Independent Auditor's Report

To the Members of Federal-Mogul TPR (India) Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Federal-Mogul TPR (India) Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us,the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2020, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

4. We draw attention to Note 42 of the accompanying financial statements, which describes the uncertainties due to the outbreak of Covid-19 pandemic and the management's evaluation of the impact on the financial statements of the Company as at the balance sheet date. Our opinion is not modified in respect of this matter.

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

5. The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors' report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

10. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

12. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.

14. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

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

e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;

f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 25 June 2020 as per Annexure B expressed an unmodified opinion; and

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

i. the Company, as detailed in note 28 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2020;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

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

Anamitra Das
Partner
Membership No.:062191
Place: Gurugram
Date: 25th June 2020

Annexure A to the Independent Auditor's Report of even date to the members of Federal-Mogul TPR(India) Limited, on the financial statements for the year ended 31 March 2020

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(I) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, intangible assets and right of use assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment under which property, plant and equipment are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.

(c) The Company does not hold any immovable property (in the nature of 'property, plant and equipment'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit. No material discrepancies were noticed on the aforesaid verification.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of loan. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of investments, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Amount paid under Protest (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994 Service tax	Service tax	29.84	15.50	2007-2008	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 Service tax	Service tax	56.50	-	2010-2011	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 Service tax	Service tax	73.77	-	2006-2009	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 Service tax	Service tax	76.30	7.64	2011-2012	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 Service tax	Service tax	135.15	2.98	2008-2010	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 Service tax	Service tax	233.38	17.50	2010-2013	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 Service tax	Service tax	43.30	7.58	2013-2014	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 Service tax	Service tax	47.73	8.35	2014-2015	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 Service tax	Service tax	51.85	3.89	2014-2016	Central Excise and Service Tax Appellate Tribunal

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Amount paid under Protest (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994 Service tax	Service tax	42.98	3.22	2015-2017	Commissioner of Central Excise
Finance Act, 1994 Service tax	Service tax	76.74	5.76	2016-2018	Commissioner of Central Excise

(viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

(x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act.

(xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Anamitra Das
Partner
Membership No.: 062191

Place : Gurugram
Date : 25th June 2020

Annexure B to the Independent Auditor's Report of even date to the members of Federal-Mogul TPR (India) Limited on the financial statements for the year ended 31 March 2020

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Federal-Mogul TPR (India) Limited ('the Company') as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

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

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance note on the Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by The Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8 In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note issued by the ICAI.

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

Anamitra Das
Partner
Membership No.: 062191
Place: Gurugram
Date: 25th June 2020

Federal-Mogul TPR (India) Limited
Balance Sheet as at 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	**3,392.35**	3,773.48
Capital work-in-progress	3	**632.88**	23.00
Right of use assets	3	**234.88**	-
Current tax assets (net)	4	**189.09**	112.37
Other non-current assets	5	**76.65**	83.64
		4,525.85	**3,992.49**
Current assets			
Inventories	6	**1,078.57**	1,100.69
Financial assets			
- Trade receivables	7	**2,851.48**	2,426.33
- Cash and cash equivalents	8	**6,036.34**	179.94
- Other bank balances	8	**1,500.00**	2,365.63
- Loans	9	**-**	4,388.33
- Other financial assets	10	**71.33**	32.41
Other current assets	5	**156.41**	104.42
		11,694.13	**10,597.75**
TOTAL ASSETS		**16,219.98**	**14,590.24**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	**1,000.00**	1,000.00
Other equity	12	**12,477.55**	11,965.08
		13,477.55	**12,965.08**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	15A	**161.32**	-
Provisions	13	**148.20**	119.34
Deferred tax liabilities (net)	14	**223.85**	282.55
		533.37	**401.89**
Current liabilities			
Financial liabilities			
- Trade payables			
- total outstanding dues of micro enterprises and small enterprises	15	**39.46**	83.04
- total outstanding dues of creditors other than micro enterprises and small enterprises	15	**1,571.73**	984.83
- Lease liabilities	15A	**82.66**	-
Other financial liabilities	16	**396.80**	-
Other current liabilities	17	**109.11**	147.45
Provisions	13	**9.30**	7.95
		2,209.06	**1,223.27**
TOTAL EQUITY AND LIABILITIES		**16,219.98**	**14,590.24**

The above balance sheet should be read in conjuction with the accompanying notes
This is the Balance Sheet referred to in our report of even date

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

Anamitra Das
Partner
Membership No.: 062191

Place: Gurugram
Date: 25th June 2020

For and on behalf of Board of Directors of
Federal-Mogul TPR (India) Limited

Vinod Kumar Hans
Director
DIN-03328309

Dr. Khalid Iqbal Khan
Director
DIN-05253556

Manish Chadha
Chief Finance Officer
DIN :07195652

Abhishek Nagar
Company Secretary
Membership No.: F9029

Federal-Mogul TPR (India) Limited
Statement of Profit and Loss for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

	Notes	Year ended 31 March 2020	Year ended 31 March 2019
INCOME			
Revenue from operations	18	**9,499.83**	10,685.03
Other income	19	**481.81**	481.41
Total income		**9,981.64**	**11,166.44**
Expenses			
Cost of materials consumed	20	**2,743.23**	3,038.29
Changes in inventories of finished goods and work-in-progress	21	**8.62**	(19.22)
Employee benefits expense	22	**820.54**	844.60
Finance cost	23	**24.44**	9.01
Depreciation expense	3	**500.13**	425.53
Other expenses	24	**4,214.11**	4,539.03
Total expenses		**8,311.07**	**8,837.24**
Profit before tax		**1,670.57**	**2,329.20**
Tax expense			
Current tax	25	**458.49**	684.40
Deferred tax expense	14	**(57.48)**	(5.21)
Total tax expense		**401.01**	679.19
Profit for the year		**1,269.56**	**1,650.01**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
A. Remeasurements of the post employment defined benefit plans		**4.84**	(13.68)
B. Income tax relating to items that will not be reclassified to profit or loss		(1.22)	**3.98**
Total other comprehensive (income) / loss		**3.62**	**(9.70)**
Total Comprehensive Income		**1,265.94**	**1,659.71**
Earnings per equity share (of Rs 10 each)	26		
Basic (Rs)		**12.70**	16.50
Diluted (Rs)		**12.70**	16.50

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

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

Anamitra Das
Partner
Membership No.: 062191

Place: Gurugram
Date: 25th June 2020

For and on behalf of Board of Directors of
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Director
DIN-03328309

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DIN-05253556

Manish Chadha
Chief Finance Officer
DIN :07195652

Abhishek Nagar
Company Secretary
Membership No.: F9029

Federal-Mogul TPR (India) Limited
Cash flow statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

Particular	Year ended 31 March 2020	Year ended 31 March 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**1,670.57**	2,329.20
Adjustments for:		
Depreciation expense	**500.13**	425.53
Interest expense	**24.44**	9.01
Interest income	**(415.19)**	(476.58)
Loss on sale of fixed assets (net)	**0.26**	0.42
Unrealised forex loss/(gain) (net)	**27.25**	(5.53)
Excess liabilities written back	**(14.74)**	-
Provision for doubtful debts	**(33.98)**	-
Bad debts written off	**-**	8.46
Operating profit before working capital changes	**1,758.74**	**2,290.51**
Movement in working capital:		
Decrease/(Increase) in inventories	**22.12**	(182.26)
(Increase)/decrease in other current and non-current financial assets	**(23.07)**	48.41
(Increase) in other current and non-current assets	**(45.00)**	(46.26)
(Increase)/decrease in trade receivables	**(391.18)**	43.32
Increase in current and non-current provisions	**25.36**	25.88
(Decrease) in other current and non-current liabilites	**(38.77)**	(32.51)
Increase in trade payables	**530.81**	370.02
Cash flow from operating activities post working capital changes	**1,839.01**	**2,517.11**
Income tax paid (net)	**(535.21)**	(701.47)
Net cash generated from operating activities (A)	**1,303.80**	**1,815.63**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work-in-progress)	**(246.87)**	(66.90)
Proceeds from sale property, plant and equipment	**-**	17.35
Movement in Inter-corporate deposit	**4,360.00**	-
Interest received	**427.67**	498.14
Movement in other bank balances (net)	**865.63**	(1,766.93)
Net cash generated from/(used in) investing activities (B)	**5,406.43**	**(1,318.34)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Lease liabilities	**(99.08)**	-
Finance costs	**(1.28)**	(7.81)
Payment of dividend	**(753.47)**	(735.39)
Net cash used in financing activities (C)	**(853.83)**	**(743.20)**
Increase / (decrease) in cash and cash equivalents (A+B+C)	**5,856.40**	(245.91)
Cash and cash equivalents at the begining of the year	**179.94**	425.84
Cash and cash equivalents at the end of the year	**6,036.34**	**179.94**
Cash and cash equivalents as per above comprise of the following (refer note no 8)	**31 March 2020**	**31 March 2019**
With banks - on current account	**336.34**	179.94
Deposits with original maturity for less than three months	**5,700.00**	-
	6,036.34	**179.94**

This is the statement of cash flow referred to in our report of even date.

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

Anamitra Das
Partner
Membership No.: 062191

Place: Gurugram
Date: 25th June 2020

For and on behalf of Board of Directors of
Federal-Mogul TPR (India) Limited

Vinod Kumar Hans
Director
DIN-03328309

Dr. Khalid Iqbal Khan
Director
DIN-05253556

Manish Chadha
Chief Finance Officer
DIN :07195652

Abhishek Nagar
Company Secretary
Membership No.: F9029

Federal-Mogul TPR (India) Limited
Statement of changes in Equity as at 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

A) Equity share capital

Particulars	Balance as at 01 April 2018	Change in equity share capital during the year	Balance as at 31 March 2019	Change in equity share capital during the year	Balance as at 31 March 2020
Equity share capital	**1,000.00**	**-**	**1,000.00**	**-**	**1,000.00**

B) Other equity

	Reserves and surplus			
Particulars	**General reserve**	**Capital redemption reserve**	**Retained earnings**	**Total**
Balance as at 01 April 2018	**1,295.00**	**1,000.00**	**8,745.76**	**11,040.76**
Additions during the year:				
Profit for the year	-	-	1,650.01	**1,650.01**
Other Comprehensive income for the year ended				
Remeasurement of defined benefit obligation gain (net of tax)	-	-	9.70	**9.70**
Dividend paid including dvidend distribution tax (Rs. 4.90 per share excluding DDT)	-	-	(735.39)	**(735.39)**
Balance as at 31 March 2019	**1,295.00**	**1,000.00**	**9,670.08**	**11,965.08**
Additions during the year:				
Profit for the year	-	-	1,269.56	1,269.56
Other Comprehensive income for the year ended				
Remeasurement of defined benefit obligation gain (net of tax)	-	-	(3.62)	(3.62)
Dividend paid including dvidend distribution tax (Rs. 6.25 per share excluding DDT)	-	-	(753.47)	(753.47)
Balance as at 31 March 2020	**1,295.00**	**1,000.00**	**10,182.55**	**12,477.55**

This is the Statement of changes in equity referred to in our report of even date.

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

Anamitra Das
Partner
Membership No.: 062191

Place: Gurugram
Date: 25th June 2020

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

Vinod Kumar Hans
Whole Time Managing Director
DIN : 03328309

Manish Chadha
Chief Finance Officer & Finance Director
DIN : 07195652

Khalid Iqbal Khan
Whole Time Director - Legal & Company Secretary
DIN : 05253556

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

1. Corporate information

Federal-Mogul TPR (India) Limited (the 'Company') is a subsidiary of Federal-Mogul Goetze (India) Limited.

The Company in technical collaboration with Teikoku Piston Ring Co. Ltd, Japan and Federal Mogul UK Investments Limited, a group company of Tenneco Inc., USA (from 01 October 2018, erstwhile parent Federal Mogul LLC, USA), manufactures steel rings used in passenger vehicles automobiles.

At the yearend, 51% of the shares of the Company are held by Federal-Mogul Goetze (India) Limited, 40% held by Teikoku Piston Ring Co. Ltd and 9% held by Federal Mogul UK Investments Limited, a group company of Tenneco Inc., USA (from 01 October 2018, erstwhile parent Federal Mogul LLC, USA).

2. Statement of significant accounting policies

2.1 Statement of compliance with Ind AS

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

The financial statements for the year ended 31 March 2020 were authorized and approved for issue by the Board of Directors on 25 June 2020.

2.2 Summary of Significant Accounting Policies

a) Overall consideration

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

Basis of preparation

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

b) Current and non-current classification

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

c) Use of estimates

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

d) Property, plant and equipment

Recognition and initial measurement

Property plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate

asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

Subsequent measurement (depreciation and useful lives)

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

Asset Class	Estimated useful life (in years)
Plant & Machinery	7.5 to 21 years
Computers	3 years
Furniture and fixtures	10 years
Vehicles	8 Years

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

De-recognition

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

e) Intangible assets

Recognition and initial measurement

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

Subsequent measurement (amortisation)

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

f) Impairment of non-financial assets

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

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

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

g) Impairment of financial assets

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

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

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

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

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

h) Financial instruments

Initial recognition and measurement

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

Non-derivative financial assets

Subsequent measurement

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Non-derivative financial liabilities

Subsequent measurement

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

De-recognition of financial liabilities

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

Offsetting of financial instruments

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

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

i) **Leases**

Transition

Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method and elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March 2019.

Refer note 30 for details.

The Company as a lessee

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

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

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

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

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

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

j) **Inventories**

Inventories are valued as follows:

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

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

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

k) Revenue Recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. A performance obligation is a promise in a contract to transfer a distinct good (or a bundle of goods) to the customer and is the unit of account in Ind AS 115. A contract's transaction price is allocated to each distinct performance obligation and rocognised as revenue, as or when, the performance obligation is satisfied. The Company rocognises revenue when it transfers control of a product to a customer. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments and excludes tax and duties collected on behalf of the government. The Company rocognises revenue from the following major sources:

(i) Sale of products:

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

Satisfaction of performance obligations

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

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

Payment terms

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

Variable considerations associated with such sales

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

(ii) Interest:

Interest income is recorded on accrual basis using the effective interest rate (EIR) method

l) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds

A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption.

m) Foreign Currency Transactions

Functional and presentation currency

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

Transactions and balances

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

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

Exchange differences arising on such conversion and settlement at rates different from those at which they were initially recorded, are rocognised in the statement of profit and loss in the year in which they arise.

n) Retirement and other employee benefits

(i) Provident fund contributions are charged to profit and loss account, when contributions paid/payable are due to "Goetze India Limited Provident Fund Trust", administered by the trustees and to the Regional Provident Fund Commissioners. The Company accrues for the deficit in the Provident Fund trust as per the books of accounts of the Trust.

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

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

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

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

(iv) Superannuation Benefit

The Company has superannuation obligation administered with Life Insurance Corporation of India (LIC). Contributions to the defined contribution scheme are charged to profit and loss account when contributions paid/ payable are due to such fund. There are no other obligations other than the contribution payable to the respective trusts.

(v) National Pension Scheme:

The Company makes specified monthly contributions towards national pension scheme to government administered scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

o) Income Taxes

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

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

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

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

p) Earnings per Share

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

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

q) Provisions, contingent liabilities and contingent assets

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

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

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

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

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

Contingent liability is disclosed for:

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

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

r) Cash and Cash Equivalents

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

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

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

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

Significant management judgements

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

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

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

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

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

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

Significant estimates

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

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

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

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

3. Property plant and equipments

	Furniture and fittings and office equipment	Plant and machinery	Vehicles	Total	Right of use assets (ROU)	Capital work-in-progress
Gross carrying amount						
Opening gross carrying amount as on 1 April 2018	22.42	8,404.11	4.23	8,430.76	-	180.40
Additions / transfers	37.20	187.11	-	224.31	-	50.14
Disposals /adjustments	-	(25.66)	-	(25.66)	-	(207.54)
Gross carrying amount as on 31 March 2019	**59.62**	**8,565.56**	**4.23**	**8,629.41**	**-**	**23.00**
Gross carrying amount						
Opening gross carrying amount as on 1 April 2019	59.62	8,565.56	4.23	8,629.41	-	23.00
Additions / transfers	-	33.81	-	33.81	320.34	634.18
Disposals /adjustments	-	(5.97)	-	(5.97)	-	(24.30)
Gross carrying amount as on 31 March 2020	**59.62**	**8,593.40**	**4.23**	**8,657.25**	**320.34**	**632.88**
Accumulated Depreciation						
Opening accumulated depreciation as on 01 April 2018	11.69	4,426.05	0.55	4,438.29	- -	
Depreciation charge during the year	4.32	420.72	0.49	425.53	-	-
Disposals /adjustments	-	(7.89)	-	(7.89)	-	-
Closing accumulated depreciation as on 31 March 2019	**16.01**	**4,838.88**	**1.04**	**4,855.93**	**-**	**-**
Accumulated Depreciation						
Opening accumulated depreciation as on 01 April 2019	16.01	4,838.88	1.04	4,855.93	-	-
Depreciation charge during the year	4.76	409.91	-	414.67	85.46	-
Disposals / Adjustments	-	(5.70)	-	(5.70)	-	-
Closing accumulated depreciation as on 31 March 2020	**20.77**	**5,243.09**	**1.04**	**5,264.90**	**85.46**	**-**
Net carrying amount as on 31 March 2019	**43.61**	**3,726.68**	**3.19**	**3,773.48**	**-**	**23.00**
Net carrying amount as on 31 March 2020	**38.85**	**3,350.31**	**3.19**	**3,392.35**	**234.88**	**632.88**

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

4. Current tax assets

	As at 31 March 2020	As at 31 March 2019
Current tax assets		
Advance taxes paid (net of provision for tax)	**189.09**	112.37
	189.09	**112.37**

5. Other assets

	As at 31 March 2020 Non current	As at 31 March 2020 Current	As at 31 March 2019 Non current	As at 31 March 2019 Current
Advances other than capital advance	**-**	**138.71**	-	85.73
Prepaid expenses	**0.37**	**17.70**	-	18.69
Paid to government authorities under protest	**76.28**	**-**	83.64	-
	76.65	**156.41**	**83.64**	**104.42**

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

	As at 31 March 2020	As at 31 March 2019
Raw material and components (includes stock in transit of Rs. 4.29 lacs (previous year Rs.0.84 lacs)	**510.64**	520.36
Stores and spares	**93.89**	97.68
Work-in-progress	**231.42**	262.03
Finished goods	**242.62**	220.62
	1,078.57	**1,100.69**

Note : The cost of inventories recognised as an expense includes Rs. 5.26 lacs (previous year Rs. 13.12 lacs) in respect of write-downs of inventory to net realisable value. The same has been included in note 20 and 21.

7. Trade receivables

	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good	**2,851.48**	2,431.41
Unsecured, significant increase in credit risk	**12.52**	11.32
	2,864.00	**2,442.73**
Less: Allowance for expected credit loss	**(12.52)**	(16.40)
	2,851.48	**2,426.33**

1. The credit period generally allowed on domestic sales as well as export sales varies from 30 to 60 days (excluding transit period).
2. Refer note 35 for provision for doubtful debts.
3. Refer note 37 for balances due from related party.

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

8. Cash and bank balances

	As at 31 March 2020	As at 31 March 2019
a) Cash and cash equivalents		
Balances with scheduled banks: - Current accounts	**336.34**	179.94
Deposits with original maturity for less than three months	**5,700.00**	-
	6,036.34	**179.94**
b) Other bank balances		
Deposits with original maturity for more than 3 months but less than 12 months	**1,500.00**	2,365.64
	1,500.00	**2,365.63**

9. Loans

	As at 31 March 2020	As at 31 March 2019
Unsecured Loans to related party (refer note no 37)*	**-**	**4,360.00**
Interest on loan to related party	**-**	**28.33**
	-	**4,388.33**

* The company does not have any loans which are either credit impared or where there is significant increase in credit risk.

10. Other financial assets

	As at 31 March 2020	As at 31 March 2019
Other receivables	**36.06**	12.98
Interest accrued on deposits	**35.27**	19.43
	71.33	**32.41**

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

11. Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019
Authorized shares		
10,000,000 equity shares (31 March 2019: 10,000,000 equity shares) of Rs.10/- each.	**1,000.00**	1,000.00
1,000,000 6% redeemable cumulative preference shares (31 March 2019: 1,000,000) of Rs.100/- each	**1,000.00**	1,000.00
	2,000.00	**2,000.00**
Issued, subscribed and fully paid-up shares		
10,000,000 equity shares (31 March 2019: 10,000,000 equity shares) of Rs.10/- each.	**1,000.00**	1,000.00
	1,000.00	**1,000.00**

(b) Right/restriction attached to equity shares.

i) The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of the shareholder	31 March 2020		31 March 2019	
	No.	**% holding**	No.	% holding
Equity shares of Rs 10- fully paid				
Federal-Mogul Goetze (India) Limited, India	5,100,000	51.00%	5,100,000	51.00%
Federal Mogul UK Investment Limited, UK	900,000	9.00%	900,000	9.00%

Notes to financial statement for the year ended 31 March 2020

(All amounts in Rs. lacs, unless otherwise stated)

(d) Details of shareholders holding more than 5% shares in the company.

Name of the shareholder*	31 March 2020		31 March 2019	
	No.	% holding	No.	% holding
Equity shares of Rs 10- fully paid				
Federal-Mogul Goetze (India) Limited, India	**5,100,000**	**51.00%**	5,100,000	51.00%
Federal Mogul UK Investment Limited, UK	**900,000**	**9.00%**	900,000	9.00%
TPR Co. Limited, Japan	**4,000,000**	**40.00%**	4,000,000	40.00%

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

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

(f) Tenneco Inc., headquartered in lake forest, Illinois, United States of America completed the acquisition of Federal-Mogul LLC, the ultimate holding company of the Company, on October 1, 2018 and Federal-Mogul LLC was merged with Tenneco Inc.

12. Other equity

	As at 31 March 2020	As at 31 March 2019
General Reserve		
Balance at the beginning of the year	**1,295.00**	1,295.00
	1,295.00	**1,295.00**
Capital redemption reserve		
Balance at the beginning of the year	**1,000.00**	1,000.00
	1,000.00	**1,000.00**
Retained earnings		
Balance as at the beginning of the year	**9,670.08**	8,745.76
Add: Net profit for the year	**1,269.56**	1,650.01
Items of other comprehensive income recognised directly in retained earnings:		
(Less)/Add: Remeasurements of the post employment defined benefit plans gain (net of tax)	**(3.62)**	9.70
Less: Dividend including dividend distribution tax	**(753.47)**	(735.39)
	10,182.55	9,670.08
	12,477.55	**11,965.08**

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

Nature and purpose of each reserve

General reserve - This reserve is created from time to time on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit and loss.

Capital redemption reserve - This reserve was created for redemption of preference shares in the financial year 2012. The preference shares were redeemed in the financial year 2012.

13. Provisions

	As at 31 March 2020		As at 31 March 2019	
	Non Current	**Current**	Non Current	Current
Provision for employee benefits (refer Note no 39)				
Provision for gratuity	**119.85**	**3.46**	95.04	5.81
Provision for compensated absenses	**28.35**	**5.84**	24.30	2.14
	148.20	**9.30**	**119.34**	**7.95**

14. Deferred tax liabilities (net)

Particulars	**As at 31 March 2018**	Recognised in statement of profit & loss	Recognised in other comprehensive income	**As at 31 March 2019**	Recognised in statement of profit & loss	Recognised in other comprehensive income	**As at 31 March 2020**
Deferred tax liabilities							
On account of difference in written down value of property, plant and equipment	**325.29**	12.29	-	**337.58**	(53.21)	-	**284.37**
Deferred tax assets							
Provision for employees benefits	**33.57**	7.53	(3.98)	**37.12**	1.35	1.22	**39.69**
Provision for doubtful debts and advances	**2.31**	2.46	-	**4.77**	(1.62)	-	**3.15**
Others	**5.63**	7.51	-	**13.14**	4.54	-	**17.68**
Total	**283.78**	**(5.21)**	**3.98**	**282.55**	**(57.48)**	**(1.22)**	**223.85**

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

15. Trade payables

Particulars	**As at 31 March 2020**	As at 31 March 2019
Dues of micro and small enterprises (refer Note no 33 for details of dues to micro and small enterprises)	**39.46**	83.04
Dues of creditors other than micro and small enterprises	**1,571.73**	984.83
	1,611.19	**1,067.87**

1. Refer note 37 for balances due to related party.

15A. Lease liabilities

	As at 31 March 2020		As at 31 March 2019	
	Non Current	**Current**	Non Current	Current
Lease liabilities	161.32	82.66	-	-
	161.32	**82.66**	**-**	**-**

16. Other current liabilities

	As at 31 March 2020	As at 31 March 2019
Payables to capital creditors	**396.80**	**-**
	396.80	**-**

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

17. Other financial liabilities

	As at 31 March 2020	As at 31 March 2019
Advance from customers	**4.17**	10.12
Statutory liabilities	**103.31**	136.12
Others	**1.63**	1.21
	109.11	**147.45**

18. Revenue from operations

	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from operations		
Sale of products		
Sale of goods	**9,490.55**	10,672.34
Other operating revenue		
Scrap sales	**9.28**	12.69
Revenue from operations	**9,499.83**	**10,685.03**

1. Refer note no. 38 for the disclosure in relation to Ind AS 115

19. Other income

	Year ended 31 March 2020	Year ended 31 March 2019
Interest income on		
Fixed deposits with banks	**268.83**	105.98
Others	**146.36**	370.60
Miscellaneous income	66.62	4.83
	481.81	**481.41**

20. Cost of material consumed

	Year ended 31 March 2020	Year ended 31 March 2019
Opening stock	**520.36**	379.82
Add: Purchases	**2,733.51**	3,178.83
Less: Closing Stock	**(510.64)**	(520.36)
Raw material consumption	**2,743.23**	**3,038.29**

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

21. Changes in inventories of finished goods and work-in-progress

	Year ended 31 March 2020	Year ended 31 March 2019
Opening stock		
Work-in-progress	**262.03**	306.87
Finished goods	**220.63**	156.56
	482.66	463.43
Less: Closing stock		
Work-in-progress	**231.42**	262.03
Finished goods	**242.62**	220.62
	474.04	482.65
	8.62	**(19.22)**

22. Employee benefits expense

	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages and bonus	**763.00**	786.11
Contribution to provident and other funds	**35.24**	36.03
Gratuity expense (refer note no. 39)	**18.71**	16.89
Staff welfare expenses	**3.59**	5.57
	820.54	**844.60**

23. Finance cost

	Year ended 31 March 2020	Year ended 31 March 2019
Interest		
-to others	**24.44**	9.01
	24.44	9.01

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

24. Other expenses

	Year ended 31 March 2020	Year ended 31 March 2019
Consumption of stores and spares	956.32	1,052.70
Sub-contracting expenses	59.35	81.95
Job work expenses	1,386.73	1,514.89
Power and fuel	220.18	185.37
Freight and forwarding charges	38.50	46.31
Rent	13.00	113.63
Rates and taxes	21.97	23.99
Insurance	17.21	10.17
Repairs and maintenance		
Plant and machinery	11.59	-
Buildings	10.25	6.72
Others	18.82	1.02
Selling and distribution expense	37.05	38.42
Management support charges	631.24	645.82
Royalty and trade-mark license fees	127.46	135.76
Sole selling Commission	449.02	479.27
Product rectification charges	0.77	-
Travelling and conveyance	24.76	21.51
Corporate social reponsibility expense (refer note no.32)	45.12	45.20
Printing and stationery	3.46	4.04
Legal and professional fees	70.60	76.61
Auditors remuneration (Refer details below)*	9.25	6.00
Provision for doubtful debts and advances	-	8.46
Loss on sale of fixed assets (net)	0.26	0.42
Foreign exchange fluctuation (net)	36.04	13.51
Bank charges	13.50	9.55
Miscellaneous expenses	11.66	17.71
	4,214.11	**4,539.03**

***Auditors remuneration**

- Statutory audit fee	6.25	5.25
- Tax audit fee	1.00	0.75
- Others	2.00	
	9.25	**6.00**

Notes to financial statement for the year ended 31 March 2020

(All amounts in Rs. lacs, unless otherwise stated)

25. Tax expense

	Year Ended 31 March 2020	Year Ended 31 March 2019
Current tax	**453.65**	684.40
Tax related to earlier years	**4.84**	-
Deferred tax	**(57.48)**	(5.21)
	401.01	**679.19**

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.17% and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax	**1,670.57**	**2,329.20**
At country's statutory income tax rate of 25.17% (31 March 2019: 29.12%)	420.45	678.26
Effect of change in tax rate	(38.35)	-
Tax effect on permanent non deductable expenses	11.53	(7.05)
Tax related to earlier years	4.84	-
Others	2.54	7.98
	401.01	**679.19**
Tax rate		
Base rate	22.000%	25.000%
Surcharge	2.200%	3.000%
Education cess	0.968%	1.120%
Total	**25.168%**	**29.120%**

Note: The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act 1961 as introduced by the Taxation Laws (amendment) ordinance, 2019. Accordingly, the Company has recognised the tax provision for the year ended 31 March 2020 and re-measured the deferred tax assets/liabilities on the basis of the rates prescribed in that section. The full impact of this change has been recognised in the Statement of Profit and Loss.

26. Earnings per share

	Year ended 31 March 2020	Year ended 31 March 2019
Profit for the year as per Statement of Profit and Loss	1,269.56	1,650.01
Weighted average number of equity shares in calculating basic and diluted EPS	10,000,000	10,000,000
Nominal value of shares (₹)	10.00	10.00
Earning per share - basic and diluted (₹)	12.70	16.50

27. Event occuring after the reporting period

During the year 31 March 2020, the amount of per share dividend proposed by the Board of Directors to equity shareholders is Rs. 5.80 (31 March 2019 Rs. 6.25). The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuring General meeting.

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

28. Contingent liabilities

Particulars		As at 31 March 2020	As at 31 March 2019
(i)	**Service tax & Excise duty**		
	(a) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	**852.54**	747.82
	(b) Show cause notices on issues yet to be adjudicated	**-**	119.72
		852.54	**867.54**
(ii)	**Income tax**		
	(a) Cases pending before Appellate authorities/ Dispute resolution panel in respect of which the Company has filed appeals	**-**	7.73
	(b) Show cause notices on issues yet to be adjudicated	**9.71**	11.73
		9.71	**19.46**

29. Segment information

In accordance with Ind AS 108, the Board of directors being the Chief operating decision maker of the Company has determined its only one business segment of manufacturing of Automotive components of four wheelers. Since the Company's business is from manufacturing of automotive components and there are no other identifiable reportable segments. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year is as reflected in the financial statement.Revenue from two customers amounts to Rs. 7,670.87 Lacs (previous year Rs. 8,745.97 Lacs). No other single customer represents 10% or more to the Group revenue for financial year ended March 31, 2020 and March 31, 2019.

30. Leases

a) Right of use assets

The following is a reconciliation of total operating lease commitments at 31 March 2019 (as disclosed in the financial statements for the year ended 31 March 2019) to the lease liabilities recognised at 1 April 2019:

Particulars	As at 31 March 2020
Total operating lease commitments disclosed as at 31 March 2019	**371.55**
Operating lease liabilities before discounting	**371.55**
Discounting impact (using incremental borrowing rate)	(51.21)
Operating lease liabilities	**320.34**
Total lease liabilities recognised under Ind AS 116 at 1 April 2019	**320.34**

Following are the changes in the carrying value of right of use for the year ended 31 March 2020

Particulars	Buildings	Total
Gross carrying value		
As at 01 April 2019	-	-
Additions	320.34	320.34
Disposals	-	-
As at 31 March 2020	**320.34**	**320.34**

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

Following are the changes in the carrying value of right of use for the year ended 31 March 2020

Particulars	Buildings	Total
Accumulated depreciation		
As at 01 April 2019	-	-
Depreciation charge for the year	85.46	85.46
Disposals	-	-
As at 31 March 2020	**85.46**	**85.46**
Net carrying value		
As at 31 March 2020	**234.88**	**234.88**

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

The following is the break-up of current and non-current lease liabilities for the year ended 31 March 2020

Particulars	As at March 2020
Non-current lease liabilities	161.32
Current lease liabilities	82.66
	243.98

The following is the movement in lease liabilities for the year ended 31 March 2020

Particulars	As at March 2020
As at 01 April 2019	**320.34**
Additions	-
Finance cost accrued during the year	22.72
Deletions	-
Payment of lease liabilities	(99.08)
	243.98

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

Particulars	As at March 2020
Less than one year	99.08
One to five years	173.39
More than five years	-

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

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

The following are the amounts recognised in profit or loss:

Particulars	**As at March 2020**
Depreciation expense of right-of-use assets	85.46
Interest expense on lease liabilities	22.72
Expense relating to short term lease (included in other expenses)	13.00
	121.18

(ii) Lease related disclosures

A The Company has leases for Land and buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its Land and buildings.

B Total cash outflow for leases for the year ended 31 March 2020 was Rs. 99.08 lacs.

C The company has short term lease agreements in which there are no lock in periods. The disclosure requirement related to total commitment of short term leases is thus not applicable to the company.

D Information about extension and termination options

Right of use assets	**Number of leases**	**Range of remaining term**	**Average remaining lease term**	**Number of leases with extension option**	**Number of leases with purchase option**	**Number of leases with termination option**
Buildings	1	33 months	33 months	1	-	1

E There are no leases which are yet to commence as on 31 March 2020.

F Impact on transition

1 Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" and applied modified retrospective approach to all lease contracts existing as at 1 April 2019. On transition, the adoption of new standard resulted in recognition of lease liability of Rs. 320.34 lacs and corresponding right of use asset of Rs. 320.34 lacs.

2 The Company has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of Ind AS 116, being 1 April 2019.

3 Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Company has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of Ind AS 116.

4 On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets the Company has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense over the remaining lease term.

5 On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised was 8.25% .

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

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

32. Corporate Social Responsibility (CSR)

a) Gross amount required to be spent by the Company during the year in compliance with section 135 of the Act is Rs. 45.01 lacs (previous year Rs. 45.17 lacs)

b) Amount spent during the year on-

	Year ended 31 March 2020			Year ended 31 March 2019		
	In cash	**yet to be paid in cash**	**Total**	In cash	yet to be paid in cash	Total
- Educational activities	**17.90**	**-**	**17.90**	27.43	-	27.43
- Social activities	**27.22**	**-**	**27.22**	17.77	-	17.77
	45.12	**-**	**45.12**	**45.20**	**-**	45.20

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

	Particulars	**As at 31 March 2020**	As at 31 March 2019
a)	The principal amount remaining unpaid as at the end of year	39.46	83.04
b)	Interest due on above principal and remaining unpaid as at the end of the year	-	0.40
c)	The amount of interest paid by the buyer in terms of section 16, of the Micro small and medium enterprise development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro small and medium enterprise development Act, 2006.	0.43	0.80
e)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.43	1.20
f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro small and medium enterprise development Act, 2006	0.43	1.20

34 Fair value disclosures

i) Fair values hierarchy

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

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

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

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

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

(ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

The Company does not have any financial instruments which are measured at Fair value either through statement of profit and loss or through other comprehensive income.

(iii) Fair value of instruments measured at amortised cost

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

35. Financial risk management

i) Financial instruments by category

Particulars	Classification	As at 31 March 2020	As at 31 March 2019
Financial assets			
Trade receivables	Amortised Cost	**2,851.48**	2,426.33
Cash and cash equivalents	Amortised Cost	**6,036.34**	179.94
Other bank balances	Amortised Cost	**1,500.00**	2,385.06
Loans	Amortised Cost	**-**	4,388.33
Other	Amortised Cost	**71.33**	12.98
Total		**10,459.15**	**9,392.64**
Financial liabilities			
Trade payable	Amortised Cost	1,611.19	1067.87
Lease Liabilities	Amortised Cost	243.98	-
Other financial liabilities	Amortised Cost	396.80	-
Total		**2,251.97**	**1,067.87**

ii) Risk Management

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

A) Credit risk

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

- cash and cash equivalents,
- trade receivables and
- deposits with banks and financial institutions.
- intercorporate deposits

a) Credit risk management

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

A: Low
B: Medium
C: High

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

Assets under credit risk –

Credit rating	Particulars	As at 31 March 2020	As at 31 March 2019
A: Low	Other bank balances	**1,500.00**	2,385.06
	Cash and cash equivalents	**6,036.34**	179.94
	Loans	**-**	4,388.33
	Other financial assets	**71.33**	12.98
	Trade receivables	**2,851.48**	2,431.41
C: High	Trade receivables	**12.52**	11.32

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

Trade receivables
The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The trade receivables are considered of high quality and accordingly no life time expected credit losses are recognised on such receivables.

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

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

Particulars	As at 31 March 2020		As at 31 March 2019	
	>365 Days	<= 365 Days	>365 days Days	<= 365 Days
Gross amount of trade receivables where no default (as defined above) has occurred	**12.52**	**2,851.48**	11.32	2,431.41
Expected loss rate	**100%**	**0.00%**	100%	0.21%
Expected credit loss(loss allowance provision)	**12.52**	**0.00**	11.32	5.08

Reconciliation of loss provision – lifetime expected credit losses

Reconciliation of loss allowance	Trade receivable
Loss allowance as on 1 April 2018	7.94
Impairment loss recognised during the year	8.46
Loss allowance on 31 March 2019	**16.40**
Impairment loss recognised/reversed during the year	(3.88)
Loss allowance on 31 March 2020	**12.52**

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

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

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

31 March 2020	Less than 1 year
Trade payable	1,611.19
Total	**1,611.19**

31 March 2019	Less than 1 year
Trade payable	1,067.87
Total	**1,067.87**

C) Market Risk

a) Foreign currency risk

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

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

i) Foreign currency risk exposure:

The Companys exposure to foreign currency risk at the end of the reporting period expressed in Rs are as follows

Particulars	FC	As at 31 March 2020	As at 31 March 2019
Financial liabilities- Trade payable			
	USD	**43.16**	0.47
	EUR	**2.27**	0.63
	JPY	**492.25**	119.94
	CNY	**150.79**	-
Net exposure to foreign currency risk (liabilities)		**688.47**	**121.04**

Sensitivity

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

Particulars	As at 31 March 2020	As at 31 March 2019
USD sensitivity		
INR/USD- increase by 500 bp (31 March 2019 500 bp)*	**(2.16)**	(0.02)
INR/USD- decrease by 500s bp (31 March 2019 500 bp)*	**2.16**	0.02
EURO sensitivity		
INR/EUR- increase by 500 bp (31 March 2019 500 bp)*	**(0.11)**	(0.03)
INR/EUR- decrease by 500s bp (31 March 2019 500 bp)*	**0.11**	0.03
JPY sensitivity		
INR/JPY- increase by 500 bp (31 March 2019 500 bp)*	**(24.61)**	(6.00)
INR/JPY- decrease by 500s bp (31 March 2019 500 bp)*	**24.61**	6.00
CNY sensitivity		
INR/CNY- increase by 500 bp (31 March 2019 500 bp)*	**(7.54)**	-
INR/CNY- decrease by 500s bp (31 March 2019 500 bp)*	**7.54**	-

** Holding all other variables constant*

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

b) Interest rate risk

i) Liabilities

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

ii) Assets

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

c) Price risk

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

36. Capital management

The Company' s capital management objectives are

- to ensure the Company's ability to continue as a going concern

- to provide an adequate return to shareholders

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

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

Particulars	**As at 31 March 2020**	As at 31 March 2019
Total debt	**-**	-
Total equity	**13,477.55**	12,965.08
Equity ratio	**100.00%**	100.00%

37. Related party disclosures

Fellow and step fellow subsidiaries

Name of the Party	**Nature of relationship**
Tennoco Inc. (USA)	Ultimate Holding Company
Federal-Mogul Goetze (India) Limited	Holding Company
Federal Mogul UK Investments Limited	Common control with Holding Company
TPR Co. Limited Japan	Common control with Holding Company
Federal Mogul Burschied	Fellow Subsidiary
Motocare India Private Limited	Fellow Subsidiary
Mr. Vinod Kumar Hans	Director
Mr. Abhishek Nagar (From 3rd Sept., 2019)	Company Secretary
Mr. Anand Kumar Sahoo (Till 22nd Aug., 2019)	Company Secretary
Mr. Kapil Arora	Manager
Mr. Krishnamurthy Naga Subramaniam	Director
Mr. Khalid Iqbal Khan	Director
Mr. Takehiko Karasawa	Director
Mr. Manish Chadha	Director and CFO
Mr. Rajesh Sinha	Director
Mr. Toshiaki Imai	Director

Notes to financial statement for the year ended 31 March 2020

(All amounts in Rs. lacs, unless otherwise stated)

Related Party Transactions

Particulars	Holding Company		Common Control with holding Co.				Fellow SubsidiaryTotal						Total	
	Federal Mogul Goetze (India) Ltd.		Federal Mogul UK Investment Limited		TPR Co. Limited Japan		Motocare India Pvt. Ltd.		Federal Mogul Burschied		TPR Co. Auto Parts Mfg India Ltd			
	31 March 2020 Year ended	31 March 2019 Year ended	**31 March 2020 Year ended**	31 March 2019 Year ended	**31 March 2020 Year ended**	31 March 2019 Year ended	**31 March 2020 Year ended**	31 March 2019 Year ended	**31 March 2020 Year ended**	31 March 2019 Year ended	**31 March 2020 Year ended**	31 March 2019 Year ended	**31 March 2020 Year ended**	31 March 2019 Year ended
Sales	5,255.07	5,703.32	-	-	6.25	-	-	0.55	-	-	-	-	5,261.32	5,703.87
Purchase of raw material, inter-mediaries and finished goods	956.50	1,181.73	-	-	243.96	170.24	-	-	0.28	-	-	-	1,200.74	1,351.97
Purchase of fixed assets	-	-	-	-	146.80	-	-	-	-	-	-	-	146.80	-
Dividend Paid	318.75	311.10	56.25	54.90	250.00	244.00	-	-	-	-	-	-	625.00	610.00
Management support charges	631.24	645.82	-	-	-	-	-	-	-	-	-	-	631.24	645.82
Job work expenses	1,386.73	1,514.89	-	-	-	-	-	-	-	-	-	-	1,386.73	1,514.89
Sole selling commission paid	449.02	479.27	-	-	-	-	-	-	-	-	-	-	449.02	479.27
Expenses incurred on Company's behalf	-	-	-	-	-	-	11.32	-	-	-	-	-	11.32	-
Rent expense	99.08	99.08	-	-	-	-	-	-	-	-	-	-	99.08	99.08
Royalty Expense	-	-	-	-	127.46	135.76	-	-	-	-	-	-	127.46	135.76
Commission paid										-	13.29	-	13.29	-
Inter-Corporate Deposit (ICD) given	1,300.00	-	-	-	-	-	-	-	-	-	-	-	1,300.00	-
Inter-Corporate Deposit (ICD) received back	5,660.00	-	-	-	-	-	-	-	-	-	-	-	5,660.00	-
Interest on ICD	146.36	370.60	-	-	-	-	-	-	-	-	-	-	146.36	370.60
Closing balance as on 31 March 2020														
Inter Corporate Deposits with holding company	-	4,360.00	-	-	-	-	-	-	-	-	-	-	-	4,360.00
Interest accrued on deposits with holding company	-	28.33	-	-	-	-	-	-	-	-	-	-	-	28.33
Balance outstanding as at the end of the year Receivable/ (Payable)	1,604.63	1,532.74	-	-	(253.22)	(127.43)	(13.78)	0.71	(0.28)	-	(2.98)	-	1,334.37	1,406.02

Key Managerial personnel-Remuneration*								Non-executive director	
Mr. Anand Kumar Sahoo		Mr. Kapil Arora		Mr. Abhishek Nagar		Mr. Toshiaki Imai		Mr. Krishnamurthy Naga Subramaniam	
31 March 2020 Year ended	31 March 2019 Year ended	**31 March 2020 Year ended**	31 March 2019 Year ended	**31 March 2020 Year ended**	31 March 2019 Year ended	**31 March 2020 Year ended**	31 March 2019 Year ended	**31 March 2020 Year ended**	31 March 2019 Year ended
11.51	28.01	**32.41**	**31.50**	**17.67**	-	**68.44**	51.03	**3.75**	3.75

*Key Managerial Personnel who are under the employment of the Company are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

38 Revenue related disclosures

a. Revenue from Contracts with Customers

Revenue from Contracts with Customers Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach: (i) Identify the contract(s) with customer; (ii) Identify separate performance obligations in the contract; (iii) Determine the transaction price; (iv) Allocate the transaction price to the performance obligations; and (v) Recognise revenue when a performance obligation is satisfied.The Company has applied Ind AS 115 prospectively from 1 April 2018 and the adoption of this standard did not have a material impact on the financial statements of the Company.

b. Disaggregation of revenue

Revenue recognised mainly comprises of sale of products which majorly comrises of piston, piston rings and other auto components. Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Revenue from contracts with customers		
Sale of products	**9,490.55**	10,672.34
Other operating income	**9.28**	12.69
Total revenue covered under Ind AS 115	**9,499.83**	**10,685.03**

c. Contract balances

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

Particulars	As at 31 March 2020	As at 31 March 2019
Contract liabilities		
Advances from consumers	**4.17**	10.12
Total contract liabilities	**4.17**	**10.12**
Receivables		
Trade receivables	2,864.00	2,442.73
Less : Allowances for expected credit loss	**(12.52)**	(16.40)
Net receivables	2,851.48	2,426.33

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

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

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

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
	Contract Liabilities Advances from customers	Contract Liabilities Advances from customers
Opening balance	**10.12**	19.72
Addition during the year	**1.49**	6.14
Revenue recognised during the year/ amount refunded/adjusted during the year	**(7.44)**	(15.74)
Closing balance	**4.17**	**10.12**

e Satisfaction of performance obligations

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

f Payment terms

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

g Variable considerations associated with such sales

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

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

39. Employee benefit obligations

A Disclosure of gratuity

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

Description	Year Ended 31 March 2020	Year Ended 31 March 2019
Current service cost	**10.89**	9.97
Interest cost	**7.82**	6.92
Amount recognised in the statement of profit and loss	**18.71**	**16.89**

(ii) Breakup of actuarial (gain)/loss:

Actuarial (gain)/loss on arising from change in demographic assumption	**(11.83)**	-
Actuarial (gain)/loss on arising from change in financial assumption	**(0.94)**	(8.19)
Actuarial (gain)/loss on arising from experience adjustment	**17.61**	(5.49)
Total actuarial (gain)/loss	**4.84**	**(13.68)**

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

Present value of defined benefit obligation as at the start of the year	**100.85**	**98.09**
Current service cost	**10.89**	9.97
Interest cost	**7.82**	6.92
Payments made directly to employees	**(1.09)**	(0.45)
Actuarial loss/(gain) recognised during the year	4.84	(13.68)
Present value of defined benefit obligation as at the end of the year	**123.31**	**100.85**

(iv) Actuarial assumptions

Discount rate	7.10% p.a.	7.30% p.a.
Normal retirement age	58 years	58 years
Employee turnover	1% p.a for workers and 7% p.a thereafter	5.00% p.a
Salary Increase Rate	'For Worker: 3% for first 3 years and 7% thereafter, Others: NIL for next year and 7% thereafter.	7.50% p.a

(v) Sensitivity analysis for gratuity liability

Impact of the change in discount rate		
Present value of obligation at the end of the year	123.31	100.85
- Impact due to increase of 0.50 %	117.25	96.41
- Impact due to decrease of 0.50 %	129.80	105.59
Impact of the change in salary increase		
Present value of obligation at the end of the year	123.31	100.85
- Impact due to increase of 0.50 %	129.10	105.02
- Impact due to decrease of 0.50 %	117.62	96.82

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

Notes to financial statement for the year ended 31 March 2020
(All amounts in Rs. lacs, unless otherwise stated)

The following payouts are expected in future years:

Description	As at 31 March 2020
March 31, 2021	3.46
March 31, 2022	3.42
March 31, 2023	3.86
March 31, 2024	4.12
March 31, 2025	4.38
March 31, 2026 to March 31, 2029	68.08

40. Disclosure under section 186(4) of the Companies act, 2013

Particulars	As at 31March 2020	As at 31 March 2019
Loans (Inter corporate deposit)		
Federal-Mogul Goetze (India) Limited		
Outstanding at the beginning of the year	**4,360.00**	4,360.00
Given during the year	**1,300.00**	-
Payments received during the year	**(5,660.00)**	-
Loans (Inter corporate deposit) at the end of the year	**-**	**4,360.00**

41. Capital commitments

Particulars	As at 31March 2020	As at 31 March 2019
Property, plant and equipment (net of advances paid)	354.11	0.95

42 COVID-19 continues to spread across the globe including India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. In view of the highly uncertain economic environment, the extent to which the COVID-19 pandemic will impact the business of the Company depends upon future developments that cannot be predicted reliably at this stage. However, based on the preliminary estimates, the Company does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure. Pursuant to the relaxed guidelines, the Company has now resumed its operations, partially. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial results. The Company will continue to closely monitor any material changes arising due to the impact of this pandemic/future economic conditions impacting the financial and operational performance of the Company and take necessary measures to address the situation.

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

Anamitra Das
Partner
Membership No.: 062191

Place: Gurugram
Date: 25th June 2020

For and on behalf of Board of Directors of
Federal-Mogul TPR (India) Limited

Vinod Kumar Hans
Director
DIN-03328309

Dr. Khalid Iqbal Khan
Director
DIN-05253556

Manish Chadha
Chief Finance Officer
DIN :07195652

Abhishek Nagar
Company Secretary
Membership No.: F9029