FORD INDIA PRIVATE LIMITED
CIN : U34103TN2000PTC045537

Board of Directors

Dhiraj Dixit
Whole-time Director

Anand Misra
Director

Satish Varma
Director

Registered Office

S.P. Koil Post
Chengalpattu - 603 204
Kancheepuram District
Tamilnadu

Manufacturing plant in Sanand

Revenue Survey No.1
Northkotpura Village
Sanand Taluka, Ahmedabad Dist.
Gujarat - 382710

Bankers

Axis Bank

BNP Paribas

Citibank

Credit Agricole Corporate Investment Bank

DBS Bank

Deutsche Bank

HDFC Bank Limited

ICICI Bank Limited

Indian Bank

Indian Overseas Bank

Mizuho Bank Limited

State Bank Of India

Sumitomo Mitsui Banking Corporation

United Overseas Bank

Yes Bank Limited

Auditors

Price Waterhouse & Co Chartered Accountants LLP

FORD INDIA PRIVATE LIMITED
Balance Sheet as at March 31, 2025
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4(a)	124,484	143,596
(b) Right of Use Assets	4(b)	8,179	9,680
(c) Capital work-in-progress	4(c)	1,541	970
(d) Other financial assets	9	1,677	2,187
(e) Other non-current assets	5	967	2,125
(2) Current assets			
(a) Inventories	6	106,968	122,195
(b) Financial assets			
(i) Trade receivables	7	129,896	179,747
(ii) Cash and cash equivalents	8	149,134	89,703
(iii) Other financial assets	9	9,548	15,746
(c) Other current assets	10	41,592	61,008
Total assets		**573,986**	**626,957**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11(a)	1,482,300	1,482,300
(b) Other equity	12	(1,220,263)	(1,291,196)
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	4(b)	7,151	8,482
(b) Provisions	13	4,277	2,944
(c) Other non-current liabilities	14	2,586	4,560
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	112,621	154,656
(ii) Trade payables	16		
(A) total outstanding dues of micro and small enterprises		2,284	2,488
(B) total outstanding dues other than micro and small enterprises		101,449	122,672
(iii) Lease Liabilities	4(b)	1,712	1,412
(iv) Other financial liabilities	17	4,002	4,800
(b) Provisions	18	61,246	118,415
(c) Other current liabilities	19	14,621	15,424
Total equity and liabilities		**573,986**	**626,957**

The accompanying notes are an integral part of these financial statements.
This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 30426E/E-300009

Dilip Kumar Sharma
Digitally signed by Dilip Kumar Sharma
Date: 2025.09.10 19:37:21 +05'30'

Dilip Kumar Sharma
Partner
Membership no: 063532

Place : Chennai
Date : September 10, 2025

For and on Behalf of the Board of Directors

DHIRAJ DIXIT
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Date: 2025.09.10 17:04:31 +05'30'

SATISH VARMA DATLA
Digitally signed by SATISH VARMA DATLA
Date: 2025.09.10 16:16:04 +05'30'

Dhiraj Dixit
Whole-time Director
DIN:07495609
Place : Chennai

Satish Varma
Director
DIN:11248465
Place : Gurugram

Manikandan R
Company Secretary
ACS: A66283
Place : Coimbatore

Date : September 10, 2025

R MANIKANDAN
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Date: 2025.09.10 15:45:25 +05'30'

FORD INDIA PRIVATE LIMITED
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	20	499,545	517,076
Other income	21	122,944	131,800
Total revenue		**622,489**	**648,876**
Expenses			
Cost of materials consumed	22	436,919	470,815
Purchases of stock-in-trade	23	58,880	57,386
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	8,271	11,115
Employee benefits expense	25	11,460	10,703
Finance costs	26	13,428	15,864
Depreciation expense	27	23,824	24,577
Other expenses	28	36,416	31,355
Total expenses		**589,198**	**621,815**
Profit for the year before exceptional items & tax		**33,291**	**27,061**
Exceptional Item- (Provision for) / Reversal of Restructuring costs	43	37,742	7,322
Profit for the year before tax		**71,033**	**34,383**
Tax Expense			
Current tax		—	—
Deferred tax		—	—
Profit for the year		**71,033**	**34,383**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plan	38(b)	(109)	(194)
Total other comprehensive income		**(109)**	**(194)**
Total comprehensive income for the year		**70,924**	**34,189**
Profit per equity share: [nominal value per share: Rs.100 (previous year: Rs.100)]			
Basic / Diluted	34	4.79	2.32

The accompanying notes are an integral part of these financial statements.
This is Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 30426E/E-300009

Dilip Kumar Sharma Digitally signed by Dilip Kumar Sharma Date: 2025.09.10 19:38:07 +05'30'

Dilip Kumar Sharma
Partner
Membership no: 063532

Place : Chennai
Date : September 10, 2025

For and on Behalf of the Board of Directors

DHIRAJ DIXIT Digitally signed by DHIRAJ DIXIT Date: 2025.09.10 17:05:41 +05'30'

Dhiraj Dixit
Whole-time Director
DIN:07495609
Place : Chennai

SATISH VARMA DATLA Digitally signed by SATISH VARMA DATLA Date: 2025.09.10 16:16:28 +05'30'

Satish Varma
Director
DIN:11248465
Place : Gurugram

Manikandan R
Company Secretary
ACS: A66283
Place : Coimbatore

Date : September 10, 2025

R MANIKANDAN Digitally signed by R MANIKANDAN Date: 2025.09.10 15:46:08 +05'30'

FORD INDIA PRIVATE LIMITED
Statement of Changes in Equity for the year ended March 31, 2025
(All amounts are in INR Lakhs, unless otherwise stated)

A Equity Share Capital (Refer Note 11(a))

Balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024	Changes in equity share capital during the year	Balance as at March 31 ,2025
1,482,300	—	1,482,300	—	1,482,300

B Other Equity (Refer Note 12)

	Reserves and surplus		Total
	Retained earnings	Share based payment reserve	
Balance as at April 1, 2023	**(1,327,042)**	**1,534**	**(1,325,508)**
Profit for the year	34,383	—	34,383
Other comprehensive income - Defined benefit plan	(194)	—	(194)
Recognition of share based payments (net of payouts)	—	123	123
Balance as at March 31, 2024	**(1,292,853)**	**1,657**	**(1,291,196)**
Profit for the year	71,033	—	71,033
Other comprehensive income - Defined benefit plan	(109)	—	(109)
Recognition of share based payments (net of payouts)	—	9	9
Balance as at March 31, 2025	**(1,221,929)**	**1,666**	**(1,220,263)**

The accompanying notes are an integral part of these financial statements.
This is the Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 30426E/E-300009

Dilip Kumar Sharma
Digitally signed by Dilip Kumar Sharma
Date: 2025.09.10 19:38:59 +05'30'

Dilip Kumar Sharma
Partner
Membership no: 063532

Place : Chennai
Date : September 10, 2025

For and on Behalf of the Board of Directors

DHIRAJ DIXIT
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Date: 2025.09.10 17:06:27 +05'30'

SATISH VARMA DATLA
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Dhiraj Dixit
Whole-time Director
DIN:07495609
Place : Chennai

Satish Varma
Director
DIN:11248465
Place : Gurugram

Manikandan R
Company Secretary
ACS: A66283
Place : Coimbatore

Date : September 10, 2025

R MANIKANDAN
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Date: 2025.09.10 15:46:56 +05'30'

FORD INDIA PRIVATE LIMITED
Statement of Cash Flows for the year ended March 31, 2025
(All amounts are in INR Lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A.	**Cash flow from operating activities:**		
	Profit for the year before tax	71,033	34,383
	Adjustments for:		
	Depreciation and amortization of property, plant and equipment & right of use assets	23,824	24,577
	Finance costs - Lease	921	744
	Finance costs - Borrowings and others	12,507	15,120
	Balances with government authorities written off	7,947	—
	Interest income	(6,086)	(3,621)
	(Gain) or loss on disposal of property, plant and equipment	2,393	(626)
	Liabilities written back to the extent no longer required	(302)	(399)
	Provision for expected credit losses on trade receivable and advances	—	(29)
	Share based payment expense	230	606
	Provision for restructuring costs	(18,384)	27,844
	Operating profit before working capital changes	**94,083**	**98,599**
	Working capital adjustments:		
	- (Increase) / decrease in trade receivables	49,852	(465)
	- (Increase) / decrease in other receivables	18,482	5,319
	- (Increase) / decrease in inventories	15,227	6,016
	- Increase / (decrease) in trade and other payables	(28,445)	(20,270)
	- Increase / (decrease) in share based payments reserve	(222)	(482)
	- Increase / (decrease) in restructuring provision	(33,298)	(18,533)
	Cash generated from operating activities	**115,679**	**70,184**
	Income taxes (paid) / refunds received (net)	1,094	(368)
	Net cash generated from operating activities	**116,773**	**69,816**
B.	**Cash flow from investing activities:**		
	Purchase of property, plant and equipment	(7,318)	(8,444)
	Proceeds from sale of property, plant and equipment	755	2,493
	Interest received	5,845	3,515
	Net cash used in investing activities	**(718)**	**(2,436)**
C.	**Cash flow from financing activities:**		
	Repayments of long-term borrowings	(39,001)	(48,053)
	Interest paid on loans	(15,160)	(18,774)
	Principal and Interest element of Lease payments	(2,463)	(2,176)
	Net cash used in financing activities	**(56,624)**	**(69,003)**

FORD INDIA PRIVATE LIMITED
Statement of Cash Flows for the year ended March 31, 2025
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net Increase in Cash & Cash Equivalents	**59,431**	**(1,623)**
Cash and cash equivalents as at beginning of the year	**89,703**	**91,326**
Cash and cash equivalents as at the end of the year	**149,134**	**89,703**
Non- Cash Financing and Investing Activities		
-Acquisition of Right-Use-Of-Assets	512	5,036
Cash and cash equivalents comprise	**As at March 31, 2025**	**As at March 31, 2024**
Cash on hand	—	1
Bank balances		
- In current account	18,234	26,202
- Demand deposits (less than 3 months of original maturity)	130,900	63,500
	149,134	**89,703**

Note:
Figures in brackets represents cash outflows.

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

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 30426E/E-300009

Dilip Kumar Sharma
Digitally signed by Dilip Kumar Sharma
Date: 2025.09.10 19:39:54 +05'30'

Dilip Kumar Sharma
Partner
Membership no: 063532

Place : Chennai
Date : September 10, 2025

For and on Behalf of the Board of Directors

DHIRAJ DIXIT
Digitally signed by DHIRAJ DIXIT
Date: 2025.09.10 17:07:37 +05'30'

Dhiraj Dixit
Whole-time Director
DIN:07495609
Place : Chennai

SATISH VARMA DATLA
Digitally signed by SATISH VARMA DATLA
Date: 2025.09.10 16:17:23 +05'30'

Satish Varma
Director
DIN:11248465
Place : Gurugram

Manikandan R
Company Secretary
ACS: A66283
Place : Coimbatore

Date : September 10, 2025

R MANIKANDAN
Digitally signed by R MANIKANDAN
Date: 2025.09.10 15:47:37 +05'30'

1. Company overview

Ford India Private Limited (FIPL) [CIN: U34103TN2000PTC045537], a private Company having its registered office in Tamil Nadu, India, is a wholly owned subsidiary of Ford Motor Company, USA. FIPL is engaged in business of manufacturing, purchase and sale of automotive components, and spare parts. FIPL has manufacturing facilities located in Chennai, Tamil Nadu and Sanand, Gujarat. The Company in the year 2021 announced restructuring pursuant to which the business of manufacture and sale of passenger vehicles have ceased. Refer to note 43.

2. Basis of preparation of Ind AS financial statements

Basis of preparation

The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) together with the Companies (Indian Accounting Standard) Rules, 2015, as issued by Ministry of Corporate Affairs. These financial statements under Ind AS consist of the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date.

The financial statement has been prepared in accordance with the accounting policies, set out below and were consistently applied to all years presented unless otherwise stated.

The assets and liabilities of the Company have been classified as current or non-current based on the operating cycle of the Company, that is, the time between the acquisition of assets for processing and their realization in cash or cash equivalents being 12 months together with other conditions as specified under Ind AS 1.

Basis of measurement

The financial statement has been prepared on the historical cost convention under accrual basis of accounting except for certain financial assets and liabilities (as per the accounting policy below) which have been measured at fair value.

Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Critical accounting estimates & judgements

(i) Property plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life by the Management at the time of asset is acquired and reviewed periodically. [Note no.3 and 4(a)]

(ii) Going concern

The Company has ceased the vehicle operations in the year 2023. The Company expects to continue to manufacture and sell engines to Ford Affiliates and sale of service parts. The Company has been profitable in the financial years 2023-24 and 2024-25. The management internally monitors operating / financial ratios and also reviews a rolling cash flow forecast for atleast the upcoming financial year and basis the same, the financial statements have been prepared with the going concern basis of accounting. Also, refer note 43.

(iii) Contingent liability and restructuring obligations

Refer to accounting policy on restructuring provisions below, and provisions in other accounting policy.

(All amounts are in INR Lakhs, unless otherwise stated)

Accounting Pronouncements

The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

Other accounting policies are provided under Note 47 for completeness purpose. The Company's accounting policies and methods are unchanged compared to March 31, 2024.

3. Material accounting policy information

Revenue Recognition

Sale of Products – Engines and Parts:

The Company manufactures and sells engines and is involved in trading of related service parts.

Sales are recognized when control of the products has transferred, being when the products are delivered to the dealer / counterparty, and there is no unfulfilled obligation that could affect the dealer / counterparty's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the dealer / counterparty.

Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is determined by methods approximating the first-in first-out ("FIFO") principle.

Property, Plant and Equipment

The Company capitalizes new assets as Property, plant, and equipment, under historical cost convention method, when it's it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be reliably measured.

Depreciation methods, estimated useful lives and residual value.

In respect of Property, plant, and equipment (other than freehold land) acquired during the year, depreciation / amortization is charged on a straight-line basis to write-off the cost of the assets over the useful lives based on technical evaluation which are different from those prescribed in Schedule II of the Companies Act, 2013**.** Estimated useful lives of assets are as follows:

Assets Description	Actual Life of assets	As per Schedule II
Buildings	20 to 40 Years	60 Years
Plant and Machinery	3 to 36 Years	15 Years
Furniture and Fixtures	3 to 12.5 Years	10 Years
Office Equipment	10 to 12.5 Years	5 Years
Vehicles	9 to 15 Years	10 Years
Computers	4 to 15 Years	3 to 6 Years

Leasehold improvements are depreciated over the shorter of their useful life or lease term, unless the entity expects to use the asset beyond lease term.

Government Grants

Government grants related to assets are recorded as a reduction to cost of asset.

Government grants which compensate for incentives for applications filed under various schemes (export incentives, rebates etc.) are revenue grants and recognized as other income in the Statement of Profit and Loss.

Government grants where the entity has a contractual right to receive cash are classified as financial assets.

Share based payment

Share-based compensation benefits are provided to some senior management employees via the Ford Motor Company (Ford US) long term incentive program. The fair value of options and Restricted Stock Units (RSU) granted under the Ford Motor Company (Ford US) Option Plan is recognized as an employee benefit expense with a corresponding increase in reserve. The total amount to be expensed is determined by reference to the fair value of the options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions. The fair value of options at grant date is independently determined using a Black-Scholes option pricing model that considers the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The fair value of RSU's is determined with reference to the share price at grant date.

Ford Motor Company (the parent entity) recharges the Company, which utilizes the share-based payment reserve. The Company utilizes the share-based payment reserve towards recharge by the parent entity as there is a linkage between the expense and utilisation.

These options are treated as equity settled in accordance with para B45 of Ind AS 102.

Financial assets

(i) Classification of financial assets at amortised cost

The Company classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

Financial assets classified at amortised cost comprise of trade receivables & cash and cash equivalents

(ii) The Company does not have financial assets fair valued through Profit & Loss or OCI.

Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Provisions

The Company recognizes a provision for restructuring costs in accordance with Ind AS 37. A restructuring provision is recognized when the Company has a detailed formal plan for the restructuring and has either:
(i) Started to implement the restructuring plan, or
(ii) Announced the plan to those affected by it in a sufficiently specific manner to raise a valid expectation that the restructuring will be carried out.

The restructuring provision includes only the direct expenditures necessarily entailed by the restructuring, which are not associated with the ongoing activities of the Company.

The restructuring provision is recognized at the best estimate of the expenditure required to settle the obligation at the balance sheet date, reflecting the risks and uncertainties surrounding the events. The provision is reviewed at each reporting date and adjusted to reflect the current best estimate. Any changes in the amount of provision due to changes in the restructuring plan or estimation methods are recognized in the period in which they occur.

The restructuring provision is reviewed on a periodic basis and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation (for example, favourable outcome in a negotiation process or legal release from a statutory authority), the provision is reversed.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method (i.e., nil as there is no significant financing component), less loss allowance.

The Company assesses impairment for trade receivables at the end of each reporting period. The Company follows simplified approach for measurement of Expected Credit loss (ECL) on Trade receivables. In the application of simplified approach, the Company provides for impairment loss based on lifetime ECL at each reporting period.

Unbilled receivable balances where the entity has unconditional right to consideration are classified as trade receivables.

Cash and Cash Equivalents
Statement of cash flows is prepared using the indirect method as per Ind AS 7

Exceptional items

Exceptional items are those which in the management's judgement are material items that derive from events or transactions falling within the ordinary activities of the Company but are not expected to be recurring. The nature and value of exceptional items are relevant to the users of the financial statements in understanding the financial position or performance of the Company. The same is presented separately in the Statement of Profit and Loss.

(All amounts are in INR Lakhs, unless otherwise stated)

4(a) Property, Plant and Equipment

Particulars	Land	Buildings	Leasehold Improvements	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Total
Gross carrying amount									
Balance as at April 1, 2024 - (a)	2,728	84,738	2,062	586,646	16,157	3,497	2,605	12,814	711,247
Additions - (b)	—	277	2,599	3,023	13	—	22	—	5,934
Disposals / adjustment - (c)	—	15	—	7,123	117	272	8	329	7,864
Balance as at March 31, 2025(a+b-c)	**2,728**	**85,000**	**4,661**	**582,546**	**16,053**	**3,225**	**2,619**	**12,485**	**709,317**
Accumulated Depreciation and amortization									
Balance as at April 1, 2024 - (a)	—	82,092	173	454,845	13,097	3,486	2,502	11,456	567,651
Depreciation expense - (b)	—	113	185	20,204	998	3	23	285	21,811
Disposals - (c)	—	15	—	3,903	117	272	8	314	4,629
Balance as at March 31, 2025(a+b-c)	**—**	**82,190**	**358**	**471,146**	**13,978**	**3,217**	**2,517**	**11,427**	**584,833**
Net carrying amount as at March 31, 2025	**2,728**	**2,810**	**4,303**	**111,400**	**2,075**	**8**	**102**	**1,058**	**124,484**

Notes:
1) Plant, Property and Equipment pledged as security - Nil.
2) Contractual obligations - Refer note 29 for capital commitment.

Particulars	Land	Buildings	Leasehold Improvements	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Total
Gross carrying amount									
Balance as at April 1, 2023 - (a)	2,728	86,637	—	598,600	16,556	3,523	2,605	13,652	724,301
Additions - (b)	—	48	2,062	2,902	172	—	2	7	5,193
Disposals / adjustment - (c)	—	1,947	—	14,856	571	26	2	845	18,247
Balance as at March 31, 2024 - (a+b-c)	**2,728**	**84,738**	**2,062**	**586,646**	**16,157**	**3,497**	**2,605**	**12,814**	**711,247**
Accumulated Depreciation and amortization									
Balance as at April 1, 2023 - (a)	—	83,608	—	442,608	12,116	3,414	2,482	11,836	556,064
Depreciation expense - (b)	—	117	173	20,565	1,520	99	22	303	22,799
Disposals - (c)	—	1,633	—	8,328	539	27	2	683	11,212
Balance as at March 31, 2024 - (a+b-c)	**—**	**82,092**	**173**	**454,845**	**13,097**	**3,486**	**2,502**	**11,456**	**567,651**
Net carrying amount as at March 31, 2024	**2,728**	**2,646**	**1,889**	**131,801**	**3,060**	**11**	**103**	**1,358**	**143,596**

(All amounts are in INR Lakhs, unless otherwise stated)

4(b) Leases

(i) Amounts recognised in Balance Sheet

	As at March 31, 2025	As at March 31, 2024
Right of Use Assets		
Building (including factory premises)	7,974	9,490
Office Equipment	205	190
Total	**8,179**	**9,680**

The Company leases various offices(including factory premises), warehouses and office equipments. Rental contracts are typically made for fixed periods of 6 months to 7 years, but may have extension options.

	As at March 31, 2025		As at March 31, 2024	
	Current	Non Current	Current	Non Current
Lease Liabilities	1,712	7,151	1,412	8,482
	1,712	**7,151**	**1,412**	**8,482**

(ii) Amounts recognised in Statement for Profit and Loss

Depreciation Charge on Right of Use Assets	Year Ended March 31, 2025	Year Ended March 31, 2024
Building (including factory premises)	1,902	1,724
Office Equipment	111	54
	2,013	**1,778**

	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest Expense (Included in Finance Cost)	921	744
	921	**744**

(iii) Additions to the Right of Use assets during the current financial year were INR 512 (March 31, 2024 - INR 5,036)

(iv) The total cash outflow for leases for the year ended March 31, 2025 was INR 2,463 (March 31, 2024 - INR 2,176)

(v) Extension and termination options are included in a number of leases with options being exercisable both mutually and at the discretion of Ford. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

4(c) Capital work-in-progress

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning	970	791
Additions	6,395	5,372
Capitalised during the year	(5,824)	(5,193)
Balance at the end	**1,541**	**970**

(i) Ageing of CWIP :-

As at March 31, 2025	Amounts in capital work in progress for		
	Less than 1 year	More than 1 year	Total
(i) Projects in progress	1,541	—	1,541
(ii) Projects temporarily suspended	—	—	—
Total	**1,541**	**—**	**1,541**

As at March 31, 2024	Amounts in capital work in progress for		
	Less than 1 year	More than 1 year	Total
(i) Projects in progress	970	—	970
(ii) Projects temporarily suspended	—	—	—
Total	**970**	**—**	**970**

(ii) Capital Work in Progress mainly comprises of Plant and Machinery relating to ongoing projects and there are no projects whose completion is overdue or has exceeded its cost compared to its original plan both as at March 31, 2025 and March 31, 2024.

(All amounts are in INR Lakhs, unless otherwise stated)

5 Other non-current assets

	As at March 31, 2025	As at March 31, 2024
Tax deducted at source (receivable)	813	1,907
Others	154	218
Total	**967**	**2,125**

6 Inventories

	As at March 31, 2025	As at March 31, 2024
Raw materials, packing materials and components [including goods in transit INR 28,343 (Previous year INR 32,029)]	52,457	60,305
Work in progress	882	899
Finished goods	6,014	6,804
Traded goods [including goods in transit INR 2,249 (Previous Year INR 2,321)	40,772	48,236
Stores and spares	6,843	5,951
Total	**106,968**	**122,195**

Amounts recognised in Statement of Profit and Loss

During the year ended March 31, 2025, the write-down of inventories amounts to INR 1,541 (March 31, 2024 - INR 2,536). These were recognised as an expense during the year and included in 'Changes in inventories of finished goods, work-in-progress and traded goods' as applicable.

7 Trade receivables

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good	125,473	143,960
Unsecured, considered good - unbilled *	4,423	35,787
Unsecured, considered doubtful	689	694
Less : Impairment provision	(689)	(694)
Total **	**129,896**	**179,747**

* The receivable is ‘unbilled’ because the Company has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it has an unconditional right to consideration.

** Out of the total receivables, INR 127,281 (previous year INR 177,117) represents balance receivable from related parties.

Movement in expected credit loss (ECL) allowance

	As at March 31, 2025	As at March 31, 2024
Beginning balance	694	701
Allowances for current year ECL	10	21
Change in loss allowance	(15)	(28)
Ending balance	**689**	**694**

Ageing of Trade receivables, current outstanding as at March 31, 2025 is as follows;

Particulars	**Outstanding for following periods from due date of payment**							
	Unbilled	**Not Due**	**< 6 Months**	**6 - 12 Months**	**1 - 2 years**	**2 - 3 years**	**> 3 years**	**Total**
Undisputed Trade receivables								
(i) Considered good	4,423	105,563	17,524	448	1,938	—	—	129,896
(ii) Significant increase in credit risk	—	—	—	—	—	—	—	—
(iii) Credit impaired	—	—	—	5	—	—	—	5
Disputed Trade Receivables	—	—	—	—	—	—	—	—
(iv) Considered good	—	—	—	—	—	—	—	—
(v) Significant increase in credit risk	—	—	—	—	—	—	—	—
(vi) Credit impaired	—	—	—	1	1	2	680	684
Total	**4,423**	**105,563**	**17,524**	**454**	**1,939**	**2**	**680**	**130,585**
Less : Impairment provision								(689)
Trade receivables								**129,896**

(All amounts are in INR Lakhs, unless otherwise stated)

Ageing of Trade receivables, current outstanding as at March 31, 2024 is as follows;

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	< 6 Months	6 - 12 Months	1 - 2 years	2 - 3 years	> 3 years	Total
Undisputed Trade receivables								
(i) Considered good	35,787	96,352	43,675	3,933	—	—	—	179,747
(ii) Significant increase in credit risk	—	—	—	—	—	—	—	—
(iii) Credit impaired	—	—	—	11	—	—	—	11
Disputed Trade Receivables	—	—	—	—	—	—	—	—
(iv) Considered good	—	—	—	—	—	—	—	—
(v) Significant increase in credit risk	—	—	—	—	—	—	—	—
(vi) Credit impaired	—	—	1	—	2	12	668	683
Total	**35,787**	**96,352**	**43,676**	**3,944**	**2**	**12**	**668**	**180,441**
Less : Impairment provision								(694)
Trade receivables								**179,747**

8 Cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024
Bank balances		
In current accounts	18,234	26,202
Demand deposits (less than 3 months of original maturity)	130,900	63,500
Cash on hand	—	1
Total	**149,134**	**89,703**

9 Other Financial Assets

	As at March 31, 2025		As at March 31, 2024	
	Current	Non current	Current	Non current
Security deposits	—	960	—	1,160
Accrued interest on fixed deposits	446	—	204	—
Balances with government authorities	9,102	—	15,542	—
Others	—	717	—	1,027
Total	**9,548**	**1,677**	**15,746**	**2,187**

10 Other current assets

	As at March 31, 2025	As at March 31, 2024
Advances other than capital advances		
Advance to suppliers	546	552
Other advances	387	1,108
Others		
Balances with government authorities	39,762	58,102
Prepaid expenses	897	1,246
Total	**41,592**	**61,008**

11 Share Capital

	As at March 31, 2025	As at March 31, 2024
Authorised :		
2,200,000,000 (Previous year: 2,200,000,000) equity shares of INR100 each	2,200,000	2,200,000
250,000,000 (Previous year: 250,000,000) preference shares of INR100 each	250,000	250,000

(All amounts are in INR Lakhs, unless otherwise stated)

(a) Reconciliation of Authorised Share Capital

Equity Shares:

	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	**Amount**	**Number of Shares**	**Amount**
Balance as at the beginning of the year	2,200,000,000	2,200,000	2,200,000,000	2,200,000
Add: Increase during the year	—	—	—	—
Balance as at the end of the year	**2,200,000,000**	**2,200,000**	**2,200,000,000**	**2,200,000**

	As at March 31, 2025	As at March 31, 2024
Issued, subscribed and paid up		
1,482,300,000 (Previous year: 1,482,300,000) equity shares of INR100 each fully paid up	1,482,300	1,482,300
Total	**1,482,300**	**1,482,300**

(b) Reconciliation of number of shares:

Equity Shares:

	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	**Amount**	**Number of Shares**	**Amount**
Balance as at the beginning of the year	1,482,300,000	1,482,300	1,482,300,000	1,482,300
Add: Shares issued during the year	—	—	—	—
Balance as at the end of the year	1,482,300,000	1,482,300	1,482,300,000	1,482,300

(c) Rights, Preferences and Restriction attached to shares

The Company has issued one class of equity shares having a par value of INR 100 per share. Each shareholder is eligible for one vote per share held. The dividend if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

(d) Shares held by holding company and subsidiary of holding company

	As at March 31, 2025	As at March 31, 2024
Equity Shares:		
1,334,070,000 Shares (Previous Year: 1,334,070,000 Shares) held by Ford Motor Company, USA, the Holding Company	1,334,070	1,334,070
148,230,000 Shares (Previous Year: 148,230,000 Shares) held by Ford International Services LLC, USA, a wholly owned subsidiary of Ford Motor Company, USA	148,230	148,230

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

	As at March 31, 2025	As at March 31, 2024
Equity Shares:		
Ford Motor Company, USA, the Holding Company		
- Number of shares	1,334,070,000	1,334,070,000
-% of holding	90.00 %	90.00 %
Ford International Services LLC, USA, a wholly owned subsidiary of Ford Motor Company, USA		
- Number of shares	148,230,000	148,230,000
-% of holding	10.00 %	10.00 %

(f) Details of Shareholding of Promoters

	As at March 31, 2025			As at March 31, 2024		
Name of the promoter	**No. of shares**	**% of total shares**	**% change during the year**	**No. of shares**	**% of total shares**	**% change during the year**
Ford Motor Company, USA	1,334,070,000	90.00 %	—	1,334,070,000	90.00 %	—
Ford International Services LLC, USA	148,230,000	10.00 %	—	148,230,000	10.00 %	—

(All amounts are in INR Lakhs, unless otherwise stated)

12 Other Equity

	As at March 31, 2025	As at March 31, 2024
Reserves & Surplus		
(i) Retained earnings		
Balance as at the beginning of the year	(1,292,853)	(1,327,042)
Profit for the year	71,033	34,383
Other comprehensive income - Defined benefit plan	(109)	(194)
Balance as at the end of the year	(1,221,929)	(1,292,853)
(ii) Share based payments		
Balance as at the beginning of the year	1,657	1,534
Recognition of share based payments *	9	123
Balance as at the end of the year	1,666	1,657
Total	**(1,220,263)**	**(1,291,196)**

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under Ford Motors, USA Employee Stock option plan, which is subsequently recharged by the parent company.

* During the financial year the Company has created additional charge pertaining to restricted stock units issued by Ford Motor Company (Parent Company) to entity's employees

13 Provisions
(Long term provisions)

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for gratuity (Refer note 38 (b))	1,553	1,258
Provision for compensated absences	260	229
	1,813	**1,487**
Other Provisions		
Provision for warranty (Refer note 18(d))	2,464	1,457
	2,464	**1,457**
Total	**4,277**	**2,944**

14 Other non-current liabilities

	As at March 31, 2025	As at March 31, 2024
Deposits received from vendors and dealers	4	152
Income received in advance	2,210	4,036
Other payables	372	372
Total	**2,586**	**4,560**

15 Borrowings - current

	As at March 31, 2025	As at March 31, 2024
Unsecured - Term loans		
From fellow subsidiary		
Current maturities of long term debt - Intercompany loan (Refer notes 15(a) and (b))	104,491	143,492
Interest accrued but not due	8,130	11,164
Total	**112,621**	**154,656**

(a) Loan from fellow subsidiary is to be re-paid entirely in single installment on 09th October 2025, Interest to be paid yearly at 9.28%.
During the year, principal amount of INR 104,491, which was due on October 9, 2024 was rolled over to April 8, 2025 and subsequently to October 9, 2025.

(b) Pursuant to RBI approval, the lender was changed from Global Investment One, USA to Ford International Capital LLC in July 2018.

(All amounts are in INR Lakhs, unless otherwise stated)

16 Trade payables

	As at March 31, 2025	As at March 31, 2024
Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises (refer note 31)	2,284	2,488
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	101,449	122,672
Total *	**103,733**	**125,160**

* Out of the total payables, INR 36,521 (previous year INR 51,088) represents balance payable to related parties.

Aging for trade payables outstanding as at March 31, 2025 is as follows:

Particulars	Not due	Outstanding for following periods from invoice date				Total
		< 1 year	1 - 2 years	2 - 3 years	> 3 years	
Undisputed trade payables						
(i) MSME	2,232	34	11	7	—	2,284
(ii) Others	27,849	72,772	539	115	174	101,449
Disputed trade payables						
(iii) MSME	—	—	—	—	—	—
(iv) Others	—	—	—	—	—	—

Aging for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Not due	Outstanding for following periods from invoice date				Total
		< 1 year	1 - 2 years	2 - 3 years	> 3 years	
Undisputed trade payables						
(i) MSME	605	1,881	2	—	—	2,488
(ii) Others	26,115	95,510	471	255	321	122,672
Disputed trade payables						
(iii) MSME	—	—	—	—	—	—
(iv) Others	—	—	—	—	—	—

17 Other financial liabilities- Current

	As at March 31, 2025	As at March 31, 2024
Payable to suppliers of capital goods	2,976	3,876
Deposit payable	375	298
Accrued salaries and benefits	651	626
Total	**4,002**	**4,800**

18 Provisions

(Short term provisions)

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for gratuity (Refer note 38(b))	165	230
Provision for compensated absences	23	36
	188	**266**
Other Provisions		
Provision for Restructuring costs [Refer note (a & b)]	50,162	101,843
Provision for litigation [Refer note (b)]	8,800	9,032
Provision for warranty and product recall [Refer note (c) & (d)]	2,085	7,263
Others	11	11
	61,058	**118,149**
Total	**61,246**	**118,415**

(All amounts are in INR Lakhs, unless otherwise stated)

(a) Provision for Restructuring costs
As part of the business restructuring plan, the Company has an outstanding balance of INR 50,162 (previous year: INR 101,843), towards obligations pursuant to restructuring which the Company expects to settle in near future. Refer note 43.

(b) Provision for Restructuring and litigation

Particulars	As at March 31, 2025			As at March 31, 2024		
	Restructuring costs	Litigation	Total	Restructuring costs	Litigation	Total
Opening Balance	101,843	9,032	110,875	92,532	9,801	102,333
Provision recognised/ (reversal)	(18,383)	396	(17,987)	27,844	510	28,354
Payouts/ utilisation during the year	(33,298)	(628)	(33,926)	(18,533)	(1,279)	(19,812)
Closing Balance	**50,162**	**8,800**	**58,962**	**101,843**	**9,032**	**110,875**

(c) Product Recall
The Company is continuing with the Product Recall Programs during FY 2024-25 for replacing the defective parts under "Voluntary and Preemptive Field Service Actions" related to the vehicles manufactured in India. The reserve reviews are done annually to ensure that the reserves are adequate to meet the future expenses and the existing provision balances are utilized for settlement of claims.

(d) Warranty - Coverages
In respect of warranties given by the Company, the estimated warranty costs are accrued for each vehicle line at the time of sale in line with established Rules of the Road (RoTR). Estimates for warranty costs are based on historical warranty claim experience and assumptions regarding the lifetime warranty costs of each vehicle line. This provision is expected to be utilized for settlement of warranty claims over a period of three years.

Provision for Warranty and Product Recall	As at March 31, 2025	As at March 31, 2024
Balance as at the beginning of the year	8,720	16,525
Provision created during the year	73	1,836
Payments / adjustments made during the year	(4,244)	(9,641)
Balance as at the end of the year	**4,549**	**8,720**
Classified as non-current:	2,464	1,457
Classified as current:	2,085	7,263
Total	**4,549**	**8,720**

19 Other current liabilities

	As at March 31, 2025	As at March 31, 2024
Advances from customers	1,038	998
Income received in advance	3,748	4,996
Statutory dues including provident fund and tax deducted at source	2,822	2,736
Other Accruals	7,013	6,694
Total	**14,621**	**15,424**

* Revenue recognised for the year ended March 31, 2025 from opening balance (including non-current portion) is INR 9,023 (March 31, 2024 - INR 8,827)

(All amounts are in INR Lakhs, unless otherwise stated)

20 Revenue from operations

	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products		
Finished goods	404,150	418,555
Traded goods	80,811	83,913
Sale of services	9,131	8,941
Other operating revenue		
Scrap sales	1,763	1,609
Others	3,690	4,058
Total	**499,545**	**517,076**

The transaction price allocated to the performance obligations for contracts with original expected duration of more than one year, that are unsatisfied (or partially satisfied) as at the end of the reporting period is not significant.

Details of Sale:

	Year ended March 31, 2025	Year ended March 31, 2024
a) Finished goods:		
Engines	360,803	383,260
Others	43,347	35,295
b) Traded goods:		
Spares for resale	80,811	83,913

21 Other Income

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income	6,086	3,621
Government grants*	112,556	125,112
Other non-operating income**	158	136
Liabilities written back to the extent no longer required	302	399
Profit on sale/scrap of fixed assets (net)	—	626
Exchange gain (Net)	1,602	1,877
Warranty recovery	2,240	—
Provision for doubtful debts written back	—	29
Total	**122,944**	**131,800**

*Government grants relate to export benefits such as GST rebate, duty drawback and other export incentives. There are no unfulfilled conditions or other contingencies attached to these grants. The Company did not benefit directly from any other forms of government assistance.

**Other non-operating income includes income towards salary chargeback from affiliates INR 158 (Previous year INR 136)

22 Cost of material consumed

	Year ended March 31, 2025	Year ended March 31, 2024
Raw materials and components consumed	436,919	470,815
Total	**436,919**	**470,815**

23 Purchase of stock in trade

	Year ended March 31, 2025	Year ended March 31, 2024
Spares for resale (net)	58,880	57,386
Total	**58,880**	**57,386**

(All amounts are in INR Lakhs, unless otherwise stated)

24 Changes in inventories of finished goods, work-in-progress and traded goods

	Year ended March 31, 2025	Year ended March 31, 2024
(Increase) / decrease in work-in-progress, finished goods and traded goods		
Opening stock		
Work in progress	899	763
Finished goods	6,804	4,172
Traded goods	48,236	62,119
	55,939	**67,054**
Less: Closing stock		
Work in progress	882	899
Finished goods	6,014	6,804
Traded goods	40,772	48,236
	47,668	**55,939**
Total	**8,271**	**11,115**

25 Employee benefits expense

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	8,066	7,581
Contribution to provident and other funds [Refer note 38(a)]	453	456
Gratuity [Refer note 38(b)]	264	248
Employee stock option scheme	230	606
Staff welfare expenses	2,447	1,812
Total	**11,460**	**10,703**

26 Finance costs

	Year ended March 31, 2025	Year ended March 31, 2024
Interest on Long term borrowings (Refer note 15(a) and 15(b))	11,590	14,575
Interest on lease	921	744
Interest on others	917	545
Total	**13,428**	**15,864**

27 Depreciation expense

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on Property, Plant and Equipment	21,811	22,799
Depreciation on Right of Use assets	2,013	1,778
Total	**23,824**	**24,577**

28 Other Expenses

	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of stores and spares	3,197	4,014
Power and fuel (net)	2,333	2,481
Insurance	802	704
Rates and taxes*	8,372	700
Repairs and maintenance		
- Buildings	92	74
- Plant and machinery	2,514	1,932
IT Service cost	1,788	2,719
Warranty	—	646
Travel	209	226
Freight	1,990	4,475
Advertisement and sales promotion	3,977	3,291
Warehousing and packaging	5,247	5,214
Professional fees [Refer note 32]	843	1,483
Bank charges	94	172
Loss on sale/scrap of fixed assets (net)	2,393	—
Miscellaneous expenses	2,565	3,224
Total	**36,416**	**31,355**

* Rates and taxes includes balances with government authorities written off - INR 7,947 (previous year - Nil)

(All amounts are in INR Lakhs, unless otherwise stated)

29 Contingent liabilities

	As at March 31, 2025	As at March 31, 2024
Claims against the Company not acknowledged as debts		
Sales tax related matters	31,977	29,070
Customs related matters	703	684
Service tax related matters	694	669
GST related matters	1,268	4,012
Others	4,424	6,845
Total	**39,066**	**41,280**

(a) The Company does not expect any reimbursements in respect of the above contingent liabilities.
(b) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
(c) The Company has evaluated the impact of the Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In this regard, appropriate provision has been made in the Financial Statements.

Commitments	**As at March 31, 2025**	**As at March 31, 2024**
Capital commitment	9,106	3,088
Other commitment	9,326	28,565
Total	**18,432**	**31,653**

30 Fixed Assets with Gross Book Value INR 156,595 (Net Book Value of INR 23,681) have not been physically verified. However, the Company has appropriate alternative controls and processes around the physical movement and usage of such assets. The management does not expect any material discrepancies to arise in respect of these assets.

31 Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act 2006

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2,284	2,488
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end in relation to above(i)	—	3
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	121	358
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	2
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
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 the MSMED Act)	1	(2)
Interest accrued and remaining unpaid at the end of each accounting year	15	14
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	—	—

*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management

32 Auditors' remuneration

	Year ended March 31, 2025	Year ended March 31, 2024
Audit Fee	92	92
Tax Audit Fee	5	5
Out of pocket expenses	5	5
Total	**102**	**102**

(All amounts are in INR Lakhs, unless otherwise stated)

33 Transfer pricing

The Finance Act, 2001 has introduced Transfer Pricing regulations prescribing methodology for computing all ‘international transactions’ between ‘associated Companies’ on an ‘arm’s length’ basis. These provisions are applicable effective from April 1, 2001. The regulations, inter-alia, also requires maintenance of the prescribed documents and information including furnishing of a report from an Accountant. For the assessment year ended March 31, 2025 the Company had undertaken a Transfer Pricing study to comply with the regulations and the prescribed certificate of the Accountant has been obtained without any adjustment. Similarly, for the assessment year ending March 31, 2026, the Company will comply with the Transfer Pricing regulations. In the opinion of management, no significant adjustments are expected to arise based on completion of Transfer Pricing study.

Transfer Pricing assessments for the assessment years ended March 31, 2005 to 2023, have been completed with adjustments of INR 326,068. The Transfer Pricing assessment for the assessment year 2023-24 is ongoing. The Company has assessed the uncertain tax positions w.r.t these adjustments for both assessed years and subsequent financial years which are open. The Company as at the balance sheet date has available carry forward loss of INR 886,054 to be utilized in future. In the opinion of the management, the Company has strong case to defend on the grounds of merit with the higher tax authorities, where the disputes are pending conclusion.

34 Basic earnings per share

	Year ended March 31, 2025	Year ended March 31, 2024
Profit attributable to equity share holders (excluding other comprehensive income)	71,033	34,383
Weighted average number of shares outstanding	14,823	14,823
Profit per share (Face value of share Rs 100 each) - Basic / Diluted	**4.79**	**2.32**

35 Segment reporting

Based on the internal reporting to the Chief Operating Decision Maker (CODM), the Company has identified only one segment (i.e automotive) and accordingly there are no other reportable segments.

The Company is domiciled in India. Information about entity vide disclosures as mandated under Ind AS 108 are as below:

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue		
Within India	81,846	87,301
Outside India	417,699	429,775
Total	**499,545**	**517,076**

Sales to three major related parties constitute 70% of the total revenue (March 31, 2024: 72%)
The entity does not have any non current assets excluding financial instruments outside India.

36 Capital management

For the purpose of the capital management, capital includes issued equity capital attributable to the parent company. The primary objective of the capital management is to maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants (if any). The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. Net debt includes borrowings less cash and cash equivalents. The Company does not consider lease liabilities as debt.

	March 31, 2025	March 31, 2024
Borrowings	112,621	154,656
Less: cash and cash equivalents	(149,134)	(89,703)
Net debt (a)	**(36,513)**	**64,953**
Total Equity	262,037	191,104
Capital and net debt (b)	**225,524**	**256,057**
Gearing ratio (a/b)	**(16)%**	**25 %**

The entity does not have any financial covenants attached to the intercompany loan. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

(All amounts are in INR Lakhs, unless otherwise stated)

37.1 Fair value measurements

a) Financial instruments by category

			As at March 31, 2025			As at March 31, 2024		
Financial assets	Notes	Fair Value Hierarchy *	Amortised cost	FVTPL**	FVTOCI***	Amortised cost	FVTPL**	FVTOCI***
Cash and cash equivalents	8	—	149,134			89,703		
Trade receivables	7	—	129,896			179,747		
Other financial assets	9	—	11,225			17,933		
Total financial assets			**290,255**	—	—	**287,383**	—	—
Financial liabilities								
Trade payables	16	—	103,733			125,160		
Borrowings	15	Level 2	112,621			154,656		
Other financial liabilities	17	—	4,002			4,800		
Total financial liabilities			**220,356**	—	—	**284,616**	—	—

<u>* Fair Value Hierarchy</u> (for disclosure of fair value purposes)
Level 1 - Inputs include quoted prices for identical instruments and are the most observable.
Level 2 - Inputs include quoted prices for similar instruments and observable inputs such as interest rates, currency exchange rates, and yield curves.
Level 3 - Inputs include data not observable in the market and reflect management judgment about the assumptions market participants would use in pricing the instruments.

**FVTPL- Fair value through profit and loss
***FVTOCI- Fair value through other comprehensive income
Recurring fair value measurement disclosures have not been provided as the entity does not have financial instruments fair valued through Profit & Loss or OCI

b) The entity did not have any derivatives as of March 31, 2025 and 2024.

c) Fair value measurements

Valuation methods
<u>Debt</u>
We measure debt at fair value for purposes of disclosure using discounted cash flows and market-based expectations for interest rates, credit risk, and the contractual terms of the debt instruments. For certain short-term debt with an original maturity date of one year or less, we assume that book value is a reasonable approximation of the debt's fair value. The fair value of debt is categorized within Level 2 of the hierarchy.

<u>Financial assets and financial liabilities</u>
The carrying amount of trade receivables, trade payables, other financial assets and liabilities are considered to be the same as their fair value, due to their short term nature.

37.2 Financial risk management

We are exposed to a variety of market and other risks, including the effects of changes in foreign currency exchange rates, interest rates, as well as liquidity risks, credit risks and specific asset risks. We monitor and manage these exposures as an integral part of the overall Corporate risk management program, which includes regular reports to the Global Risk Management team in Ford Motor Company.

<u>Specific asset risks</u>
We are exposed to a variety of insurable risks, such as loss or damage to property, liability claims, and employee injury. We protect against these risks through the purchase of commercial insurance that is designed to protect us above our self-insured retentions against events that could generate significant losses.

<u>Liquidity risks</u>
Our plan is to maintain funding sources to ensure liquidity through a variety of economic or business cycles. Our funding sources include short term working capital loans and other trade finance loans like buyers credit. Long term borrowings are primarily in the form of Intercompany loans from group companies of Ford Motor Company.

(All amounts are in INR Lakhs, unless otherwise stated)

The following table detail the Company's remaining contractual maturity for its non derivative financial liabilities with agreed repayment periods.

Particulars	Less than 1 year	1 to 3 years	More than 3 years	Total	Carrying amount
As at March 31, 2025					
Borrowings including current maturities of long term debt	117,722	—	—	117,722	112,621
Trade payables	103,733			103,733	103,733
Other financial liabilities	4,002			4,002	4,002
Lease liabilities	1,712	5,783	3,865	11,360	8,863
	227,169	**5,783**	**3,865**	**236,817**	**229,219**
As at March 31, 2024					
Borrowings including current maturities of long term debt	161,661	—	—	161,661	154,656
Trade payables	125,160			125,160	125,160
Other financial liabilities	4,800			4,800	4,800
Lease liabilities	2,092	7,723	3,821	13,636	9,894
	293,713	**7,723**	**3,821**	**305,257**	**294,510**

The Company had access to borrowing and other undrawn facilities amounting to INR 48,960 as at March 31, 2025 (INR 30,000 as at March 31, 2024) which are generally subject to renewal every year.

Exchange risks
The investment strategy is based on clearly defined risk and liquidity guidelines to maintain liquidity, minimize risk, and earn a reasonable return on the short-term investments. In investing cash, safety of principal is the primary objective and risk-adjusted return is the secondary objective. Counterparty risk relates to the loss we could incur if an obligor or counterparty defaulted on an investment or a derivative contract. We enter into master agreements with counterparties that allow netting of certain exposures in order to manage this risk. Exposures primarily relate to investments and foreign currency exchange rate. We establish exposure limits in consultation with Global Risk Management team for each counterparty to minimize risk and provide counterparty diversification. Refer note 40 for details of foreign currency exposure. The results of Company’s operations may be affected largely by fluctuations in the exchange rates between the US dollar, Euro, GBP and CNY against the functional currency. The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate unhedged exposure with a simultaneous parallel foreign exchange rates shift in the currencies by 10% against INR.
The below table reflects 10% weakening in the INR on pre-tax (loss) arising as a result of the revaluation of the Company’s foreign currency financial assets/liabilities:

Effect of 10% strengthening of INR on Pre tax profit (figures in bracket represents losses)	March 31, 2025	March 31, 2024
USD	11,551	15,920
EURO	(2,619)	(3,428)
GBP	(81)	(195)
CNY	(59)	(77)

A 10% strengthening of INR would have an equal and opposite effect on the Company’s financial statements.
Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s exposure to the risk of changes in interest rates relates primarily to the parent company’s long-term debt obligations with floating interest rates. As at March 31, 2025 and March 31, 2024, the entity did not have any loans with floating interest rates.

Credit risk - Trade Receivables
Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Trade receivables consists primarily of receivables from contracts with customers for the sale of engines, parts and accessories. The entity's predominant trade receivables are due from intercompany affiliates. Each reporting period, we evaluate the collectability of trade receivables and record an allowance representing our estimate of the expected credit losses. For receivables from group companies, the Company considers the increased visibility it has on the operations (including the solvency and liquidity positions) of the counterparty as they are part of the same group. The Company also corroborates its assessment with the repayment trends of receivables and there has not been history of losses. Accordingly, based on the assessment performed, the expected credit loss on receivables from related parties is determined as insignificant and no provision has been made in the books of accounts. With respect to receivables from third parties, the impairment is based on expected credit loss model considering the historical data and financial position of individual customers at each reporting period. Additions to the allowance are made by recording changes to bad debt expenses.
The estimated gross carrying amount at default as at March 31, 2025 is INR 689 (March 31, 2024: INR 694) for trade receivables.

Credit risk - Financial Instruments and Cash Deposits
Credit risk from balances with banks and financial institutions is managed by the Company’s treasury department in accordance with the Company’s policy. Investments of surplus funds are made for short term in liquid funds of deposits with banks. Investments are reviewed for concentration risks by the Company's treasury department. The Company has no exposure to credit risk relating to these balances as on March 31, 2025 and 2024.

(All amounts are in INR Lakhs, unless otherwise stated)

38 Employee benefits

The entity participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds.

a) Defined contribution schemes

The Company contributed a total of INR 453 & INR 456 for the years ended March 31, 2025 and 2024 respectively, to the following defined contribution plans.

Provident fund
In accordance with the Indian Provident Fund Act, employees are entitled to receive benefits under the Provident Fund. Both the employee and the employer make monthly contributions to the plan at a predetermined rate of an employee's basic salary, dearness allowance and other allowances wherever applicable. All employees have an option to make additional voluntary contributions. These contributions are made to the fund administered and managed by the Government of India (GOI). The Company has no further obligations beyond its monthly contributions which are charged to the statement of profit or loss in the period they are incurred.

Superannuation
The Company contributes a sum equal to 15% of eligible employee salary towards superannuation fund administered by the trustees and managed by Life Insurance Corporation of India (LIC).The Company has no further obligation for future superannuation benefit other than its annual contributions and recognizes such contribution as expense as and when due.

b) Defined benefit plan

Gratuity
In accordance with the Payment of Gratuity Act of 1972, the Company contribute to a defined benefit plan (the "Gratuity Plan") in a scheme administered by LIC. The Gratuity Plan provides a lump sum payment to vested employees at retirement, disability or termination of employment being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company.
The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2025 by an Independent Actuary (a Fellow member of the Institute of Actuaries of India). The present value of defined benefit obligation, and the related current service cost and past service cost were measured using the projected unit credit method.

This plan is exposed to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bond rate. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk
A decrease in the bond rate will increase the plan liability.

Longevity risk
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risk
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

The principal assumptions used for the purposes of the actuarial valuations:

	Valuation at	
	March 31, 2025	**March 31, 2024**
Discount rate	Staff @ 6.75%	Staff @ 7.25%
	Hourly @ 7.00%	Hourly @ 7.25%
Salary growth rate	Staff @ 7.00%	Staff @ 7.00%
	Hourly @ 11.00%	Hourly @ 11.00%
Mortality	IALM 2012-14	IALM 2012-14
Expected rate of return	Staff @ 6.75%	Staff @ 7.25%
	Hourly @ 7.00%	Hourly @ 7.25%
Withdrawal rate (per annum)	Staff @ 8.45%	Staff @ 14.89%
	Hourly @ 8.00%	Hourly @ 11.10%

Amounts recognised in statement of profit and loss in respect of the defined benefit plan:

	March 31, 2025	**March 31, 2024**
Current service cost	155	141
Interest cost	130	134
Expected return on plan asset	(21)	(27)
Components of defined benefit costs recognised in profit and loss	**264**	**248**

Other comprehensive (income) / expense	**March 31, 2025**	**March 31, 2024**
Actuarial (gain) or loss- obligation	111	191
Actuarial (gain) or loss- plan assets	(2)	3
Total Actuarial (gain) or loss	**109**	**194**

(All amounts are in INR Lakhs, unless otherwise stated)

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan

	March 31, 2025	March 31, 2024
Present value of defined benefit obligation	2,050	1,797
Fair value of plan assets	(332)	(309)
Funded status	**1,718**	**1,488**
Classified as current	165	230
Classified as non-current	1,553	1,258
Total	**1,718**	**1,488**

Movements in the present value obligation in the current year:

	March 31, 2025	March 31, 2024
Present value of obligation at the beginning of the period	1,797	1,788
Current service cost	155	141
Interest cost	130	134
Benefits paid	(143)	(457)
Actuarial (gain) or loss- obligation	111	191
Present value of obligation at the end of the period	**2,050**	**1,797**

Movements in the fair value of the plan assets of the period

	March 31, 2025	March 31, 2024
Fair value of plan assets at the beginning of the period	309	368
Expected return on plan assets	21	27
Contributions	—	16
Benefits paid	—	(99)
Actuarial gain/(loss) on plan assets	2	(3)
Fair value of plan assets at the end of the period	**332**	**309**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	March 31, 2025	March 31, 2024
Liability with x% increase in Discount Rate [% Change]	1,893;x=1.00% [Change Staff (6%) ;Hourly (12%)]	1,693;x=1.00% [Change Staff (5%) ;Hourly (9%)]
Liability with x% decrease in Discount Rate [% Change]	2,231;x=1.00% [Change Staff 7% ;Hourly 14%]	1,911;x=1.00% [Change Staff 5% ;Hourly 11%]
Liability with x% increase in Salary Growth Rate [% Change]	2,226; x=1.00% [Change Staff 7% ;Hourly 13%]	1,908; x=1.00% [Change Staff 5% ;Hourly 10%]
Liability with x% decrease in Salary Growth Rate [% Change]	1,894; x=1.00% [Change Staff (6%) ;Hourly (11%)]	1,694; x=1.00% [Change Staff (5%) ;Hourly (9%)]
Liability with x% increase in Withdrawal Rate [% Change]	2,029; x=1.00% [Change Staff 0% ;Hourly (4%)]	1,786; x=1.00% [Change Staff 0% ;Hourly (2%)]
Liability with x% decrease in Withdrawal Rate [% Change]	2,074; x=1.00% [Change Staff 0% ;Hourly 4%]	1,807; x=1.00% [Change Staff 0% ;Hourly 3%]

Expected contributions to defined benefit plan-gratuity for the year ending March 31, 2025 is INR 151

The weighted average duration of the defined benefit obligation for staff - 12.00 years (2024- 13 years) and for hourly - 26.00 years (2024- 27 years)
The expected maturity analysis of the undiscounted gratuity is as follows:

Period	Amount in INR
01 Apr 2025 to 31 Mar 2026	197
01 Apr 2026 to 31 Mar 2027	128
01 Apr 2027 to 31 Mar 2028	57
01 Apr 2028 to 31 Mar 2029	65
01 Apr 2029 to 31 Mar 2030	103
01 Apr 2030 Onwards	1,500

39 Deferred tax

Management assesses the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets. A significant piece of objective negative evidence evaluated was the cumulative taxable loss incurred over the three-year period ended March 31, 2025. Such objective evidence limits the ability to consider other subjective evidence, such as our projections for future growth. On the basis of this evaluation, as of March 31, 2025, deferred tax asset of INR 408,884 (March 31, 2024, INR 424,993) has not been recognized on account of carry forward losses and unabsorbed depreciation. For the current year, no provision for taxation is considered necessary since there is no taxable income.

(All amounts are in INR Lakhs, unless otherwise stated)

40 Unhedged Foreign Currency Exposure

Currency	March 31, 2025		March 31, 2024	
	Amount in Foreign Currency	Amount in Presentation Currency	Amount in Foreign Currency	Amount in Presentation Currency
Payables				
AUD	(2)	(85)	(2)	(85)
CAD	—	—	(1)	(46)
CNY	(50)	(589)	(67)	(768)
CZK	(5)	(20)	(2)	(7)
EUR	(283)	(26,191)	(381)	(34,282)
GBP	(7)	(811)	(19)	(1,950)
JPY	—	—	(2)	(1)
PLN	—	—	—	(2)
THB	(27)	(69)	(90)	(206)
USD	(116)	(9,912)	(197)	(16,387)
ZAR	—	—	(1)	(5)
Receivables				
USD	1,468	125,446	2,106	175,592
AUD	—	8	—	—

41 Net Debt Reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
1. Cash and cash equivalents	149,134	89,703
2. Current borrowings	(112,621)	(154,656)
Net Debt	**36,513**	**(64,953)**

Particulars	Cash and cash equivalents	Current borrowings	Total
Net debt as at 1st April , 2024	89,703	(154,656)	(64,953)
Cash flows	59,431	39,001	98,432
Interest expense	—	(11,590)	(11,590)
Interest paid	—	15,160	15,160
Other non-cash movements			
- Other adjustments	—	(536)	(536)
Net debt as at March 31, 2025	**149,134**	**(112,621)**	**36,513**

Break-up of borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
	Current	Current
Current maturities of borrowings (refer note no.15)	104,491	143,492
Interest accrued but not due on borrowings (refer note no.15)	8,130	11,164
Total	**112,621**	**154,656**

(All amounts are in INR Lakhs, unless otherwise stated)

42 Key Financial Ratios

Key financial ratios along with the details of significant changes (25% or more) in FY 2024-25 compared to FY 2023-24, which are applicable to the Company is as follows:

Sl no.	Particulars	As at March 31, 2025	As at March 31, 2024	Change (%)	Reason for change
(a)	Current ratio (in times) [Current assets / Current liabilities]	1.47	1.12	31	Due to decrease in current liabilities primarily from repayment of borrowings / reversal of provision for restructuring costs
(b)	Debt-Equity ratio (in times) [Total debt / Shareholder's Equity]	0.43	0.81	(47)	Driven by repayment of borrowings and increase in equity, primarily due to profits
(c)	Debt Service Coverage ratio (in times) [Net Profit after taxes+Interest+Non-cash operating expense and adjustments] / [Interest and lease payments+Principal repayments]	1.66	1.43	16	Variance below threshold
(d)	Inventory turnover ratio (in times) [Cost of goods sold / Average Inventory]	3.59	3.47	3	Variance below threshold
(e)	Trade receivables turnover ratio (in times) [Revenue from operations / Average Trade receivables]	3.71	3.43	8	Variance below threshold
(f)	Trade payables turnover ratio (in times) [Cost of materials consumed + Purchase of stock in trade] / [Average Trade payables]	3.53	3.36	5	Variance below threshold
(g)	Net capital turnover ratio (in times) [Revenue from operations / Working capital]	3.59	10.65	(66)	Due to increase in working capital arising out of repayment of borrowings / reversal of provision for restructuring costs
(h)	Net profit ratio (in %) [Net Profit after taxes / Revenue from operations]	14.22 %	6.65 %	114	Due to increase in net profit, primarily on account of reversal of provision for restructuring costs
(i)	Return on Equity (in %) [Net Profit after taxes / Average Shareholder’s Equity]	31.35 %	20.00 %	57	Due to increase in net profit, primarily on account of reversal of provision for restructuring costs
(j)	Return on Investment (in %) [Interest income/ Average deposit]	6.26 %	6.38 %	(2)	Variance below threshold
(k)	Return on Capital employed (in %) [Net Profit before interest and taxes / Capital employed]	22.54 %	14.53 %	55	Due to increase in net profit, primarily on account of reversal of provision for restructuring costs

43 Restructuring India Operations

The Company announced restructuring of operations in September 2021. This involved exit from engine and vehicle manufacturing operations at its facilities in Chennai and its vehicle manufacturing operation at its facility in Sanand. The Company has substantially completed its negotiation / settlement with stakeholders (including Suppliers, Employees, Dealers, Government etc.) to give effect to the restructuring decision.

Sanand Vehicle Plant operations ceased since July 2022. On 7th August 2022, The Company entered in to an agreement with Tata Passenger Electric Mobility Limited ('Tata") to sell the Sanand vehicle assembly and powertrain plants which included the sale of land, buildings and other fixed assets (excluding the powertrain machinery and equipment) and to operate the powertrain facility by leasing back the associated land and building. Accordingly, in January 2023, the sale of plant in Sanand to Tata was completed resulting in the derecognition of the fixed assets as mentioned above and the recognition of right-of-use asset and related lease liability for the leaseback of factory premises and buildings to continue the engine operations. Upon fulfilling its obligations and receiving the no obligation certificate from the buyer in the current year, the Company re-assessed its provisions related to government incentives and a write-back of INR 37,108 lakhs was recognized during the current year. The Company considers this a material item arising from its ordinary activities; however, its recurrence is not anticipated. Consequently, this amount has been presented as an Exceptional Item in the statement of profit and loss.

Chennai manufacturing operations ceased by August 2022 subsequent to which warm idling activities are being undertaken. In the current year, management has submitted a Letter of Intent (LOI) to the Government of Tamil Nadu, confirming its intention to utilize the plant for manufacturing for export. The carrying value of the assets in Chennai plant as at March 31, 2025 is INR 5,805.

As part of the business restructuring plan, the Company has incurred restructuring costs as per the table below towards contractual obligation towards stakeholders (including Employees, Dealers and Suppliers).

Brand and Reputation protection service agreement

Consequent to restructuring decision, Ford Motor Company USA intends to take steps to ensure that FMC's global brand and reputation are protected and not disparaged. To achieve this objective, FMC and FIPL have entered into Brand and Reputation protection services agreement. The Company will take all possible steps to ensure that FMC's global brand and reputation are not harmed in India due to restructuring decision. In consideration of the performance of Services by FIPL, FMC agrees to pay FIPL fees for the Services ("Service Fees"), which will be the aggregate of: (i) Final Reputation Payments made to relevant Third-Party Stakeholders; (ii) expenses incurred in relation to the Services; and (iii) a profit mark-up on FIPL's expenses incurred to perform the Services. FIPL's expenses incurred to perform the Services exclude the Final Reputation Payments.

Particulars	As at March 31, 2025	As at March 31, 2024
Restructuring cost		
Settlements to stakeholders	18,725	27,844
Tax incentive write back (Sanand)	(37,108)	—
	(18,383)	**27,844**
Brand protection service fee	(19,359)	(35,166)
Net impact to P&L	**(37,742)**	**(7,322)**

44 Audit Trial

In compliance with the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2024, which mandates that accounting software record an audit trail for every transaction, the Company utilizes various accounting software systems for its books of accounts.

As part of a global technology refresh, the Company is currently transitioning from legacy software systems to SAP Enterprise Resource Planning (I-ERP). The General Ledger migrated to SAP HANA (from Peoplesoft GL) in May 2023, with replacement of other legacy subsystems planned for the near future.

All accounting systems, at both the application and database layers, comply with audit trail requirements, with specific exceptions as noted in section 12(h)(vi) of the main auditors' report.

The company has completed remediation for two systems at the application layer as at March 31, 2025. The company has rigor targets for being compliant with respect to the remaining systems in the near future.

It should be noted that for certain transactions processed using third-party accounting software, the independent service auditor's report does not cover audit trail enablement, as per the requirements of the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2024.

With a view to address the above challenges while ensuring compliance with the MCA notification and mitigate the risks involved therein, the Company has appropriately designed and implemented alternate mitigating controls over direct change at database level. The Company's IT environment is robustly governed by General Information Technology Controls pertinent to financial reporting processes, and all relevant IT applications used for maintaining books of account have been assessed.

45 Note on Other Regulatory Information as required by Schedule III Division III

(a) No proceedings has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(b) Company has not been declared as willful defaulter by any bank or financial Institution or other lender.

(c) As per the information available with the Company, Company has not transacted with any companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(d) There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.

(e) Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) 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(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(f) Company has 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

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(g) Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2025.

(h) Company has title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held in the name of the Company.

(i) Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year and follows cost model for measurement.

(j) Company has not provided loans or advance in the nature of loans to promoters, directors, KMPs and related parties.

(k) Company does not have any Intangibles assets which are under development

(l) Company has not been sanctioned working capital limits on the basis of security of current assets during the year.

(m) Company has no non-compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

(n) Company has not entered into any scheme of arrangement as prescribed under section 230 to 237 of the Companies Act, 2013

(o) Company does not have subsidiaries or joint ventures or associate companies and does not prepare Consolidated Financial Statements.

46 Related Party Disclosure

A: Related Party Relationships

(i) Holding Company
Ford Motor Company, USA

(ii) Fellow subsidiaries Companies (Only with whom the company had transactions during the current year)
Ford Motor Company of Australia Limited
Ford Motor Company (Thailand) Limited
Ford Sales and Service (Thailand) Company Limited
Ford Services (Thailand) Company Limited
Ford Motor Private Limited
Ford Credit India Private Limited
Ford Motor (China) Ltd.
Ford Vietnam Ltd
Ford Group Philippines LLC
Ford Motor Company of New Zealand Limited
Ford Motor Company of Southern Africa (Pty) Limited
Ford International Services LLC
Ford Argentina
Ford Motor Company Brasil Ltda.
Ford Motor Co SA de CV
Dubai Parts Distribution Centre
Ford Motor Company Limited, Britain
Ford-Werke GmbH
Ford Espana S.L.
Ford Motor Credit Company LLC
Ford Motor De Colombia, S.A.S
Ford Motor Company Chile
Ford Smart Mobility India Private Ltd (until March 11, 2025)
Ford Peru
Ford International Capital LLC (previously Global Investment One, USA)
Ford Trading Co LLC-Asia Pacific

(iii) Associates of Holding Company (Only with whom the company had transactions during the current year)
Changan Ford Automobile
AutoAlliance (Thailand) Co., Ltd.
Ford Lio Ho Motor Company Ltd

(iv) Other related parties
Ford India Private Limited - Employee Gratuity Fund Trust
Ford India Staff Superannuation Fund Trust

(v) Key management personnel of the Company
Dhiraj Dixit
Gopal Krishna Karthik Swaminath (Resigned as director on April 30, 2025)
Anilkumar Ranchhodbhai Patel (Resigned as director on September 03, 2024)
Anand Misra M (Appointed as director on September 03, 2024)
Satish Varma (Appointed as additional director (KMP) on August 19, 2025)

(All amounts are in INR Lakhs, unless otherwise stated)

B: Related Party Transaction and Balances

	Year ended March 31, 2025	Year ended March 31, 2024
Purchase of goods		
Ford-Werke GmbH	85,239	96,464
Ford Motor Company (Thailand) Limited	22,259	24,367
Ford Motor Co SA de CV	14,730	14,696
Others	14,923	12,841
Sale of capital goods		
Ford Motor Company of Southern Africa (Pty) Limited	—	1,938
Ford International Services LLC	211	8
Others	6	—
Purchase of capital goods		
Ford Motor Private Limited	23	—
Sale of goods		
AutoAlliance (Thailand) Co., Ltd.	146,781	170,998
Ford Motor Company (Thailand) Limited	131,587	129,208
Ford Argentina	69,449	70,006
Others	69,882	59,563
Receiving of services and reimbursement towards expenses / deputation of employees		
Ford Motor Company, USA	2,834	3,298
Ford Motor Private Limited	323	—
Others	141	185
Rendering of services and reimbursement towards expenses / deputation of employees		
Ford Motor Company, USA	19,489	35,315
Others	1,037	2,596
Purchase of Scrips		
Ford Motor Private Limited	485	—
Loan repaid		
Ford International Capital LLC (previously Global Investment One, USA)	39,000	48,000
Interest for the year		
Ford International Capital LLC (previously Global Investment One, USA)	11,590	14,575

(All amounts are in INR Lakhs, unless otherwise stated)

46 Related Party Disclosure (contd.)

Balance outstanding at the year end – Receivables	Year ended March 31, 2025	Year ended March 31, 2024
Ford Argentina	11,840	64,861
AutoAlliance (Thailand) Co., Ltd.	34,111	43,504
Ford Motor Company, USA	29,544	35,359
Ford Motor Company (Thailand) Limited	32,313	23,314
Others	19,473	10,079

	Year ended March 31, 2025	Year ended March 31, 2024
Balance outstanding at the year end – Payables		
Ford-Werke GmbH	25,902	33,492
Ford Motor Co SA de CV	3,325	6,949
Others	7,294	10,647

	Year ended March 31, 2025	Year ended March 31, 2024
Balance outstanding at the year end – loans payable		
Ford International Capital LLC (previously Global Investment One, USA)	112,621	154,656
Remuneration paid *#		
Dhiraj Dixit	228	326
Karthik Swaminath	156	188
Anil Patel	44	155
Anand Misra M	64	—

*(Including perquisites of INR 70 (Previous year INR 150))

As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the Key Managerial Personnel cannot be individually identified.

47 Other accounting policies

Revenue Recognition

Revenue is recognised when a customer obtains control of a promised goods or service and thus has the ability to direct the use and obtain the benefits from the goods or service in an amount that reflects the consideration (transaction price) to which the entity expects to be entitled in exchange for those goods and services. For each contract with a customer, the Company applies the below five step process before revenue can be recognised:

- identify contracts with customers
- identify the separate performance obligation
- determine the transaction price of the Contract
- allocate the transaction price to each of the separate performance obligations, and
- recognise the revenue as each performance obligation is satisfied

(i) Sale of Products – Engines and Parts:

Where the Company sells products and has obligation to ship the products, and where the control of the goods is transferred before the completion of shipment, the sale of goods and related shipment service are treated as separate performance obligations.

(ii) Sale of services – Extended Warranty:

Revenue from services is recognised over a period of time as and when the services are rendered in accordance with the specific terms of contract with customer. The receipt of consideration for extended warranty services is generally received when consideration receivable from sale of products is received from customer. On the receipt of consideration from customer, the Company recognises a contract liability which is then recognised as revenue as once the services are rendered.

(iii) Variable consideration:

If the consideration in a contract includes a variable amount (such as discounts, incentives etc), the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(iv) Warranty Obligations:

The Company's obligation to repair/replace faulty product under the standard warranty terms is recognised as a provision. The expected costs associated with base warranties and field service actions are recognized as expense when the products are sold. Refer note 18(c) and 18(d).

Inventories

The cost of inventories includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished products and work in progress, cost includes an appropriate share of production overhead based on normal operating capacity. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Property, Plant and Equipment

The assets are recorded at cost and presented at net of accumulated depreciation and impairments. Depreciation is recognized in the income statement on a straight-line basis over the estimated useful lives of the property, plant and equipment, taking into consideration the best estimate of its residual value. Routine maintenance and repair costs are charged to revenue when incurred. Gain or loss on disposal of an item of property, plant, and equipment is recognized in other income/expenses (net) in the income statement.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 45 days. 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.

Income Taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent, items recognized directly in equity, or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

In determining the amount of current and deferred tax the Company considers the impact of uncertain tax positions and whether additional taxes, penalties and late-payment interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact the tax expense in the period that such a determination is made.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Employee Benefits

a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, performance incentives, etc. are recognized at actual amounts due in the period in which the employee renders the related service.

b) Compensated absences

Accumulated Compensated absences which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year-end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the year in which they arise.

c) Retirement benefit obligations

The entity operates or participates in defined benefits (Gratuity) and defined contribution scheme (Provident fund), the assets of which (where funded) are held in separately administered funds by the Government of India.

For defined benefit schemes, the cost of providing benefits under the plans is determined by actuarial valuation separately each year using the projected unit credit method by independent qualified actuary as at the year-end. Actuarial gains and losses arising in the year are recognized in full in other comprehensive income and are not recycled to the profit or loss. Net interest is calculated by applying a discount rate to the net defined benefit liability or asset at the beginning of the period. Defined benefit costs are split into current service cost, past service cost, net interest cost or income and remeasurement and gains and losses on curtailments and settlements.

For defined contribution schemes, the amount charged to the statements of profit or loss in respect of post-retirement benefits is the contributions payable in the year.

Financial assets

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income/ (expense). Impairment losses are presented as separate line item in the statement of profit and loss.

- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/(expense). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/(expense) and impairment expenses are presented as separate line item in statement of profit and loss.

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at cost and amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income recognition

Interest income on deposits is recognized on a time proportion basis.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Fair value measurements

All Financial assets and liabilities are measured and presented at fair value in accordance with Ind AS 113.

In measuring fair value, the Company uses various valuation methods and prioritizes the use of observable inputs. The use of observable and unobservable inputs and their significance in measuring fair value are reflected in our fair value hierarchy.

- Level 1 - inputs include quoted prices for identical instruments and are the most observable.

- Level 2 - inputs include quoted prices for similar instruments and observable inputs such as interest rates, currency exchange rates, and yield curves.

- Level 3 - inputs include data not observable in the market and reflect management judgment about the assumptions market participants would use in pricing the instruments.

Transfers into and transfers out of the hierarchy levels are recognized as if they had taken place at the end of the reporting period

Borrowings

Borrowings are initially recorded at the fair value net of transaction costs incurred. After initial recognition, borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by considering the finance charges, including premiums payable on settlement or redemption and direct issue costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit or loss. The unamortized portion is classified with the carrying amount of debt.

Borrowing costs

Borrowing costs directly relating to the acquisition, construction or production of a qualifying capital project under construction are capitalized and added to the project cost during construction until such time (excluding idle time) that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such short-term investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the entity during the year. All other borrowing costs are recognized in the statements of profit or loss in the year in which they are incurred.

Impairment

Impairment charges and reversals are assessed at the level of cash-generating units. A cash-generating unit (CGU) is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment tests are carried out annually for all assets when there is an indication of impairment. If any such indication exists then an impairment review is undertaken, the recoverable amount is calculated, as the higher of fair value less costs of disposal and the asset’s value in use. Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general. Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted 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 estimates of future cash flows have not been adjusted. The carrying amount of the CGU is determined on a basis consistent with the way the recoverable amount of the CGU is determined. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized in the income statement. Any reversal of the previously recognized impairment loss is limited to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

Trade receivables

The Company has re-evaluated the unbilled receivables which have unconditional right to consideration and as a result previous year amounts have been regrouped to conform to current year classification as per paragraph 41 of Ind AS 1.

Cash and Cash Equivalents

Cash and cash equivalents include cash, balances with banks, deposits available on demand and highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value due to interest rate or penalty on withdrawal.

Segment Reporting

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

The board of directors assesses the financial performance and position of the Company and makes strategic decisions. See note 35 for segment information presented

Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company’s earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupees, which is Ford India Private Limited’s functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are initially translated into functional currency using the exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Leases

The Company’s lease asset classes primarily consist of leases for Factory premises, Buildings and Office Equipment’s. The Company’s lease asset classes primarily consist of leases for Factory premises, Buildings and Office Equipment’s. The Company assesses whether a contract is or 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 recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. 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 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. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Company, which does not have recent third party financing.
- makes adjustments specific to the lease, e.g., term, country, currency and security.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The entity accounts for sale and leaseback transactions in accordance with the requirements of Ind AS 116. If the transfer of an asset by the Company satisfies the requirements of Ind AS 116 to be accounted for as a sale of the asset, the Company measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the Company. Accordingly, the Company shall recognise only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor.

If the fair value of the consideration for the sale of an asset does not equal the fair value of the asset, or if the payments for the lease are not at market rates, the entity makes the following adjustments to measure the sale proceeds at fair value:

(a) any below-market terms shall be accounted for as a prepayment of lease payments; and
(b) any above-market terms shall be accounted for as additional financing provided by the buyer-lessor to the seller-lessee.

The entity shall measure any potential adjustment required on the basis of the more readily determinable of:

(a) the difference between the fair value of the consideration for the sale and the fair value of the asset; and
(b) the difference between the present value of the contractual payments for the lease and the present value of payments for the lease at market rates.

Provisions

A provision is recognized if, as a result of a past event, we have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions for warranty, dealer and customer claims, and environmental remediation, legal and similar matters. Due to the inherent uncertainty of the amount and timing of expected payments, provisions are measured using patterned estimation models that take into consideration historical experience with similar matters, recent facts and circumstances, as well as assumptions about current trends. Each measurement reflects the best assumptions at each reporting period, but the ultimate outcome of any matter could result in an amount different than the amount that was accrued and/or disclosed. Provisions expected to be paid in a period of greater than one year are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized on a net basis as interest expense in other interest income/ (expense) and Finance income/ (cost).

A contingent liability is disclosed when a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

48 Approval of financial statements

The financial statements are approved by the Board of Directors in their meeting held on September 10, 2025.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 30426E/E-300009

Dilip Kumar Sharma
Digitally signed by Dilip Kumar Sharma
Date: 2025.09.10 19:40:47 +05'30'

Dilip Kumar Sharma
Partner
Membership no: 063532

Place : Chennai
Date : September 10, 2025

For and on Behalf of the Board of Directors

DHIRAJ DIXIT
Digitally signed by DHIRAJ DIXIT
Date: 2025.09.10 17:09:34 +05'30'

Dhiraj Dixit
Whole-time Director
DIN:07495609
Place : Chennai

SATISH VARMA DATLA
Digitally signed by SATISH VARMA DATLA
Date: 2025.09.10 16:18:29 +05'30'

Satish Varma
Director
DIN:11248465
Place : Gurugram

Manikandan R
Company Secretary
ACS: A66283
Place : Coimbatore

Date : September 10, 2025

R MANIKANDAN
Digitally signed by R MANIKANDAN
Date: 2025.09.10 15:48:07 +05'30'