, 2025)
Roopali Singh, Company Secretary (w.e.f. August 01, 2025)

(c) Amounts outstanding with related parties

Nature of transaction	Nature of related party relationship	Year ended 31 March 2026	Year ended 31 March 2025
(i) Sale of products			
Tenneco Japan Ltd	Fellow Subsidiary	4.68	16.57
Tenneco Sistemas Automotivos LTDA,Brazil	Fellow Subsidiary	252.89	274.11
Tenneco Zwickau GmbH	Fellow Subsidiary	87.96	22.81
Tenneco Automotive Polska Sp. Zoo	Fellow Subsidiary	-	0.37
Tenneco GmbH	Fellow Subsidiary	0.07	0.21
Tenneco (Suzhou) Emission System Co., Ltd., China	Fellow Subsidiary	-	0.14
Federal Mogul Global Aftermarket EMEA BV	Fellow Subsidiary	31.09	49.23
Yura Federal Mogul Sejong Ignition Limited Liability Company	Fellow Subsidiary	0.33	0.32
Federal Mogul Motorparts LLC	Fellow Subsidiary	2.94	2.15
Motocare India Private Limited	Fellow Subsidiary	2,170.59	2,315.97
Federal-Mogul Goetze (India) Limited	Fellow Subsidiary	4.10	10.17
Tenneco LLC	Controlling Party	3.09	3.73
Federal-Mogul Bimet, S.A	Fellow Subsidiary	80.04	38.73
Federal-Mogul Wiesbaden GmbH, Germany	Fellow Subsidiary	14.03	38.51
Federal-Mogul of South Africa (Propriety) Limited	Fellow Subsidiary	44.04	52.88
Federal-Mogul Sejong Co., Ltd	Fellow Subsidiary	23.06	13.98
Tenneco Automotive Operating Company LLC (formerly, Tenneco Automotive Operating Company Inc., USA)	Fellow Subsidiary	185.25	67.96
Advanced Suspension Technology LLC (formerly, Driv Automotive Inc.)	Fellow Subsidiary	12.58	26.13
Tenneco Automotive Europe BV., Belgium	Fellow Subsidiary	-	15.00
Tenneco Ride Control South Africa (PTY) Ltd., South Africa	Fellow Subsidiary	0.05	21.87
Tenneco Automotive Eastern Europe Sp z. o. o.	Fellow Subsidiary	1.40	0.22
Monroe Mexico S. de R. L de C.V	Fellow Subsidiary	-	3.58
Driv Japan Ltd., Japan	Fellow Subsidiary	33.38	24.49

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

28 Related Party Disclosures (Contd..)

Nature of transaction	Nature of related party relationship	Year ended 31 March 2026	Year ended 31 March 2025
Tenneco Automotive Brasil Ltd	Fellow Subsidiary	0.28	1.32
Fric Rot S.A.I.C., Argentina	Fellow Subsidiary	4.95	22.26
Federal-Mogul Motorparts (Singapore) Pte. Ltd	Fellow Subsidiary	0.36	2.14
Federal-Mogul Ignition LLC	Fellow Subsidiary	60.14	45.07
Federal Mogul Yura Qingdao Ignition	Fellow Subsidiary	0.04	-
Federal Mogul Ignition Products SAS- France	Fellow Subsidiary	0.20	-
Federal Mogul De-Mexico SA DE	Fellow Subsidiary	0.32	-
Tenneco Mexico S DE RL DE CV, Mexico	Fellow Subsidiary	0.56	-
DRiV Poland Sp. z.o.o	Fellow Subsidiary	0.16	-
Federal-Mogul Global Aftermarket EMEA BV	Fellow Subsidiary	2.15	-
Servicios Administrativos Industriales (Formerly known as Monroe mexico celaya)	Fellow Subsidiary	2.47	-
Federal-Mogul Shanghai Compound Material Co. Limited	Fellow Subsidiary	0.06	-
Monroe Australia Pty Ltd	Fellow Subsidiary	2.23	-
Federal - Mogul Italy S.r.l	Fellow Subsidiary	0.06	-
Total		3,025.55	3,069.92
(ii) Sale of services			
Tenneco (Suzhou) Emission System Co., Ltd., China	Fellow Subsidiary	5.42	13.95
Tenneco Automotive Operating Company LLC (formerly, Tenneco Automotive Operating Company Inc., USA)	Fellow Subsidiary	56.53	68.94
Tenneco Sistemas Automotivos LTDA	Fellow Subsidiary	0.83	5.18
Tenneco GmbH	Fellow Subsidiary	8.66	10.31
Shanghai Tenneco Exhaust System Co., Ltd., China	Fellow Subsidiary	4.83	6.58
Federal-Mogul Goetze (India) Limited	Fellow Subsidiary	3.11	10.66
Tenneco LLC	Controlling Party	-	94.77
Federal-Mogul Powertrain LLC	Fellow Subsidiary	148.24	219.45
Federal Mogul Motorparts LLC	Fellow Subsidiary	-	5.41
Tenneco Japan Ltd	Fellow Subsidiary	-	1.48
The Pullman Company LLC (formerly, The Pullman Company)	Fellow Subsidiary	4.32	-
Motocare India Private Limited	Fellow Subsidiary	59.21	-
Tenneco Automotive Brasil Ltd., Brazil	Fellow Subsidiary	0.62	-
Total		291.77	436.73
(iii) Purchase of goods			
Tenneco Automotive Operating Company LLC (formerly, Tenneco Automotive Operating Company Inc., USA)	Fellow Subsidiary	9.49	2.88
Tenneco Automotive Polska Sp. Zoo	Fellow Subsidiary	11.60	31.79
Tenneco (Suzhou) Emission System Co., Ltd., China	Fellow Subsidiary	-	15.52
Tenneco (Suzhou) Co., Ltd., China	Fellow Subsidiary	13.54	1.05
Tenneco GmbH	Fellow Subsidiary	0.30	-
Tenneco Silesia SP. Z.O.O	Fellow Subsidiary	15.33	22.97
Tenneco Zwickau GmbH	Fellow Subsidiary	0.28	0.17
Tenneco Automotive Europe BV (formerly, Tenneco Automotive Europe BVBA., Belgium)	Fellow Subsidiary	336.59	192.77
Tenneco Ride Control South Africa (PTY) Ltd., South Africa	Fellow Subsidiary	8.36	4.24
Advanced Suspension Technology LLC (formerly, DRiV Automotive Inc.)	Fellow Subsidiary	1.71	2.49
Monroe Czechia S.R.O., Czech Republic	Fellow Subsidiary	-	0.34
Tenneco (Changzhou) Ride Control System Co., Ltd., China	Fellow Subsidiary	109.77	1.57
Tenneco Automotive Brasil Ltd	Fellow Subsidiary	3.85	2.49
Tenneco (Suzhou) Ride Control Co., Ltd. China	Fellow Subsidiary	1.51	0.07
Tenneco Automotive Eastern Europe Sp z. o. o.	Fellow Subsidiary	0.84	1.10

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for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

28 Related Party Disclosures (Contd..)

Nature of transaction	Nature of related party relationship	Year ended 31 March 2026	Year ended 31 March 2025
Federal Mogul Coventry Limited, UK	Fellow Subsidiary	3.49	2.96
Tenneco FAWSN (Tianjin) Automobile Parts Co., Ltd	Fellow Subsidiary	0.47	-
Shanghai Tenneco Exhaust System Co. Limited, China	Fellow Subsidiary	0.17	-
Tenneco Monroe Hodkovic., Czech Republic	Fellow Subsidiary	0.67	-
TENNECO AUTOMOTIVE IBERICA S.A	Fellow Subsidiary	7.31	-
Total		525.28	282.41
(iv) Purchase of services			
Tenneco Automotive Operating Company LLC (formerly, Tenneco Automotive Operating Company Inc., USA)	Fellow Subsidiary	10.20	0.11
Tenneco Automotive Polska Sp. Zoo	Fellow Subsidiary	1.07	2.92
Tenneco GmbH	Fellow Subsidiary	0.34	10.75
Shanghai Tenneco Exhaust System Co., Ltd., China	Fellow Subsidiary	3.49	3.41
Tenneco Automotive Europe BV., Belgium	Fellow Subsidiary	-	0.24
Federal-Mogul Goetze (India) Limited	Fellow Subsidiary	6.02	4.50
Tenneco Silesia SP. Z.O.O	Fellow Subsidiary	0.77	0.96
Federal-Mogul Powertrain LLC	Fellow Subsidiary	0.79	-
Tenneco (Suzhou) Emission System Co. Ltd., China	Fellow Subsidiary	0.18	-
Tenneco India Operations Private Limited, India	Fellow Subsidiary	16.54	-
Tenneco Global Service Private Limited, India	Fellow Subsidiary	28.17	-
Total		67.57	22.89
(v) Royalty Expenses			
Tenneco Automotive Operating Company LLC (formerly, Tenneco Automotive Operating Company Inc., USA)	Fellow Subsidiary	488.20	1,003.04
Federal-Mogul Powertrain LLC	Fellow Subsidiary	105.94	99.70
Tenneco Holdings LLC	Fellow Subsidiary	598.24	-
Total		1,192.38	1,102.74
(vi) Network Fees			
Tenneco Automotive Operating Company LLC (formerly, Tenneco Automotive Operating Company Inc., USA)	Fellow Subsidiary	198.10	-
Federal-Mogul Ignition LLC	Fellow Subsidiary	11.19	-
Tenneco India Operations Private Limited	Fellow Subsidiary	1.93	-
Federal-Mogul Powertrain LLC	Fellow Subsidiary	16.36	-
Total		227.58	-
(vii) Management support charges			
Tenneco Automotive Operating Company LLC (formerly, Tenneco Automotive Operating Company Inc., USA)	Fellow Subsidiary	-	169.60
Tenneco LLC	Controlling Party	-	19.42
Federal-Mogul Powertrain LLC	Fellow Subsidiary	-	-
Total		-	189.02
(viii) Management services (income)			
Federal-Mogul Powertrain LLC	Fellow Subsidiary	8.78	4.00
Advanced Suspension Technology LLC (formerly, Driv Automotive Inc.)	Fellow Subsidiary	-	0.16
Total		8.78	4.16
(ix) Reimbursement of expenses paid			
Tenneco Automotive Operating Company LLC (formerly, Tenneco Automotive Operating Company Inc., USA)	Fellow Subsidiary	10.41	17.04
Tenneco Automotive Polska Sp. Zoo	Fellow Subsidiary	-	0.52
Federal-Mogul Goetze (India) Limited	Fellow Subsidiary	32.60	2.40
Tenneco Silesia SP. Z.O.O	Fellow Subsidiary	0.44	-
Driv Japan Ltd., Japan	Fellow Subsidiary	3.15	2.26
Fric Rot S.A.I.C., Argentina	Fellow Subsidiary	-	0.80

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for the year ended March 31, 2026

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28 Related Party Disclosures (Contd..)

Nature of transaction	Nature of related party relationship	Year ended 31 March 2026	Year ended 31 March 2025
Federal-Mogul Powertrain LLC	Fellow Subsidiary	0.19	60.67
Tenneco Zwickau GmbH	Fellow Subsidiary	15.63	-
Federal Mogul Yura (Qingdao) Ignition Co., Ltd	Fellow Subsidiary	0.19	-
TENNECO INDIA OPERATIONS	Fellow Subsidiary	14.62	-
Tenneco Sistemas Automotivos LTDA.	Fellow Subsidiary	2.63	-
Tenneco India Operations Pvt Ltd	Fellow Subsidiary	0.69	-
Tenneco Global Service Private Limited, India	Fellow Subsidiary	10.97	-
Total		91.52	83.69
(x) Reimbursement of expenses received			
Tenneco Mauritius Holdings Limited, Mauritius	Immediate Parent Company	211.00	-
Tenneco Silesia SP. Z.O.O	Fellow Subsidiary	0.13	-
Federal-Mogul Goetze (India) Limited	Fellow Subsidiary	4.04	3.09
Federal-Mogul Powertrain LLC	Fellow Subsidiary	81.96	36.19
Advanced Suspension Technology LLC (formerly, DriV Automotive Inc.)	Fellow Subsidiary	-	1.09
Federal-Mogul Sealing Systems GmbH	Fellow Subsidiary	0.83	2.45
Tenneco LLC	Controlling Party	2.42	(1.31)
Federal-Mogul (China) Co., Ltd	Fellow Subsidiary	0.76	1.34
Federal-Mogul Wiesbaden GmbH, Germany	Fellow Subsidiary	0.08	3.59
Tenneco Automotive Europe BV., Belgium	Fellow Subsidiary	-	0.61
Tenneco Global Service Private Limited, India	Fellow Subsidiary	20.75	-
Tenneco Automotive Polska Sp. zoo, Poland	Fellow Subsidiary	0.08	-
Tenneco India Operations Private Limited	Fellow Subsidiary	6.33	-
Tenneco Zwickau GmbH, Germany	Fellow Subsidiary	5.47	-
Total		333.85	47.05
(xi) Purchase of raw material, components and finished goods			
Federal Mogul Yura (Qingdao) Ignition Co., Ltd	Fellow Subsidiary	51.18	54.24
Federal-Mogul de Mexico S. de RL de CV	Fellow Subsidiary	11.51	38.28
Federal - Mogul Italy S.r.l	Fellow Subsidiary	120.35	80.78
Federal Mogul Ignition Products SAS	Fellow Subsidiary	0.60	0.08
Federal Mogul Ignition GmbH	Fellow Subsidiary	4.92	1.25
Federal-Mogul Sealing System (Nanchang) Co., Ltd., China	Fellow Subsidiary	0.87	0.13
Federal-Mogul Powertrain Italy Srl	Fellow Subsidiary	-	29.27
Federal-Mogul Powertrain LLC	Fellow Subsidiary	0.04	0.00
Federal-Mogul Sealing Systems GmbH	Fellow Subsidiary	-	8.08
Tenneco LLC	Controlling Party	2.87	11.16
Federal-Mogul Bimet, S.A	Fellow Subsidiary	126.13	74.03
Tenneco Sistemas Automotivos LTDA	Fellow Subsidiary	-	0.00
Federal-Mogul Operations France S.A.S	Fellow Subsidiary	10.58	4.76
Federal-Mogul Wiesbaden GmbH, Germany	Fellow Subsidiary	25.43	10.36
Federal-Mogul Sejong Co., Ltd	Fellow Subsidiary	554.31	455.27
Federal-Mogul Shanghai Compound Material Co., Ltd	Fellow Subsidiary	374.66	356.84
Yura Federal Mogul Sejong Ignition Limited Liability Company	Fellow Subsidiary	-	2.34
Federal Mogul Motorparts LLC	Fellow Subsidiary	1.29	1.04
Federal-Mogul Ignition LLC	Fellow Subsidiary	699.39	747.70
Federal Mogul Sealing Systems GmbH	Fellow Subsidiary	4.04	-
Total		1,988.17	1,875.61
(xii) Corporate support services			
Federal Mogul Holding Deutschland GmbH	Fellow Subsidiary	-	70.52
Total		-	70.52

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for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

28 Related Party Disclosures (Contd..)

Nature of transaction	Nature of related party relationship	Year ended 31 March 2026	Year ended 31 March 2025
(xiii) Purchases of Services/traded goods			
Federal-Mogul Powertrain LLC	Fellow Subsidiary	-	0.80
Federal Mogul Motorparts LLC	Fellow Subsidiary	-	0.32
Total		-	1.12
(xix) Purchase of capital goods			
Tenneco Walker (U.K.) Ltd	Fellow Subsidiary	17.38	-
Tenneco LLC	Controlling Party	35.04	2.59
Federal-Mogul Wiesbaden GmbH, Germany	Fellow Subsidiary	3.41	-
Federal-Mogul Goetze (India) Limited	Fellow Subsidiary	-	13.68
Federal Mogul Yura (Qingdao) Ignition Co., Ltd	Fellow Subsidiary	-	1.26
Federal Mogul Ignition GmbH	Fellow Subsidiary	1.45	1.48
Federal-Mogul Ignition LLC	Fellow Subsidiary	5.33	-
Yura Federal Mogul Sejong Ignition LLC	Fellow Subsidiary	2.28	-
Total		64.89	19.01
(xx) Dividend paid			
Federal-Mogul Investment B V	Fellow Subsidiary	272.44	-
Tenneco LLC	Controlling Party	179.14	-
Tenneco Mauritius Holdings Limited	Immediate Parent Company	8,855.79	3,298.14
Tenneco Mauritius Limited	Fellow Subsidiary	686.62	255.71
Federal-Mogul Pty Ltd	Fellow Subsidiary	371.86	538.57
Total		10,365.85	4,092.42
(xxi) Income from Business support services			
Tenneco LLC	Controlling Party	4.81	8.27
Tenneco Automotive Europe BV., Belgium	Fellow Subsidiary	49.54	42.06
Tenneco Automotive Operating Company LLC (formerly, Tenneco Automotive Operating Company Inc., USA)	Fellow Subsidiary	25.55	20.24
Federal Mogul Motorparts LLC	Fellow Subsidiary	-	2.50
Total		79.90	73.07
(xxii) Dividend received			
Motocare India Private Limited	Fellow Subsidiary	-	294.19
Total		-	294.19
(xxiii) Interest received			
Federal-Mogul Motorparts India Limited	Fellow Subsidiary	340.38	-
Total		340.38	-
(xxiv) Other income (Insurance claim)			
Tenneco LLC., USA (formerly, Tenneco Inc., USA)	Intermediate Holding Company	62.46	-
Total		62.46	-
(xxv) Research and development expense			
Tenneco Automotive Brasil Ltd., Brazil	Fellow Subsidiary	0.13	-
Total		0.13	-
(xxvi) Sale of services: Information technology enabled services			
Federal-Mogul Powertrain LLC	Fellow Subsidiary	13.45	-
Total		13.45	-

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

28 Related Party Disclosures (Contd..)

(c) Amounts outstanding with related parties

Nature of outstanding	Nature of related party relationship	As at March 31, 2026	As at March 31, 2025
(i) Trade Payable			
Tenneco Holdings LLC, USA	Fellow Subsidiary	285.55	-
Tenneco Automotive Operating Company LLC (formerly, Tenneco Automotive Operating Company Inc., USA)	Fellow Subsidiary	47.16	232.18
Monroe Czechia S.R.O., Czech Republic	Fellow Subsidiary	-	0.01
Tenneco GmbH	Fellow Subsidiary	0.28	0.20
Tenneco Automotive Polska Sp. Zoo	Fellow Subsidiary	1.04	4.00
Tenneco (Suzhou) Co., Ltd., China	Fellow Subsidiary	0.36	0.32
Tenneco Silesia SP. Z.O.O	Fellow Subsidiary	8.02	2.61
Federal-Mogul Goetze (India) Limited	Fellow Subsidiary	6.12	3.66
Tenneco Zwickau GmbH	Fellow Subsidiary	0.11	-
Federal Mogul Yura (Qingdao) Ignition Co., Ltd	Fellow Subsidiary	20.50	17.39
Federal-Mogul Holding Deutschland GmbH	Fellow Subsidiary	-	70.52
Federal-Mogul de Mexico S. de RL de CV	Fellow Subsidiary	7.13	11.61
Federal - Mogul Italy S.r.l	Fellow Subsidiary	52.90	8.38
Federal Mogul Ignition Products SAS	Fellow Subsidiary	0.65	0.08
Federal-Mogul Powertrain LLC	Fellow Subsidiary	78.20	79.73
Federal Mogul Ignition GmbH	Fellow Subsidiary	0.48	1.48
Federal-Mogul Sealing System (Nanchang) Co., Ltd., China	Fellow Subsidiary	0.70	0.14
Federal-Mogul Powertrain Italy Srl	Fellow Subsidiary	11.14	30.31
Federal-Mogul Sealing Systems GmbH	Fellow Subsidiary	12.09	8.57
Tenneco LLC	Controlling Party	2.62	29.25
Federal-Mogul Bimet, S.A	Fellow Subsidiary	109.72	(0.15)
Federal-Mogul Operations France S.A.S	Fellow Subsidiary	4.19	1.11
Federal-Mogul Wiesbaden GmbH, Germany	Fellow Subsidiary	25.56	(38.32)
Federal-Mogul of South Africa (Propriety) Limited	Fellow Subsidiary	2.23	-
Tenneco Sistemas Automotivos LTDA	Fellow Subsidiary	0.59	(0.35)
Federal-Mogul Sejong Co., Ltd	Fellow Subsidiary	186.24	133.78
Federal-Mogul Shanghai Compound Material Co., Ltd	Fellow Subsidiary	118.60	142.47
Tenneco Automotive Europe BV., Belgium	Fellow Subsidiary	51.02	34.09
Advanced Suspension Technology LLC (formerly, DriV Automotive Inc.)	Fellow Subsidiary	4.13	2.31
Tenneco Automotive Eastern Europe Sp z. o. o.	Fellow Subsidiary	3.35	2.01
Tenneco Ride Control South Africa (PTY) Ltd., South Africa	Fellow Subsidiary	0.62	0.81
Driv Japan Ltd., Japan	Fellow Subsidiary	1.54	0.61
Tenneco Automotive Brazil Ltd	Fellow Subsidiary	0.64	0.36
Tenneco (Changzhou) Ride Control System Co., Ltd., China	Fellow Subsidiary	55.16	1.20
Tenneco (Suzhou) Ride Control Co., Ltd. China	Fellow Subsidiary	0.03	0.02
Federal Mogul Coventry Limited, UK	Fellow Subsidiary	1.24	0.52
Tenneco Mauritius Holdings Limited	Immediate Parent Company	-	42.20
Tenneco Mauritius Limited	Fellow Subsidiary	-	3.27
Federal Mogul Motorparts LLC	Fellow Subsidiary	2.56	1.33
Federal-Mogul Ignition LLC	Fellow Subsidiary	234.42	146.92
Tenneco India Operations Private Limited	Fellow Subsidiary	6.67	-
Tenneco Monroe Hodkovic	Fellow subsidiary	0.05	-
Tenneco Automotive Iberica S.A.	Fellow subsidiary	7.28	-
Tenneco Global Services Private Lim	Fellow subsidiary	(0.32)	-
Federal Mogul Powertrain Solutions India Private Limited	Fellow subsidiary	2.28	-
Total		1,352.85	974.63

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(All amounts in INR Millions, unless otherwise stated)

28 Related Party Disclosures (Contd..)

Nature of outstanding	Nature of related party relationship	As at March 31, 2026	As at March 31, 2025
(ii) Trade Receivable			
Tenneco Automotive Operating Company LLC (formerly, Tenneco Automotive Operating Company Inc., USA)	Fellow Subsidiary	360.01	105.91
Tenneco (Suzhou) Emission System Co., Ltd., China	Fellow Subsidiary	21.22	13.92
Tenneco GmbH	Fellow Subsidiary	4.31	1.55
Tenneco Japan Ltd	Fellow Subsidiary	-	17.95
Shanghai Tenneco Exhaust System Co., Ltd., China	Fellow Subsidiary	12.61	8.24
Federal-Mogul Sealing Systems GmbH	Fellow Subsidiary	2.01	1.18
Federal-Mogul Goetze (India) Limited	Fellow Subsidiary	4.10	5.41
Federal-Mogul Powertrain LLC	Fellow Subsidiary	31.59	213.55
Federal Mogul Global Aftermarket EMEA BV	Fellow Subsidiary	4.83	19.95
Federal Mogul Motorparts LLC	Fellow Subsidiary	4.06	2.36
Federal-Mogul Wiesbaden GMBH	Fellow Subsidiary	4.98	-
Federal-Mogul Holding Deutschland GmbH	Fellow Subsidiary	-	7.82
Motocare India Private Limited	Fellow Subsidiary	31.79	331.66
Advanced Suspension Technology LLC (formerly, Driv Automotive Inc.)	Fellow Subsidiary	2.62	4.64
Federal-Mogul (China) Co., Ltd	Fellow Subsidiary	0.42	0.93
Tenneco LLC	Controlling Party	20.59	13.46
Tenneco Automotive Europe BV., Belgium	Fellow Subsidiary	14.31	24.48
Federal-Mogul Motorparts (Singapore) Pte. Ltd	Fellow Subsidiary	0.39	0.63
Tenneco Ride Control South Africa (PTY) Ltd., South Africa	Fellow Subsidiary	-	0.35
Monroe Mexico S. de R. L de C.V	Fellow Subsidiary	0.00	7.92
Driv Japan Ltd., Japan	Fellow Subsidiary	20.49	5.61
Tenneco Automotive Brazil Ltd	Fellow Subsidiary	-	0.43
Fric Rot S.A.I.C., Argentina	Fellow Subsidiary	0.47	12.21
Tenneco Automotive Eastern Europe Sp z. o. o.	Fellow Subsidiary	1.45	0.06
Federal-Mogul of South Africa (Propriety) Limited	Fellow Subsidiary	25.67	8.69
Tenneco Zwickau GmbH	Fellow Subsidiary	46.47	15.02
Federal-Mogul Ignition LLC	Fellow Subsidiary	15.21	22.46
Tenneco Sistemas Automotivos LTDA	Fellow Subsidiary	83.17	127.36
Federal-Mogul Bimet, S.A	Fellow Subsidiary	104.46	-
Federal-Mogul Sejong Co., Ltd	Fellow Subsidiary	3.95	-
Federal Mogul De-Mexico SA DE	Fellow Subsidiary	0.34	-
Tenneco Mexico S DE RL DE CV, Mexico	Fellow subsidiary	0.56	-
The Pullman Company LLC, USA	Fellow subsidiary	4.72	-
Motocare India Private Limited, India	Fellow subsidiary	605.32	-
Monroe Australia Pty Ltd	Fellow subsidiary	1.05	-
Servicios Administrativos Industriales (Formerly known as Monroe mexico celaya)	Fellow subsidiary	2.72	-
Tenneco Automotive Opertaing Co Inc	Fellow Subsidiary	13.00	-
Federal - Mogul Italy S.r.l	Fellow Subsidiary	0.06	-
Total		1,448.95	973.75

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

28 Related Party Disclosures (Contd..)

Nature of outstanding	Nature of related party relationship	As at March 31, 2026	As at March 31, 2025
(iii) Advances received			
Tenneco Mauritius Holdings Limited, Mauritius	Immediate Parent Company	194.23	-
Federal-Mogul Investment BV	Fellow Subsidiary	-	1.13
Federal-Mogul Pty Ltd	Fellow Subsidiary	-	8.82
Tenneco LLC	Controlling Party	-	2.24
Federal Mogul Motorparts LLC	Fellow Subsidiary	-	0.16
Total		194.23	12.35
(iv) Advances paid			
Shanghai Tenneco Exhaust System Co., Ltd., China	Fellow subsidiary	-	0.11
Tenneco Automotive Operating Company LLC (formerly, Tenneco Automotive Operating Company Inc., USA)	Fellow subsidiary	-	41.01
Total		-	41.12
(v) Other receivables			
Advanced Suspension Technology LLC (formerly, DrIV Automotive Inc.)	Fellow subsidiary	-	10.51
Federal-Mogul Powertrain LLC	Fellow subsidiary	19.45	9.00
Federal Mogul Goetze (India) Limited	Fellow subsidiary	0.60	-
Federal-Mogul Motorparts India Limited (Refer note 40)	Fellow subsidiary	-	8,293.51
Tenneco LLC	Fellow subsidiary	62.46	-
Tenneco Mauritius Holdings Limited, Mauritius	Fellow subsidiary	100.61	-
Federal-Mogul Investment B V	Fellow subsidiary	1.63	-
Total		184.75	8,313.02
(vi) Capital Creditors			
Tenneco Walker U.K. Ltd, United Kingdom	Fellow subsidiary	3.49	-
Total		3.49	-
(vii) Other Receivables			
Federal-Mogul Motorparts India Limited (Refer note 40)	Fellow subsidiary	-	8,293.51
Total		-	8,293.51
(viii) Loss allowance for trade receivables			
Loss allowance	"Controlling Party/ Fellow subsidiary"	-	10.92
Total		-	10.92

Note: Loss allowance has been determined by applying expected credit loss model (Refer Note 30A). Loss allowance has been determined on the entire trade receivable balance from related parties.

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(All amounts in INR Millions, unless otherwise stated)

28 Related Party Disclosures (Contd..)

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

Remuneration to KMP	Designation	Year ended March 31, 2026	Year ended March 31, 2025
Gangasagar Neminath Hemade (upto May 15, 2025)	Director	3.42	48.94
Rishi Verma (upto May 15, 2025)	Managing Director	2.99	54.72
Priya Dekate (from 29 September 2022; and upto May 05, 2025)	Company Secretary	-	0.62
Nadella Phani Kishor Rao (upto May 15, 2025)	Director	1.44	13.85
Digambar Jagannath Parkhi (upto May 15, 2025)	Director	1.45	18.21
Arvind Chandrasekharan (w.e.f. May 05, 2025)	CEO and Whole time Director	85.37	-
Mahender Chhabra (w.e.f. June 05, 2025)	Chief Financial Officer	23.42	-
Garima Sharma (w.e.f. May 05, 2025 till July 31, 2025)	Company Secretary	0.91	-
Roopali Singh, Company Secretary (w.e.f. August 01, 2025)	Company Secretary	16.94	-
		135.94	136.34

Director's Sitting fees	Designation	Year ended March 31, 2026	Year ended March 31, 2025
Jaidit Singh Brar (w.e.f. May 05, 2025)	Independent Director	7.71	-
Gopika Pant (w.e.f. May 05, 2025)	Independent Director	7.71	-
Niranjan Kumar Gupta (w.e.f. May 05, 2025)	Independent Director	9.06	-
		24.48	-

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

(e) Funding arrangement:

Federal-Mogul Sealings India Limited has availed unsecured loan of ₹ Nil from the Parent repayable on demand during 31 March 2026 (previous year: ₹ 150 Million). The loan outstanding as on 31 March 2026 is ₹ 290 Million (previous year: ₹ 305 Million).

(f) Additional information:

- The information above has been determined to the extent such parties have been identified by the Group and relied upon by the auditors.
- There are no commitments in respect of related party transactions.
- There are no provisions for doubtful debts related to the amount of outstanding balances.
- The reimbursement of expenses received disclosed above does not include amount recovered from the IPO proceeds towards the IPO expenses incurred by the Company on behalf of the selling shareholders (Refer note 6(f) for details).

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

29 Fair value disclosures

i) Fair values hierarchy

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

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

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

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

ii) Fair value of instruments measured at amortised cost

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

Financial instruments by category

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets		
Measured at amortised cost		
Loans	20.37	7.39
Trade receivables	6,348.33	6,872.31
Cash and cash equivalents	5,712.26	2,858.98
Other bank balances	2.15	3.36
Other financial assets	1,364.59	8,788.95
Measured at fair value through profit or loss		
Investments	3.29	3.29
Total	13,450.99	18,534.28

Particulars	As at March 31, 2026	As at March 31, 2025
Financial liabilities		
Measured at amortised cost		
Trade payable	10,383.43	8,361.78
Lease Liabilities	514.96	196.92
Vendor Bill financing	283.13	503.44
Other financial liabilities	484.89	150.33
Total	11,666.41	9,212.47

iii) Level of Hierarchy

Particulars	Level 2	
	As at March 31, 2026	As at March 31, 2025
Financial assets		
Investments	3.29	3.29
Total	3.29	3.29

There have been no transfers between Level 1, Level 2 and Level 3 for year ended 31 March 2026 and 31 March 2025.

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

30 Financial risk management

Risk Management

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

A) Credit risk

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

Other financial assets measured at amortised cost

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

Expected credit losses:

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

The Group recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Group 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	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	> 3 years
Gross amount of trade receivables where no default (as defined above) has occurred	4,902.85	1,210.13	236.00	41.31	1.20	3.14
Expected credit loss (loss allowance provision)	2.45	16.49	11.31	12.76	0.45	2.84
Rate of expected credit loss (%)	0.05%	1.36%	4.79%	30.88%	37.53%	90.51%

As at 31 March 2025

Particulars	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	> 3 years
Gross amount of trade receivables where no default (as defined above) has occurred	3,320.78	3,544.63	40.00	13.39	2.81	3.29
Expected credit loss (loss allowance provision)	10.53	19.06	13.43	6.13	2.32	1.12
Rate of expected credit loss (%)	0.32%	0.54%	33.57%	45.80%	82.69%	34.10%

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for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

30 Financial risk management (Contd..)

Reconciliation of loss provision – lifetime expected credit losses

Particulars	Amount
Loss allowance as on 01 April 2024	59.79
Movement in expected credit loss allowance	(7.20)
Loss allowance as on 31 March 2025	52.59
Loss allowance as on 01 April 2025	52.59
Movement in expected credit loss allowance	(6.29)
Loss allowance as on 31 March 2026	46.30

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

The tables below analyses the Group'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 years	More than 5 years	Total
31 March 2026				
Trade payable	10,383.43	-	-	10,383.43
Lease liabilities	135.82	439.86	1.22	576.90
Vendor Bill financing	283.13	-	-	283.13
Other financial liabilities	484.89	-	-	484.89
Total	11,287.27	439.86	1.22	11,728.36

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
31 March 2025				
Trade payable	8,361.78	-	-	8,361.78
Lease liabilities	65.08	165.51	5.10	235.69
Vendor Bill financing	503.44	-	-	503.44
Other financial liabilities	150.33	-	-	150.33
Total	9,080.63	165.51	5.10	9,251.24

C) Market Risk

a) Foreign currency risk

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

Notes to the Consolidated financial statements

for the year ended March 31, 2026

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30 Financial risk management (Contd..)

transactions, the Group's exposure to foreign currency risk is limited and the Group hence does not currently use any derivative instruments or forward contracts to manage its exposure. Also, the Group does not use forward contracts and swaps for speculative purposes.

(i) **Foreign currency risk exposure:**

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

Particulars	Foreign currency	As at March 31, 2026	As at March 31, 2025
Financial liabilities			
Trade payables	USD	8.85	9.17
	Equivalent in ₹ Millions	831.03	787.16
	EUR	6.45	4.25
	Equivalent in ₹ Millions	698.27	393.07
	GBP	0.03	0.02
	Equivalent in ₹ Millions	3.52	2.07
	CNY	7.77	8.75
	Equivalent in ₹ Millions	99.91	106.48
	KRW	2,150.80	1,259.80
	Equivalent in ₹ Millions	137.83	78.34
Financial assets			
Trade receivables			
	USD	11.52	11.41
	Equivalent in ₹ Millions	1,086.80	974.57
	EUR	2.68	1.14
	Equivalent in ₹ Millions	278.87	104.78
Receivable from Related Party	USD	1.06	-
	Equivalent in ₹ Millions	100.61	-
	EUR	0.02	-
	Equivalent in ₹ Millions	1.63	-
EEFC Bank a/c			
	USD	0.76	1.73
	Equivalent in ₹ Millions	72.13	148.04
	EUR	0.08	0.04
	Equivalent in ₹ Millions	8.75	3.31
Other financial liability			
Capital Creditors			
	EUR	0.04	0.06
	Equivalent in ₹ Millions	4.33	5.13

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

30 Financial risk management (Contd..)

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 March 31, 2026	As at March 31, 2025
(a) Trade payables		
USD sensitivity		
INR/USD- increase by 0.50%	(4.16)	(3.94)
INR/USD- decrease by 0.50%	4.16	3.94
EUR sensitivity		
INR/EUR- increase by 0.50%	(3.49)	(1.97)
INR/EUR- decrease by 0.50%	3.49	1.97
GBP sensitivity		
INR/GBP- increase by 0.50%	(0.02)	(0.01)
INR/GBP- decrease by 0.50%	0.02	0.01
CNY sensitivity		
INR/CNY- increase by 0.50%	(0.50)	(0.53)
INR/CNY- decrease by 0.50%	0.50	0.53
KRW sensitivity		
INR/KRW- increase by 0.50%	(0.69)	(0.39)
INR/KRW- decrease by 0.50%	0.69	0.39
(b) Trade receivables		
USD sensitivity		
INR/USD- increase by 0.50%	5.43	4.87
INR/USD- decrease by 0.50%	(5.43)	(4.87)
EUR sensitivity		
INR/EUR- increase by 0.50%	1.39	0.52
INR/EUR- decrease by 0.50%	(1.39)	(0.52)
(c) Receivable from Related Party		
USD sensitivity		
INR/USD- increase by 0.50%	0.50	-
INR/USD- decrease by 0.50%	(0.50)	-
EUR sensitivity		
INR/EUR- increase by 0.50%	0.01	-
INR/EUR- decrease by 0.50%	(0.01)	-
(c) EEFC Bank a/c		
USD sensitivity		
INR/USD- increase by 0.50%	0.36	0.74
INR/USD- decrease by 0.50%	(0.36)	(0.74)
EUR sensitivity		
INR/EUR- increase by 0.50%	0.04	0.02
INR/EUR- decrease by 0.50%	(0.04)	(0.02)
(d) Capital creditors		
EUR sensitivity		
INR/EUR- increase by 0.50%	(0.02)	(0.03)
INR/EUR- decrease by 0.50%	0.02	0.03

* Holding all other variables constant

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

30 Financial risk management (Contd..)

b) Interest rate risk

i) Liabilities

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

ii) Assets

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

c) Price risk

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

31 Capital management

The Group's capital management objectives are:

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

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

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

Particulars	As at March 31, 2026	As at March 31, 2025
Total debt (including lease liabilities)	514.96	196.92
Less: Cash and bank balances	5,712.26	2,858.98
Net debt	(5,197.30)	(2,662.06)
Total equity (as shown on the face of balance sheet)	12,005.29	16,123.67
Debt to equity ratio:	0.04	0.01
Net debt to equity ratio:	(0.43)	(0.17)

32 Commitments and Contingent liabilities

a) Contractual commitments

Particulars	As at March 31, 2026	As at March 31, 2025
Property, plant and equipment (net of advances paid)	1,572.44	100.34
	1,572.44	100.34

b) Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Stamp Duty on demerger (including penalty)	196.57	196.57
Income Tax matters*	887.15	736.60

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

32 Commitments and Contingent liabilities (Contd..)

Particulars	As at March 31, 2026	As at March 31, 2025
Customs**	137.38	134.10
Central excise**	5.54	5.54
Goods & Service tax#	67.63	68.28
Others	24.01	23.59
	1,318.28	1,164.68

*Primarily includes corporate tax matters and also certain transfer pricing matters. Matters are pending before CIT(A) for FY 2019-20, 2020-21 and 2022-23.

**Inclusive of contingent liabilities taken over pursuant to the scheme of arrangement. Certain of the above claims are still in the name of the Tenneco Automotive India Private Limited ('Demerged Company'). The above amounts do not include interest and penalty amounts which may be payable till the date of settlements, if any.

#Primarily includes suppressed turnover and GST credit availment.

The above amounts do not include interest and penalty amounts which may be payable till the date of settlements, if any. The Group believes that none of these matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements.

33 Assets held for sale

During the year ended 31 March 2025, the Board of Directors of the Tenneco Automotive India Private Limited (TAIPL), at its meeting held on 10 January 2025, passed a resolution to sell the entire shareholding in Maple Renewable Power Private Limited ("MRPPL"). Accordingly, TAIPL issued a notice of termination of the agreement via letter dated 7 March 2025 to divest its investment in MRPPL. This investment as at 31 March 2025 is pending to be transferred. Consequently, the investment has been classified as an "Asset Held for Sale".

Subsequently, on 16 May 2025, TAIPL sold its entire shareholding in MRPPL for a total consideration of ₹8.70 Million.

The investment in Maple Renewable Power Private Limited as at 31 March 2025 has the following disclosures:

Particulars	As at March 31, 2025
Assets held for sale (Investment)	8.70
Total	8.70
Liabilities directly associated with assets held for sale	8.70
Total	8.70

34 Segment information

The Group deals in only business segment of manufacturing and sale of automotive components and chief operating decision maker (CODM) reviews the operations of the Group as a whole, hence there is no reportable segment as per Ind AS 108 "Operating Segments". The management considers that the various goods and services provided by the Group constitutes single business segment, since the risks and rewards from these goods and services are not different from one another. Accordingly, the Group has disclosed entity wide disclosure in respect of geographical spread as below

Revenue breakdown of external customers individually contributing to more than 10% of revenue from operations:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Number of customers	3	3
Revenue from operations	27,121.05	22,662.44

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

34 Segment information (Contd..)

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
India	51,062.65	45,982.38
Other countries	2,977.11	2,921.92
	54,039.76	48,904.30

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

Particulars	As at March 31, 2026	As at March 31, 2025
India	4,982.66	5,792.95
Other countries	1,365.67	1,079.36
	6,348.33	6,872.31

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

35 Employee benefit obligations

The Group has classified various benefits provided to employees as under:

(i) Defined Contribution Plan

Amount recognised in the statement of profit and loss:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Employer's contribution to provident fund	105.12	100.34
Employee state insurance	5.67	3.71
Pension contribution	1.07	0.51
Total	111.85	104.56

(ii) Defined Benefit Plan

A. Gratuity

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

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

Description	Year ended 31 March 2026	Year ended 31 March 2025
Current service cost	48.33	37.62
Past service cost	271.68	-
Interest expense on defined benefit obligation	37.27	29.07
Interest income on plan assets	(18.42)	(18.65)
Amount recognised in the statement of profit and loss	338.86	48.04

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for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

35 Employee benefit obligations (Contd..)

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

Description	Year ended 31 March 2026	Year ended 31 March 2025
Actuarial (gain) on obligations arising from changes in demographic adjustments	-	(6.31)
Actuarial (gain) on obligations arising from changes in experience adjustments	79.81	22.81
Actuarial (gain) on obligations arising from changes in financial assumptions	(12.37)	36.91
Remeasurements of the post employment defined benefit plans (gain)	67.44	53.41
Return on plan assets (greater)/ less than discount rate	(7.77)	(0.79)
Remeasurements of the post employment defined benefit plans (gain) recognised in OCI	59.67	52.62

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

Description	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation as at the beginning of the year / period	501.16	413.30
Current service cost	48.33	37.62
Past service cost	271.68	-
Interest cost	37.27	29.07
Remeasurements of the post employment defined benefit plans (gain)	67.44	53.41
Acquisitions (credit)/ cost	(17.22)	-
Benefits paid directly by the Group	(12.99)	(14.41)
Benefits paid from the fund	(16.74)	(17.83)
Other adjustments*	10.66	-
Present value of defined benefit obligation as at the end of the year / period	889.59	501.16

*Other adjustments include the opening provision along with the current year service cost for employees added in the actuarial valuation; these were earlier reported separately under the gratuity provision.

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

Description	As at March 31, 2026	As at March 31, 2025
Fair Value of plan assets at beginning of year / period	284.79	247.20
Interest income on plan assets	18.42	18.09
Contributions by employer	37.51	48.87
Benefits paid	(27.10)	(29.98)
Increase (decrease) due to effect of any business combination / divestitures / transfers	-	(0.17)
Remeasurements of the post employment defined benefit plans loss/(gain)	7.77	0.79
Fair Value of plan Assets at the end of the year / period	321.40	284.79
Current portion	44.96	20.70
Non-Current portion	522.54	195.67

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

35 Employee benefit obligations (Contd..)

(v) Plan (assets)/ liability

Description	As at March 31, 2026	As at March 31, 2025
Defined benefit obligation	889.59	501.16
Fair valuation of plan assets	321.40	284.79
	568.20	216.37

(vi) Actuarial assumptions

Description	Year ended 31 March 2026	Year ended 31 March 2025
Discount rate	6.5% p.a.-7.18% p.a.	6.5% p.a. - 6.55% 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 [#]	7.5% p.a. - 15% p.a.	7.5% p.a. - 15% p.a.
Expected rate of return on Plan Assets	6.10% p.a. - 7.21% p.a.	6.5% p.a. - 7.13% p.a.
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.

(vii) A quantitative sensitivity analysis for significant assumptions:

Description	Year ended 31 March 2026	Year ended 31 March 2025
Resulting defined benefit obligation after change in discount rate		
- due to increase of 0.50 %-1.00%	242.74	306.73
- due to decrease of 0.50 %-1.00%	326.88	392.48
Resulting defined benefit obligation after change in salary		
- due to increase of 0.50 %-1.00%	336.53	315.90
- due to decrease of 0.50 %-1.00%	229.32	376.36

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 4-9 years as on 31 March 2026 (previous year: 6 years)

The following pay-outs are expected in future years:

Description	Year ended 31 March 2026	Year ended 31 March 2025
Within 1 Year	72.04	58.04
1-3 Years	206.55	132.56
Later than 3 Years	641.09	465.60

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

35 Employee benefit obligations (Contd..)

B. Compensated absences

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Group 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 Group 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 principal assumptions used in determining compensated absences are shown below:

Description	Year ended 31 March 2026	Year ended 31 March 2025
Discount rate	6.5% p.a. - 6.55% p.a.	6.5% p.a. - 6.55% p.a.
While in service Availment Rate	0% p.a. - 7.00% p.a.	0% p.a. - 7.00% p.a.
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
Normal retirement age	58 years	58 years
Employee turnover [#]	7.5% p.a. - 15% p.a.	7.5% p.a. - 15% p.a.
Salary increase rate [^] #	10%p.a.	10%p.a.

The following pay-outs are expected in future years:

Description	Year ended 31 March 2026	Year ended 31 March 2025
Within 1 Year	47.38	4.74
1-3 Years	96.67	8.78
Later than 3 Years	343.93	29.80

[^]*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.

36 Per transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961, the Group 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 Group has appointed independent consultants for conducting a Transfer Pricing Study (the 'Study') to determine whether the transactions with associate enterprises undertaken during the financial year are on an 'arms length basis'. Management is of the opinion that the Group's international transactions are at arm's length and that the results of the on-going study will not have any impact on the financial statements and the independent consultants appointed have also preliminarily confirmed that they do not expect any transfer pricing adjustments.

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

37 Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities:

Particulars	Leases	Interest
Opening Balance 1 April 2024	150.96	14.84
Non cash changes due to		
- Recognition of lease liabilities	108.28	-
- Interest expense	13.57	141.24
- Deletion	(13.65)	-
Cash flows during the year due to		
- Movement in Short term borrowings during the year (net)	-	-
- Repayment of lease liabilities	(52.98)	-
- Payment of interest	(9.26)	(141.24)
Closing Balance as on 31 March 2025	196.92	14.84
Opening Balance 1 April 2025	196.92	14.84
Non cash changes due to		
- Recognition of lease liabilities	433.05	-
- Interest expense	34.89	300.84
- Deletion	(4.78)	-
- Adjustment	-	-
Cash flows during the year due to		
- Repayment of lease liabilities	(110.29)	-
- Payment of interest	(34.83)	(300.84)
Closing Balance as on 31 March 2026	514.96	14.84

38 Ratio Analysis and its elements

a) Current Ratio = Current assets divided by Current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current Assets	17,276.91	13,268.88
Current Liabilities	12,172.64	11,492.95
Ratio (in times)	1.42	1.15
% Change from previous year	23%	

b) Return on Equity Ratio = Net profit after tax divided by average equity

Particulars	As at March 31, 2026	As at March 31, 2025
Profit for the year	6,043.59	5,531.43
Average Equity*	14,064.48	12,968.57
Ratio	0.43	0.43
% Change from previous year	1%	

*Average equity represents the average of opening and closing total equity.

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

38 Ratio Analysis and its elements (Contd..)

c) Inventory Turnover Ratio = Cost of goods sold divided by average inventory

Particulars	As at March 31, 2026	As at March 31, 2025
Cost of goods sold*	35,099.32	32,211.67
Average Inventory	3,080.54	3,035.36
Ratio (in times)	11.39	10.61
% Change from previous year	7%	

* Cost of goods sold comprises Cost of Materials Consumed, Purchases of Stock in Trade and Changes in inventories of finished goods, semi finished goods and Stock in trade

d) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Credit sales*	54,039.76	48,904.30
Average Trade Receivables#	6,610.32	6,234.97
Ratio (in times)	8.18	7.84
% Change from previous year	4%	

* Credit sales includes sale of products, services and scrap sales.

Trade receivables is included gross of ECL and net of customer advances. Average Trade receivables represents the average of opening and closing trade receivables.

e) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Credit purchases*	35,701.33	31,664.15
Average Trade Payables#	9,765.89	9,070.32
Ratio (in times)	3.66	3.49
% Change from previous year	5%	

*Credit purchases includes purchase of stock-in-trade, raw materials and packing materials

Average Trade payable included payables for purchases and vendor bill financing. Average Trade payable represents the average of opening and closing trade payables.

f) Net Capital Turnover Ratio = Sales divided by Net Working capital

Particulars	As at March 31, 2026	As at March 31, 2025
Revenue from operations (A)	54,039.76	48,904.30
Current Assets (B)	17,276.91	13,268.88
Current Liabilities (C)	12,172.64	11,492.95
Net Working Capital (D = B-C)	5,104.27	1,775.93
Ratio (in times) (E= A/D)	10.59	27.54
% Change from previous year	(62%)	

Reason for change more than 25%:

For the year ended 31 March 2026, change is mainly on account of increase in working capital, primarily due to increase in cash and cash equivalents coupled with decrease in trade payables.

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

38 Ratio Analysis and its elements (Contd..)

g) Net profit ratio = Net profit after tax divided by Sales

Particulars	As at March 31, 2026	As at March 31, 2025
Profit for the year	6,043.59	5,531.43
Sales	54,039.76	48,904.30
Ratio	11%	11%
% Change from previous year	(1%)	

h) Return on Capital employed (pre -tax) = Earnings before interest and taxes (EBIT) divided by Capital Employed

Particulars	As at March 31, 2026	As at March 31, 2025
Profit before exceptional items and tax (A)	8,426.80	7,328.16
Finance Cost (B)	335.73	202.66
Other income (C)	589.51	410.15
Operating EBIT (D) = (A+B-C)	8,173.02	7,120.67
Tangible Net Worth * (E)	8,162.34	12,343.83
Total Borrowings ** (F)	514.96	196.92
Deferred Tax Liability (G)	-	1.05
Capital Employed (H) = (E+F+G)	8,677.30	12,541.80
Ratio (in %)	94%	57%
% Change from previous year	66%	

* Tangible net worth = Total equity- Intangible assets- Deferred Tax Assets- Capital Redemption Reserve- Capital Reserve on Business Combination under Common Control-Capital Reseve

** Total Borrowings includes Current and Non Current Borrowings and Lease Liabilities

Reason for change more than 25%:

For the year ended 31 March 2026, the change is mainly on account of decrease in capital employed, primarily on account of dividend distribution to the equity shareholders partly offset by profit during the year.

i) Debt Equity ratio = Total debts divided by Total Equity

Particulars	As at March 31, 2026	As at March 31, 2025
Total Debt*	514.96	196.92
Total Equity	12,005.29	16,123.67
Ratio	0.04	0.01
% Change from previous year	251%	

* Total Debt includes Current and Non Current Borrowings and Lease Liabilities

Reason for change more than 25%:

For the year ended 31 March 2026, the change is mainly on account of decrease in equity arising due to dividend distribution to the equity shareholders of the Parent Company coupled with increase in lease liabilities towards plant and machinery.

j) Debt service coverage ratio= Earnings available for debt services divided by total interest and principal repayments.

Particulars	As at March 31, 2026	As at March 31, 2025
Profit for the year (A)	6,043.59	5,531.43

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

38 Ratio Analysis and its elements (Contd..)

Particulars	As at March 31, 2026	As at March 31, 2025
Add: Non cash operating expenses and finance cost		
Depreciation and Amortisation cost (B)	1,081.65	1,031.72
Finance cost (C)	335.73	202.66
Total Non-cash operating expenses and finance cost (Pretax) (D= B+C)	1,417.38	1,234.38
Total Non-cash operating expenses and finance cost (Posttax) (E = D (1-Tax rate))	1,060.63	923.69
Earnings available for debt services (F = A+E)	7,104.22	6,455.12
Debt service		
Lease Repayment (G)	145.12	62.24
Interest on others (H)	242.59	169.42
Total Interest and principal repayments (I = G+H)	387.71	231.66
Ratio (In times) (J = F/ I)	18.32	27.86
% Change from previous year	(34%)	

Reason for change more than 25%:

For the year ended 31 March 2026, the change is mainly on account of increase in lease and interest payments.

39 Business Combinations

- On 24 March 2025, Tenneco Automotive India Private Limited ("TAIPL") has transferred its entire shareholding of 20,664,039 equity shares in Motocare India Private Limited (erstwhile subsidiary of TAIPL, hereinafter referred to as MIPL) to Federal-Mogul Motorparts India Limited (fellow subsidiary), for a consideration of ₹ 8,293.51 Million. The profit on sale of investment i.e., the difference between consideration received and the carrying value of investment, i.e., ₹ 2,559 Million amounting to ₹ 5,734.51 Million has been recognised in Exceptional item as "Gain on sale of Investment" in standalone books of TAIPL.
- Subsequently, on 26 March 2025, the Company ("the Transferee Company"), directly acquired the shareholding in the businesses of entities namely Federal-Mogul Ignition Products India Limited, Federal Mogul Sealings India Limited, Federal Mogul Bearings India Limited & Tenneco Automotive India Private Limited (together referred as "Transferor Companies") which were ultimately controlled by the same parties who control it, both before and after the business combination. The consideration to be paid was determined based on a share-swap ratio. As per the share swap ratio approved by the Board in its meeting held on 26 March 2025, Transferee Company has issued 189,515,480 Equity Shares of ₹ 10 each ("New Equity Shares") to Shareholders of Transferor Companies. The Company had acquired the entire shareholding of TAIPL through a share swap arrangement as stated above; however the investment in MIPL was not acquired by the Company as part of this share swap arrangement. On sale of the investment, the total consideration receivable formed part of the net assets acquired of TAIPL and hence the difference between the total consideration receivable and actual value of investment, aggregating to ₹ 4,914.47 Million (net of taxes) is recognised in 'Capital Reserve on Business Combination under Common Control' in the Restated Consolidated Financial Information of the Group.

Pursuant to the requirements of Appendix C of the Ind AS 103, business combinations under common control are accounted for using the pooling of interest method. Consequently, the financial statement of the Group, includes the financial information of the businesses transferred by the Acquiree Companies to the Acquirer Company and has been restated from the earliest period presented in the consolidated financial statement of the Group.

The details of the business combination, the carrying value of the assets, liabilities and reserves acquired and harmonized as per the revised accounting policies, and the resultant capital reserve are given below.

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

39 Business Combinations (Contd..)

Identifiable assets acquired and liabilities assumed and capital reserve arising on business combination as at April 01, 2022:

Particulars	Federal-Mogul Ignition Products India Limited	Federal Mogul Sealings India Limited	Federal Mogul Bearings India Limited	Tenneco Automotive India Private Limited
ASSETS				
Non-current assets				
Property, plant and equipment	339.63	235.97	390.39	2,428.94
Capital work in progress	27.53	8.92	10.29	83.35
Right-of-use assets	9.59		2,751	183.28
Intangible assets	2.83	2.22	1.71	1.20
Financial assets				
i. Loans	-	-	-	1.89
ii. Other financial assets	8.95	3.52	5.66	2,577.86
Deferred tax assets (net)	-	-	-	29.37
Current tax assets (net)	25.63	5.97	36.69	47.86
Other non-current assets	13.46	14.66	-	30.36
Total non-current assets	427.62	271.26	447.49	5,384.11
Current assets				
Inventories	353.79	111.45	415.38	770.32
Financial assets				
i. Investments				7.46
ii. Trade receivables	323.16	177.43	253.86	2,320.99
iii. Cash and cash equivalents	203.07	19.10	57.97	556.66
iv. Bank balances other than (iii) above	1.50	-	-	0.50
v. Loans	-	-	-	9.00
vi. Other financial assets	3.92		2.54	2.69
Other current assets	10.13	29.26	27.80	66.59
Total current assets	895.57	337.24	757.55	3,734.21
Total assets	1,323.19	608.50	1,205.04	9,118.32

Particulars	Federal-Mogul Ignition Products India Limited	Federal Mogul Sealings India Limited	Federal Mogul Bearings India Limited	Tenneco Automotive India Private Limited
EQUITY				
Equity				
Other Equity	472.83	94.88	599.97	5,344.13
Total equity	472.83	94.88	599.97	5,344.13
LIABILITIES				
Non-current liabilities				
Financial liabilities				
i. Lease Liabilities	0.04	-	-	30.60
Provisions	29.16	4.49	13.93	28.78
Deferred tax liabilities (net)	4.93		8.52	-
Other non-current liabilities	-	-	-	81.13
Total non-current liabilities	34.13	4.49	22.45	140.51

Notes to the Consolidated financial statements

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(All amounts in INR Millions, unless otherwise stated)

39 Business Combinations (Contd..)

Particulars	Federal-Mogul Ignition Products India Limited	Federal Mogul Sealings India Limited	Federal Mogul Bearings India Limited	Tenneco Automotive India Private Limited
Current liabilities				
Financial liabilities				
i. Borrowings	-	330.00	-	338.83
ii. Lease liabilities	-	-	-	11.10
iii. Vendor Bill financing	-	-	-	381.49
iv. Trade payables				
(a) total outstanding dues of micro and small enterprises	41.15	32.95	8.79	405.12
(b) total outstanding dues of creditors other than micro and small enterprises	316.89	124.77	462.70	1,865.73
v. Other financial liabilities	6.39	1.29	3.03	121.11
Other current liabilities	14.09	11.37	4.58	221.70
Provisions	6.63	0.42	6.53	273.72
Current tax liabilities (net)	3.19	-	9.24	13.88
Total current liabilities	388.33	500.80	494.87	3,632.68
Total equity and liabilities	895.30	600.17	1,117.29	9,117.32
Net assets and reserves transferred	427.89	8.33	87.75	1.00
New shares issued	144.79	39.92	135.90	1,574.54
Cancellation of existing share capital	427.89	8.33	87.75	1.00
Capital reserve	283.11	(31.59)	(48.15)	(1,573.54)

Note:The Group has acquired all assets of TAIPL except for the investment in equity shares of MIPL which has been disposed off prior to acquisition of TAIPL.

40 Other Statutory Information

- No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- The Group has no transactions/balances with companies struck off under section 248 of the Companies Act, 2013, except as disclosed below:

Name of Struck off Company	Nature of transactions with struck off Company	Balance outstanding as on March 31, 2026 (Full Figure)	Balance outstanding as on 31 March 2025 (Amount in INR)	Balance outstanding as on March 31, 2026 (in Million)	Balance outstanding as on 31 March 2025 (in Million)	Relationship
Actisai Foodline Private Limited	Payable	-	27,490	-	0.03	Vendor

- There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year/reporting period.

Notes to the Consolidated financial statements

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(All amounts in INR Millions, unless otherwise stated)

40 Other Statutory Information (Contd..)

- v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- viii) The Group have not been declared willful defaulter by any bank or financial institution or government or any government authority.
- ix) The Group has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013, which has an accounting impact on current financial year/reporting period.
- x) As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up on daily basis of such books of account and other relevant books and papers maintained in electronic mode that should be accessible in India at all the time. The Company does not maintain backup on Indian servers at present.
- xi) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

40B Title deeds of immovable properties are held in name of the Group except:

Factory buildings and other buildings transferred to the Group as part of demerger, which are in the process of being registered in the name of the Group.

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Leasehold land	Land	98.82	Tenneco Exhaust India Private Limited	No	2018	There was change in the name of the Company from Tenneco Exhaust India Private Limited to Tenneco Automotive India Private Limited and then to Tenneco Clean Air India Limited. Hence, the property is in the name of the earliest company.

Notes to the Consolidated financial statements

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(All amounts in INR Millions, unless otherwise stated)

41 Statutory Group Information

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Tenneco Clean Air India Limited								
Balance as at 31 March 2026	502.95%	60,380.68	80.15%	12,028.38	41.55%	(18.55)	80.27%	12,009.83
Balance as at 31 March 2025	364.29%	58,736.69	64.97%	3,060.80	18.61%	(7.36)	65.36%	3,053.44
Subsidiaries								
1 Federal-Mogul Ignition Products India Limited								
Balance as at 31 March 2026	9.43%	1,132.25	2.04%	305.91	7.55%	(3.37)	2.02%	302.54
Balance as at 31 March 2025	515%	829.69	4.16%	196.01	5.59%	(2.21)	4.15%	193.80
2 Federal Mogul Sealings India Limited								
Balance as at 31 March 2026	2.03%	243.93	0.45%	66.79	9.90%	(4.42)	0.42%	62.37
Balance as at 31 March 2025	1.13%	181.58	1.98%	93.18	2.18%	(0.86)	1.98%	92.32
3 Federal Mogul Bearings India Limited								
Balance as at 31 March 2026	8.79%	1,055.21	1.11%	166.45	-0.54%	0.24	1.11%	166.69
Balance as at 31 March 2025	5.51%	888.54	4.61%	217.33	-3.31%	1.31	4.68%	218.64
4 Tenneco Automotive India Private Limited								
Balance as at 31 March 2026	32.78%	3,934.79	16.26%	2,439.76	41.53%	(18.54)	16.18%	2,421.22
Balance as at 31 March 2025	63.44%	10,228.72	146.00%	6,878.58	76.93%	(30.42)	146.58%	6,848.16
Non-controlling interests in all subsidiaries								
Balance as at 31 March 2026	0.26%	31.30	0.05%	7.79	1.03%	(0.46)	0.05%	7.33
Balance as at 31 March 2025	0.15%	23.97	0.23%	10.80	0.20%	(0.08)	0.23%	10.72
Inter-company elimination and consolidation Adjustments								
Balance as at 31 March 2026	(456.24%)	(54,772.86)	(0.05%)	(7.79)	(1.03%)	0.46	(0.05%)	(7.33)
Balance as at 31 March 2025	(339.66%)	(54,765.53)	(121.95%)	(5,745.31)	(0.2%)	0.08	(122.98%)	(5,745.23)
Total								
Balance as at 31 March 2026	100%	12,005.30	100%	15,007.29	100%	(44.64)	100%	14,962.65
Balance as at 31 March 2025	100%	16,123.66	100%	4,711.39	100%	(39.54)	100%	4,671.85

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(All amounts in INR Millions, unless otherwise stated)

42 As at March 31, 2026, the Group has an outstanding payable for import of goods and services for a period exceeding six month from date of shipment amounting to ₹ 68.60 Million (previous year: ₹ 30.18 Million) which exceeds the permissible time frame stipulated by Reserve Bank of India ('RBI') Master Direction No.17/2016-17, Import of Goods and services issued by the RBI dated January 01, 2016 (amended from time to time).

As at March 31, 2026, the Group has an outstanding receivable for export of goods and services for a period exceeding nine month from the date of shipment of goods or the date of invoice, whichever is later amounting to ₹ 165.33 Million (previous year: ₹ 35.93 Million) which exceeds the permissible time frame stipulated by Reserve Bank of India ('RBI') Master Circular No.10/2011-12, Export of Goods and services issued by the RBI dated July 01, 2011 (amended from time to time).

As per the assessment performed by the Group, the consequential impact of this matter, including the liability for penal charges, if any, on the consolidated financial statements is presently not expected to be material and therefore no provision made in consolidated financial statements.

43 Capital reduction

- (a) Board of directors of Group at its meeting held on 14 October 2019 have approved the Scheme of Reduction of Capital pursuant to the provision of Section 66 of the Companies Act, 2013. The said scheme has been approved by shareholder of the Group in its extra ordinary general meeting on 16 October 2019. The reduction in share capital of the Group has been approved by the Hon'ble National Group Law Tribunal, Chennai vide order dated 20 April 2021. Pursuant to the said order, the paid up share capital of the Group is reduced from ₹ 7,777.1 Million divided into 777,713,120 equity shares of ₹ 10/- each to ₹ 3,134.1 Million divided into 313,406,120 equity shares of ₹ 10/- each in the previous year. The resultant surplus of ₹ 4,643 Million is adjusted against Capital Reserve Account.
- (b) Board of directors of Group at its meeting held on 07 June 2022 have approved the Scheme of Reduction of Capital pursuant to the provision of Section 66 of the Companies Act, 2013. The said scheme has been approved by shareholder of the Group in its extra ordinary general meeting on 08 June 2022. The reduction in share capital of the Group has been approved by the Hon'ble National Group Law Tribunal, Chennai vide order dated 23 November 2023. Pursuant to the said order, the paid up share capital of the Group is reduced from ₹ 3,134.1 Million divided into 313,406,120 equity shares of ₹ 10/- each to ₹ 2,140.9 Million divided into 214,088,829 equity shares of ₹ 10/- each in the previous year. The 99,317,291 equity shares have been reduced at a premium of ₹ 2 per share. The total outlay of ₹ 1,191.8 Million is adjusted against Capital Reserve Account of ₹ 342.2 Million and ₹ 849.6 Million is returned to shareholders.

44 Dividend paid during the year:

Company Name	Year	₹ (In Million)	Per Equity share
Tenneco Clean Air India Limited (Formerly known as Tenneco Clean Air India Private Limited)	2026	10,365.85	25.68
	2025	2,404.43	5.96
Tenneco Automotive India Private Limited	2026	8,958.87	89,588.74
	2025	1,149.41	11,494.10
Federal-Mogul Ignition Products India Limited	2026	-	-
	2025	538.57	12.59

45 The Group had applied for unilateral APA application for a period of 5 years (F.Y.2023-24 to 2027-28) and for 3 rollback years (F.Y.2020-21 to 2022-23) regarding payment of royalty (Technology and Trademark) and payment of management support charges. The Group is making payment at the specified rate as per the agreement during the year. However, the Group has filed the APA withdrawal application with Income Tax authorities.

Notes to the Consolidated financial statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

46 The Group has used an accounting software for maintaining its books of account for the year ended March 31, 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, audit trail was not enabled at the database level to log any direct data changes. The audit trail that was enabled and operated for the year ended March 31, 2025 has been preserved by the Group as per the statutory requirements for record retention.

47 Subsequent to the year end, the Shareholders of the Company has ratified and approved amended Employee Stock Option Scheme 2025 by way of special resolution on May 04, 2026 through remote e-voting system.

48 Rounding off

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

For and on behalf of the Board of Directors

Tenneco Clean Air India Limited

(formerly known as Tenneco Clean Air India Private Limited)

Arvind Chandrasekharan

Whole-time Director and CEO

DIN: 08721916

Place: Bengaluru

Manavendra Singh Sial

Director

DIN: 11095791

Place: California, USA

Mahender Chhabra

Chief Financial Officer

Place: Gurugram

Date: May 30, 2026

Roopali Singh

Company Secretary

Membership No.: ACS15006

Place: Gurugram