Beyond Mobility

Where technology meets curiosity

Hyundai Motor India Limited

26th Annual Report 2021-22

HYUNDAI

At Hyundai, we are going Beyond Mobility.

Derived from Hyundai's global vision of 'Progress for Humanity', 'Beyond Mobility' showcases a vision for the India of tomorrow. The emphasis is on the fact that Hyundai is a customer-centric organisation that aims at facilitating interactions with customers and delivering experiences that go beyond conventional paradigms. To achieve this, we have focused on redefining our services and experiences through IoT and AI adoption to provide greater comfort, safety, and convenience for our customers.

We have created a unique Mobility experience, leveraging on our Digital retail (Click to buy), Connected car technology (Bluelink) and a first in the industry membership programme (Hyundai Mobility Membership) to provide individually personalised mobility solutions.

FY 2021-22 in review

Financial highlights

₹47,043 crore
Revenue from operations
↑16% YoY

₹3,723 crore
Profit before taxes
↑49% YoY

₹2,862 crore
Profit after taxes
↑55% YoY

Operational highlights

4,81,500
Cars produced for domestic sales

1,29,260
Cars produced for export sales

6,10,760 units
Wholesale volume

ESG highlights

78%
Share of Renewable energy (RE) in total electricity consumption (35.5% excluding carbon co-gen) at HMIL in 2021

₹53 crore
COVID-19 care spend (cumulative)

Digital experience

Advanced connected based mobility experience and contents/services

Personalised value

Provide means of transportation that is individually tailored for each customer

CONTENTS

Hyundai Venue

Advanced technology, incredible connectivity, and new-age style combine to create the Hyundai Venue, stealing the show, wherever it goes.

HMIL at a Glance

The right pace of growth

Hyundai Motor India Limited (HMIL) is a wholly owned subsidiary of Hyundai Motor Company (HMC). We began our operations in 1998, and set up Hyundai's first-ever integrated car manufacturing plant outside of Korea in Sriperumbudur, near Chennai. Over the years, we established ourselves as India's leading automotive choice, bringing differentiated, high-quality and value-led products to the Indian market. Through constant innovation, we emerged to become India's first smart mobility solutions provider.

We have also been consistent in our contribution to India's GDP by sustaining our position as India's leading exporter of cars. Between April 2021 and March 2022, 1.29 lakh units of passenger vehicles were exported to various overseas markets, including Mexico, Chile, South Africa, Saudi Arabia, and Nepal.

1.29 lakh

Passenger vehicles exported by HMIL in FY 2021-22

10,698,823

Units produced since inception (September '98-July '22)

Over the years, we have become India's preferred and leading automotive choice, offering differentiated, quality and value-led offerings in the Indian market.

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OUR OPERATIONS

We have been driving manufacturing excellence at our Sriperumbudur plant which currently has a production capacity of 7.5 lakh units per annum. This will be ramped up to 8.5 lakh units per annum in the near future. We are strong contributors to the Government of India's Make in India initiative. More importantly, our facility sets a great standard when it comes to smart manufacturing by promoting zero wastage, 100% water recirculation, deploying Industry 4.0 with over 650 4th-Generation robots and extensive use of AI in automation.

OUR PRESENCE

1,440
Service outlets
As on November 2021 closing

1,298
Sales points

606
Cities

HEADQUARTERS: Gurugram, Haryana

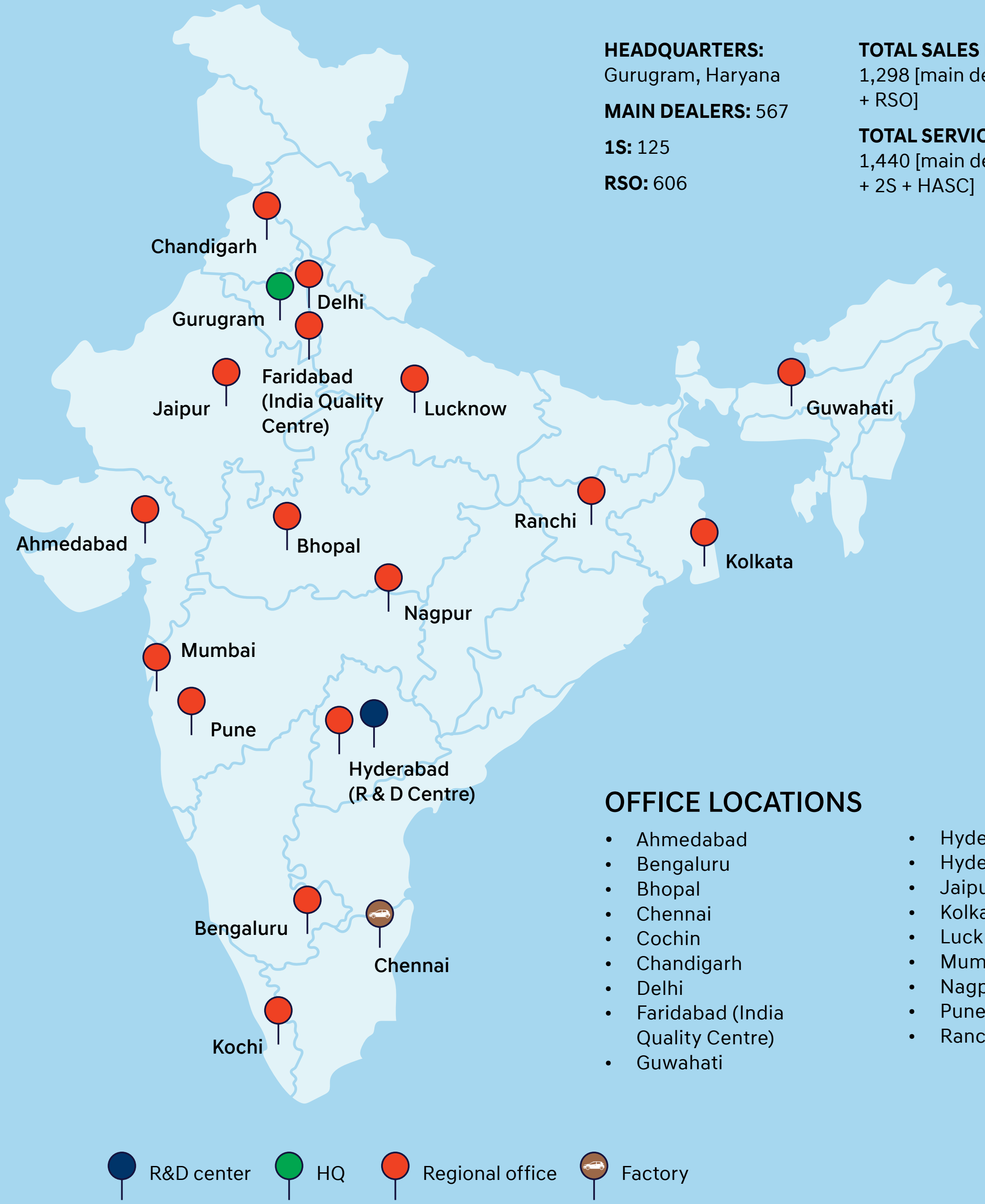
MAIN DEALERS: 567

1S: 125

RSO: 606

TOTAL SALES POINT: 1,298 [main dealer + 1S + RSO]

TOTAL SERVICE POINT: 1,440 [main dealer + RSO + 2S + HASC]



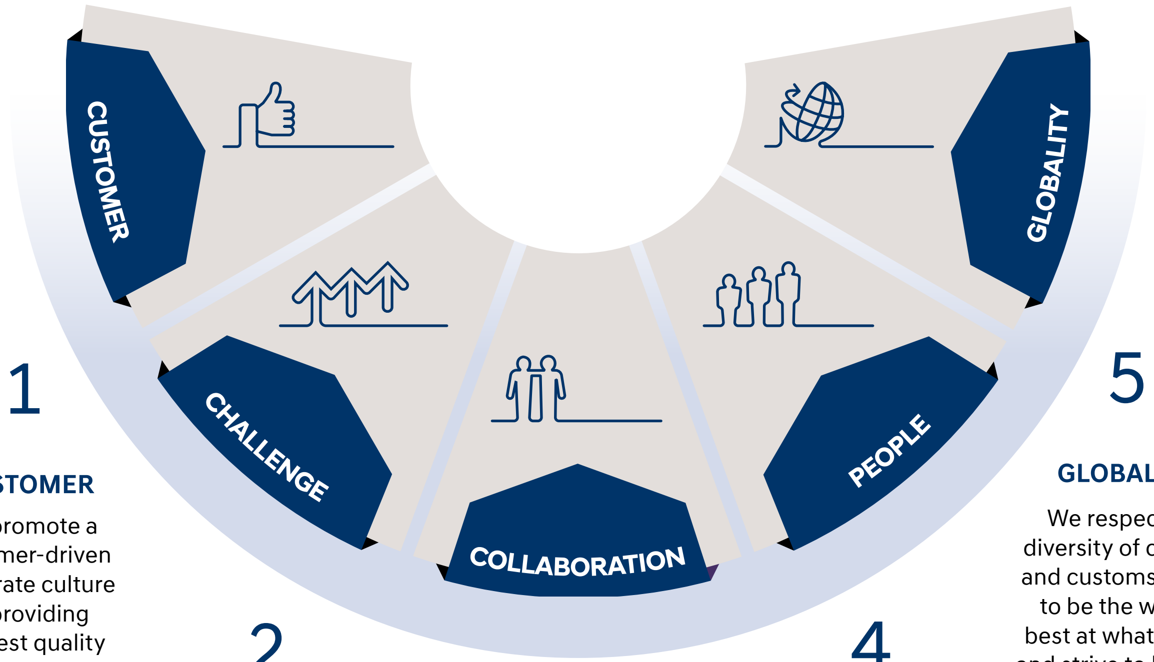
OFFICE LOCATIONS

- Ahmedabad
- Bengaluru
- Bhopal
- Chennai
- Cochin
- Chandigarh
- Delhi
- Faridabad (India Quality Centre)
- Guwahati
- Hyderabad
- Hyderabad (R&D Centre)
- Jaipur
- Kolkata
- Lucknow
- Mumbai
- Nagpur
- Pune
- Ranchi

HMIL at a Glance

Core Values

Our Core Values are the guiding principles for employee behaviour and decision-making that are essential to realise our management philosophy and vision. We live by our Core Values, and demonstrate it in every small activity that we do and deliver. It simply represents our style and way of doing things.



1

CUSTOMER

We promote a customer-driven corporate culture by providing the best quality and impeccable service with all values centered on our customers

2

CHALLENGE

We refuse to be complacent, embrace every opportunity for greater challenge, and are confident in achieving our goals with unwavering passion and ingenious thinking

3

COLLABORATION

We create synergy through a sense of "togetherness" that is fostered by mutual communication and cooperation within the Company and with our business partners

4

PEOPLE

We believe the future of our organisation lies in the hearts and capabilities of individual members, and will help them develop their potential by creating a corporate culture that respects talent.

5

GLOBALITY

We respect the diversity of cultures and customs, aspire to be the world's best at what we do, and strive to become a respected global corporate citizen.

Managing Director and CEO

Mr. Unsoo Kim has taken charge as Managing Director and CEO from December 2021. He has been associated with the Hyundai Motor Group since 1991.

Mr. Unsoo Kim possesses diverse experience across multiple markets in Business Planning, Strategy and Operations. Prior to his leadership role at Hyundai Motor India, Mr. Kim was the Executive Vice President of Global Operations at Hyundai Motor Company.

HMIL at a Glance

A New beginning - Corporate Headquarters at Gurugram

Hyundai's journey with the people of India began 25 years ago. To commemorate that journey, HMIL built its new Corporate Headquarters, creating a significant landmark on the Gurugram Skyline. In line with the vision of HMIL, 'Center for Transformation of a Better Tomorrow', it has developed a uniquely modern facility.

Keeping in mind the vision of 'Progress for the People, Prosperity for the Planet', HMIL has laid extra emphasis on it's commitment towards people and environment. Carefully blending together with abundant energy, optimism, harmony, nature and technology, HMIL has created an ecosystem which is going to empower individuals and stakeholders.

Some of the striking features of this project are

28,000

square meters of built-up area.

400

square meters of green wall with live plants.

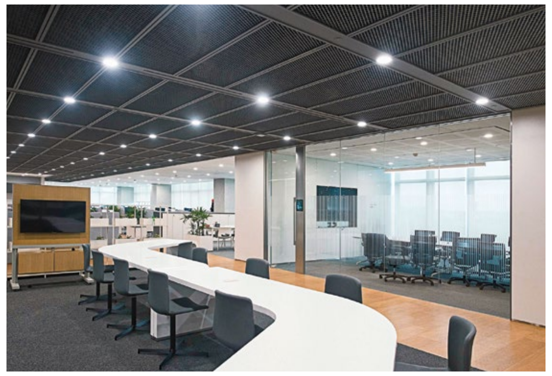
50kW

solar power generation station.

14

Electric Vehicle charging stations.

An unparalleled experience for the employees in this Home away from Home.



Product Portfolio

Choices for all

Today, Hyundai has become a household name in India. We have defined mobility excellence across segments, introduced consumers to iconic brands, and hold a market share of ~16%.

Models across categories and body styles:

Segment: Hatchback

01 Santro
02 GRAND i10 NIOS
03 i20
04 i20 N Line

01

02

03

04

Segment: Sedan

01 Aura
02 Verna

01

02

Segment: SUV

01 Venue
02 Creta
03 Alcazar
04 Tucson
05. Venue N Line

02

04

01

03

05

Segment: Electric

Kona Electric

Product Portfolio

New launches in 2022

Five models, including facelifts, were launched in 2022, which are expected to be game changers for Hyundai in India. The models are packed with advanced technological features to provide a futuristic driving experience for our discerning customers.

Venue
(Launched June 2022)

Tucson
(August 2022)

Creta Knight Edition
(Launched May 2022)

Kona Electric facelift
(End of 2022)

Venue N Line
(September 2022)

The India Journey

Gaining ground at every step

The year 2021 marked 25 years of the Company laying it's foundation in India. Over the last two and a half decades, our manufacturing facility has advanced from strength to strength, achieving excellence, and enhancing synergies between development and growth. Our first offering in 1998, the iconic tall-boy design Santro powered by the MPFI (Multi Point Fuel Injection) engine, changed the game in the Indian automobile market. Our various launches through the years are a testament to our advanced technology and innovation skills. Our latest products are India's first fully electric vehicle—the Kona Electric—and India's first fully connected SUV—the Venue—followed by the Alcazar, which was the 10 millionth car to roll out from the facility.

25 years of Hyundai In India

Sustainable business expansion in line with global vision

Lifetime partner in automobile and beyond

1996 Ground-breaking ceremony at the Irrungattukottai plant near Chennai

1998 Hyundai Santro (Atos Prime) makes its world debut in India

1999 Hyundai Motor India emerges as the second largest auto-manufacturer in the country

2000 100,000th car rolls out from the Chennai plant in just 19 months of commencement of operations

2004 HMIL crossed the figure of 100,000 vehicles in export and emerged as the largest exporter in the automobile industry.

2006 HMIL rolled-out the fastest 1,000,000th car

2008 Inauguration of 2nd plant in Chennai

2010 Fastest 1 millionth car export

2013 HMIL rolls out the 5 Millionth Car

2015 Hyundai CRETA wins 'Indian car of the year 2016'

2018 Hyundai celebrates its 20 years journey with 'Brilliant Moments'

2019 HMIL announces its Global Blue Link Connectivity Technology and launches India's First Fully Electric SUV– 'KONA Electric'

2021 HMIL rolls-out fastest '10 Millionth' car- Hyundai ALCAZAR

2022 HMIL was approved by the Government of India under 'Champion OEM Incentive Scheme' of the PLI Scheme for Automobile and Auto Component Industry to boost domestic manufacturing of Advanced Automotive Technology Products – EVs

INVESTMENT
$4 Billion+

PRODUCTS
28 Models

CUSTOMERS
10 Million

EMPLOYMENT
250,000+

Hyundai Tucson

A design revolution that transformed the perception of a premium SUV. The Tucson exudes a bold road presence. It is designed to meet and exceed the aspirations of new-age luxury seekers who look for the most advanced global technologies, the best of modern design and enthralling performance, all in one package.

Business Updates

A timeline of progress

FY 2021-22 was a year that saw us break new grounds, implement rapid innovations and deliver on our commitments.

July 2021

A NEW BEGINNING: THE NEW HEADQUARTERS IN GURUGRAM

On July 27, 2021, we inaugurated our state-of the-art corporate headquarters in Gurugram, Haryana. The inauguration ceremony was graced by the Honourable Chief Minister of Haryana, Shri Manohar Lal Khattar, and the Honourable Ambassador of the Republic of Korea, H.E. Mr. Chang Jae-Bok. Our new corporate headquarters will pave the way for seamless development in the sphere of mobility and beyond, with an aim to become the 'Centre for Transformation of a Better Tomorrow'

September 2021

HYUNDAI'S SPORTY N BRAND ARRIVES IN INDIA

Hyundai expanded the range of products available in the Indian market with the introduction of India's first premium hot hatchback—the i20 N Line. With an unparalleled combination of class-leading quality, outstanding performance, true driving appeal and sporty styling, the i20 N Line set new standards in the country.

November 2021

PROGRESS FOR HUMANITY–THE GREAT INDIA DRIVE 5.0

We flagged off the 5th chapter of the Great India Drive from our new Gurugram headquarters. Following the theme of Hyundai's global vision of 'Progress for Humanity', the idea behind the Great India Drive 5.0 was to highlight the stories of people and places that played a strong role in India's journey to progress and made significant contributions in paving a brighter way for future generations. The aim was to document 25 unique stories. So 25 media partners set off in different directions from Gurugram, with four blockbuster Hyundai models: the Creta, Alcazar, i20 N Line and the Venue.

December 2021

HYUNDAI COMMITS TO AUTOMOBILE ELECTRIFICATION IN INDIA

With the global motoring industry making a shift to electric mobility, we announced the roadmap to drive the electric mobility revolution in India. We planned our product line expansion with the addition of six Battery Electric Vehicles (BEV) to enter the Indian market by 2028. We will also introduce Hyundai's dedicated BEV platform, the E-GMP, to showcase our commitment to our customers.

December 2021

HYUNDAI AT THE FOREFRONT OF INDUSTRY 4.0 ADOPTION

HMIL received the top honours at the 17th edition of Frost & Sullivan's India Manufacturing Excellence Awards (IMEA), having bagged the Indian Manufacturer of the Year Award and the Smart Factory of the Year Award. This platform honours companies at the forefront of adopting Industry 4.0. Organisations were evaluated based on their manufacturing capability, extended supply chain reliability, and tech-readiness.

March 2022

THE SYMBOLIC 'NAMASTE' STANDS TALL

The 'Namaste' installation at New Delhi's Indira Gandhi International Airport (IGIA) denotes Hyundai's brand direction 'Beyond Mobility' and our commitment to India. Designed around our Company's global vision of 'Progress for Humanity', the 30-feet iconic installation is a classic amalgamation of human values and technological progression, comprising a robotic hand and a human hand set in a wheel that represents the integral role people play in long-term sustainability and progress for humanity.

April 2022

SHARED VALUE THROUGH 'CONTINUE'

Hyundai announced 'Continue' as the overarching project for all our global CSV (Creating Shared Value) activities. 'Continue' stands for Hyundai's unwavering commitment toward a sustainable future, as demonstrated by the infinity logo.

May 2022

HMIL AND TATA POWER TO POWER UP EV-CHARGING INFRASTRUCTURE

Hyundai Motors India Ltd. (HMIL) and Tata Power signed an MoU to enter into a strategic partnership to facilitate the development of a robust EV charging network to accelerate adoption of electric vehicles across India. The MoU was signed in the presence of Mr. Unsoo Kim, MD & CEO, Hyundai Motor India Limited, and Dr. Praveer Sinha, CEO & MD, Tata Power, at HMIL's corporate headquarters in Gurugram.

Technology and Innovation

Built to be future-ready

At HMIL, we deploy state-of-the-art technology across our manufacturing processes to optimise efficiency, enhance the quality of output and improve employee training.

Data analytics and machine learning

Our operations employ 450+ robots in the body shop for functions such as welding, sealer application and material handling purposes.

Our advanced data analytics helps us anticipate failure and take the necessary steps to mitigate it. Using intelligent IIoT infrastructure, we store and use the data on Robot Axis Wise Motor load, Gearbox torque and Axis Encoder temperature.

We have deployed Paint Oven Fan Vibration Analysis and Failure prediction in our operations, executed through advanced machine learning techniques. An IIoT-enabled vibration sensor is installed on the exhaust blower to capture the vibration frequency, and data analytics (machine learning) is done via cloud-based technology.

Another new technology that has been adopted is a Partial Discharge method for HT (11 kv) cables. This is used to predict cable failure by identifying protrusion of insulation/impurity or cavity in the cable, thereby enabling repair/replacement of cables as preventive maintenance.

Technology-driven skill enhancement

Assembly lines use virtual reality to provide workers with real-time information to improve decision making and work procedures. Workers may receive assembly/repair instructions on how to fix or replace a particular part as they are looking at the actual system needing repair. The repair action is performed with the help of augmented reality glass.

Assembly lines use virtual reality to provide workers with real-time information to improve decision making and work procedures.

Hyundai i20 N Line

The motorsport-inspired styling was introduced in India with the globally popular i20 N Line. The athletically styled Hyundai i20 N Line pays homage to Namyang, home of Hyundai's global R&D centre, and Nürburgring that is home to Hyundai's European technical center.

ESG Approach

Our road to sustainability

At HMIL, we are aligned with the global sustainability agenda of Hyundai and are prioritising our environmental, social, and governance factors with utmost responsibility to our stakeholders. We truly believe that by effectively managing ESG within our operations, we will succeed in accelerating our economic value-creation and contribute to sustainability on a large scale. Hyundai way forward will be driven by the initiative to create a healthier, happier, and more sustainable world for everyone under its corporate vision of 'Progress for Humanity'.

Our ESG factors are part of Hyundai's 2025 mid- to long-term innovation strategy—one that is centred on building solid foundations for future growth, increasing competitiveness in innovative, environmentally friendly future businesses, and strengthening customer-oriented quality management operations. These goals, in their entirety, strengthen the Company's strategic vision of becoming a global 'Smart Mobility Solutions Provider'.

Management philosophy

The spirit and values that drive Hyundai Motor Group are based on three key tenets:

'Unlimited sense of responsibility'

- Pursuing sustainable growth with a sense of responsibility towards employees, suppliers and their families
- Pursuing the highest standards with a sense of responsibility towards the safety and happiness of customers

'Realisation of possibilities'

- Hyundai DNA that strives for unlimited growth and advancement
- Entrepreneurship that makes us fearless to break out of our comfort zone and take risks
- Creating real value by turning small philosophies into real achievements

'Respect for humankind'

- Improving the living conditions of people by providing products and services of the highest quality
- Proactively tackling environmental issues
- Contributing to the global community by sharing the benefits of our success

These tenets have made way for Hyundai's management philosophy:

Realise the dreams of humankind by creating a new future through ingenious thinking and continuously challenging new frontiers.

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Vision for Sustainability

Carbon Neutrality Commitment

- Hyundai Motor commits to achieve carbon neutrality by 2045
- Hyundai's holistic approach focuses on three pillars: clean mobility, next- generation platforms and green energy
- Hyundai to stop selling internal combustion engine vehicles (ICE) in Europe from 2035

Zero Emission Vehicles

- Hyundai's dedicated EV brand Ioniq embodies Company's smart mobility vision
- 12+ models based on E-GMP platform across Genesis and Hyundai brands by 2025
- Plans to strengthen Hyundai's core EV competitiveness through driving range improvements, V2X, fast charging

Hydrogen – Vision 2040

- Hydrogen Wave represents Hyundai's plans for a new 'wave' of hydrogen-based products and technologies toward a hydrogen society
- Hyundai plans to introduce next-generation fuel-cell system in 2023 with costs being lowered by over 50%, total package volume reduced by 30% and power output doubled

Group Sustainability Framework: 2025 Strategy

Digital Transformation
- Non-contact value chain
- Digital device and platform business

Energy Shift
- Fossil Fuel → Electric (Renewable Energy)
- Hydrogen based economy

Stakeholders
- Growing awareness of environmental and social issues
- Demand for corporate sustainability management

Smart Mobility Solution Provider

Three Main Business Areas	Smart Mobility Device	Smart Mobility Service	H2 Solution
Strategic Directions	Enhance OEM Competitiveness and Lead Electrification	Establish Basis for Mobility Service Business	Secure H2 Ecosystem Initiative
Focus Areas	Balanced and Steady Growth (Promote Profitability + Volume Growth)	Support Car Sales and Secure Business Competence	Prevail in Hydrogen Fuel-cell Based H2 Market

ESG Approach

Progress for Humanity

We connect possibilities to our daily lives through our ceaseless innovations and commitment.

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FY 2021-22 ESG Performance

Environment (E)	Social (S)	Governance (G)
Key topics: Climate change/operations environment/ low carbon products	Key topics: Human Rights/ HR Development/ HR Management/Social contributions/ Health & Safety/ Customers Quality Management/ Information Protection/ Innovation	Key topics: Board of Directors/ Compliance and Ethics
Electric vehicles	**Strengthened employee rights and human risk management**	**Diversified BoD**
• Launched first all-electric SUV, the Kona • Recorded sale of 131 units in FY 2021-22	• 360° engagement of workers at all levels • HELP- Hyundai Empowered Leadership Program	• Mix of Indian and Korean members in the BoD
Reduced carbon emissions from vehicles	**Strengthened supply chain ESG management**	**Diversity of employees**
• 80% reduction in particulate matter through complying with BS-VI norms of engine	• Tracking and targeting CO_2 reduction through digitalisation of inbound and outbound logistics	• Introduced mandatory KPI for 50% of women hiring • More women are being recruited in campus placements
Increased use of renewable energy	**Strengthened workplace safety**	**Sustainability Management Committee**
• Renewable Energy (RE) accounted for 78% of total electricity consumption (35.5% excluding carbon co-gen) at HMIL in 2021 • In house 10MW rooftop solar panels installed–5% of total energy	• 77 safety ambassadors and 241 safety improvements • Rapid Entire Body Risk Assessment (REBA)	• Established Corporate Governance & Communications Committee. Added ESG, safety and RE plans
Enhanced reuse and recycling of resources	**Safety measures during pandemic (Internal)**	**ESG committee and working level consulting groups**
• 95% of water consumption from recycled water and rainwater • 100% in-house recycling of aluminum scrap generated from process	• Ensured safeguard of our facilities, people, and vendors • Strengthened COVID-19 safety measures	• Deliberated on ESG-related issues, decision-making on sustainability audit, etc.
Reduction in waste and process emission	**Safety measures during pandemic (External)**	**Roll out of Ethics and Integrity Framework**
• Achieved 29.5% reduction of CO_2 emission from Scope I and Scope II in last 3 years • Ensured 9.5% ↓ in hazardous waste in the last 5 years	• Strategic partnership with Air Liquide for assembling of ventilators up to 500 units/month • Contributed ₹53 crore worth of COVID-19 care assistance (Cumulative)	• Roll out of Ethics Charter and Code of Conduct along with Conflict of Interest, non-retaliation and other compliance policies

Environment

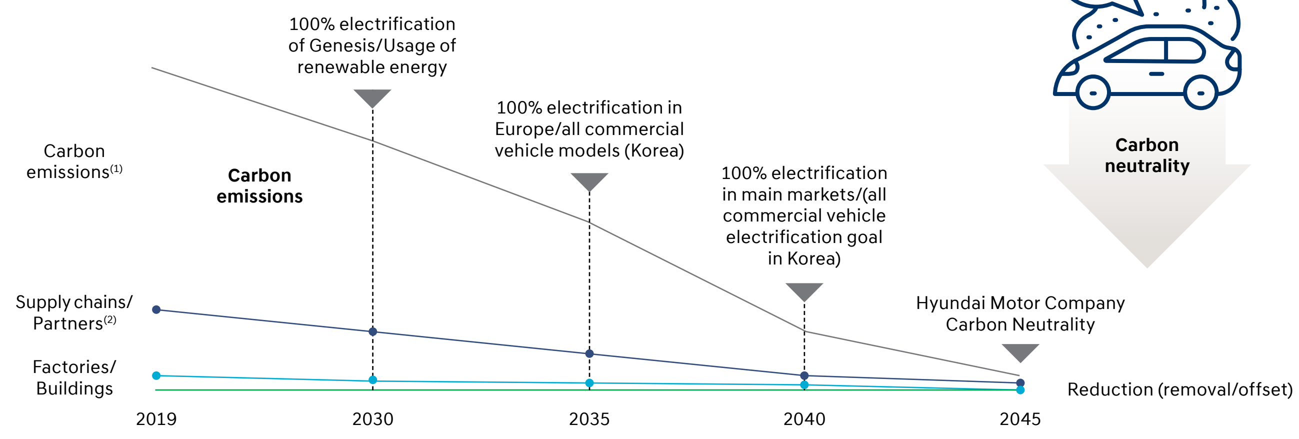
Working for the future

At HMIL, we promote environmental sustainability through sustainable mobility (EV), ecological balance, conservation of natural resources, and maintain quality of soil, air, and water through various initiatives such as resource conservation, renewable energy, and energy efficiency.

Key environmental highlights

GO GREEN	CARBON NEUTRAL	BIODIVERSITY	RESOURCE EFFICIENCY
Green cover of **177 acres** **33%** of land area under greenery **22,227+** trees planted **148** personnel deployed for greenery management	**1,002** tonnes of CO_2 sequestered in 2022 All LED installations for lighting, reducing **13,649** tonnes CO_2 Prevent TVOC by RTO installation	**61** flora species **32** fauna species **40,000+** floating fauna species In-house nursery	Internal rainwater harvesting pond with a capacity of **335,000 kL**, helping build a reserve of 223 days Reject water **1,300 KLD** from ETP STP RO used for landscaping Manure from biowaste by vermicompost

Limiting our carbon footprint



1) Carbon emission in the procedure of Tank of Wheel
2) Suppliers' carbon emission; Aiming to reduce carbon emission through collaboration with partners

Globally, initiatives are underway to limit the global temperature rise to 1.5°C and achieve carbon neutrality by 2050. At Hyundai, we are determined to build a sustainable future and protect the environment for future generations. Thus, we have made it our goal to become carbon neutral across all stages, including parts procurement, production, and vehicle operation, by 2045. To achieve this target, Hyundai Motor Company will implement carbon-neutral strategies based on our advanced environmental technologies for EVs, fuel-cell electric vehicles, and hydrogen-based energy.

Hyundai Motor Company will establish an RE100 roadmap to achieve a 100% transition to renewable energy in the overseas factories by 2045. We will also increase the use of green hydrogen in major manufacturing procedures. Furthermore, carbon-neutral guidelines will be provided to our major partners, and ensure they employ socially responsible practices to reduce greenhouse gas emissions across all stages of manufacturing.

To achieve carbon neutrality, HMIL believes it is important to analyse the environmental impact of a vehicle throughout its entire life cycle—from the acquisition of raw materials to its operation, disposal, and recycling. Thus, our strategy is to conduct life-cycle assessments (LCA1) on our vehicles to minimise the adverse effects they can have on nature. We have already conducted complete LCAs on Kona EVs according to the 2020 criteria, and will gradually expand our analysis to include other EVs that will roll out of our facilities.

Marching towards a carbon-neutral environment

A substantial part of our plan to protect our environment is to achieve carbon neutrality by 2045 and become the world's greenest manufacturing facility. To achieve this, we follow a roadmap to conserve energy across our operations by improving processes, water management, and effective resource utilisation through following circular economy principles, among others. Being part of an energy-intensive industry, we have to be prudent in our resource consumption to drive overall operational efficiency, guided by our dedicated Environment & Energy Policy that is in line with international environmental priorities.

Impact on carbon emissions by life-cycle stages

Pre-manufacturing	Transportation	Manufacturing	Distribution	Use (including electricity production)/ Power generation	End-of-life treatment and recycling
34.4%	0.1%	1.2%	0.1%	63.9%	0.3%

Environment

Energy management

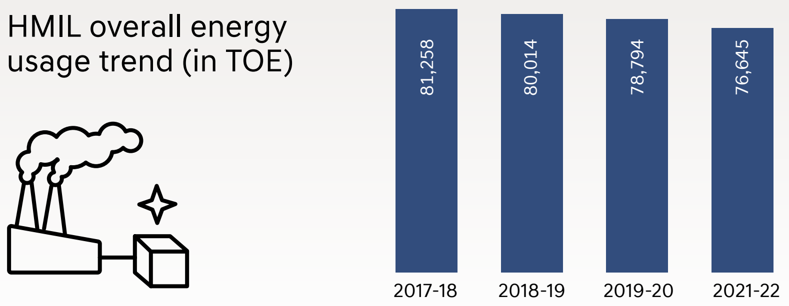
About 84% of the electricity that we use in our plant comes from eco-friendly energy sources consisting of wind power at 20%, solar power at 8%, and waste incineration and cogeneration at 56%. We also operate a 0.69 MW solar power plant, and in 2021, we installed a 10 MW photovoltaic power generator (5% of total usage) on the roofs of one of our shop floors.

With an ISO 50001:2018 certification for Energy Management System and ISO 14001:2015 certification for Environment Management System, we have taken on a number of pioneering and first-in-segment projects that have supported us in the manufacturing of eco-friendly cars. We have reduced our energy usage by ~ 2,700 tonnes of oil equivalent (TOE), (down by 3.56% ↓ YoY) and achieved overall reduced energy consumption of ~76,000 TOE through key initiatives.

Key initiatives and overall savings

Initiative	Investment (₹ million)	Savings (₹ million)
Process steam elimination through waste heat recovery (WHR)	28.30	29.43
Boiler relocation to reduce transmission loss	40.00	22.57
Energy optimisation of compressors	24.51	16.23
Wax booth exhaust fan optimisation	-	4.40
Work duct #2 cooling coil modification 3→2 way type	4.00	3.55

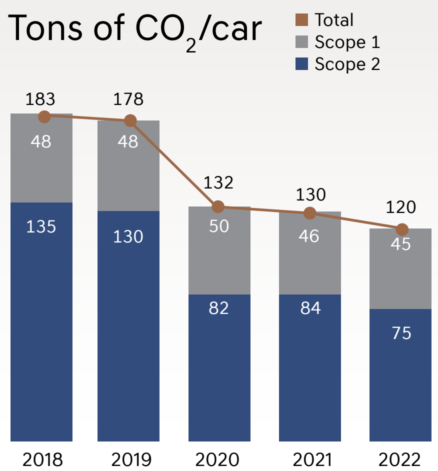
HMIL overall energy usage trend (in TOE)



Reducing emissions

As part of our green manufacturing initiatives, we are constantly monitoring and reducing the direct emission (Scope I) and indirect emission (Scope II) by opting for various methodologies, such as integrating more renewable sources in our RE portfolio and reduction of fuel usage through advanced technologies. Post-installing solar rooftop panels, we are further committed to achieving RE100 by 2025.

Tons of CO_2/car



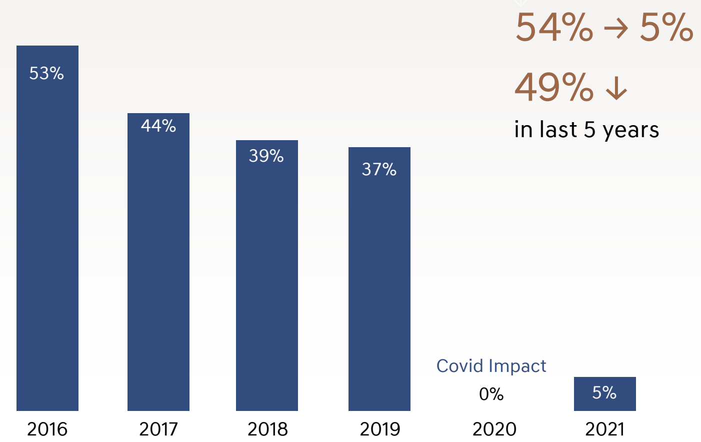
Artificial lake with 1.5 lakhs kilo litres capacity

Water management

We have strived to maintain a leading position in terms of water management through water conservation and reduction of specific water usage. In fact, we are positioned to be the best performer in terms of kL of water consumed per vehicle, compared to our peers (automotive OEMs) in India.

Apart from utilising internal recycled water for process requirement, HMIL relies on external recycled water being supplied from the Government as TTRO (Tertiary Treated RO water). We ensure that all our reject water from effluent and sewage recycling RO plants is utilised for landscaping our extensive green cover at the factory.

External freshwater dependency



Environment

Committed to setting new standards in waste management

Our programme 'Trash to Treasure' reuses packaging materials to make usable products, particularly benches and desks for schools. Employees are also encouraged to create works of art using scrap, some of which have been showcased in art shows in Chennai.

T2T CONCEPT

REUSE KD PACKING MATL→ SAVE MONEY → SAVE ENVIRONMENT

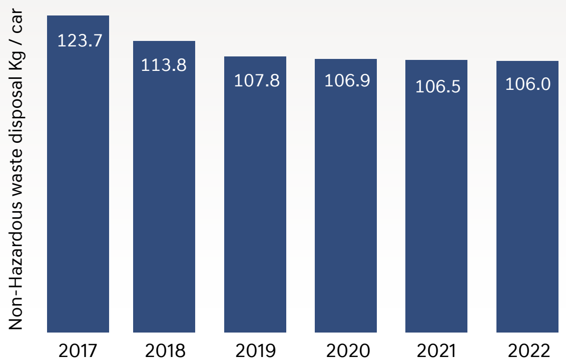
"Win-Win" for HMIL & Vendors'

RECEIPT OF MATERIALS → UNPACKING → PACKING MATERIAL COLLECTION → SALE TO VENDORS

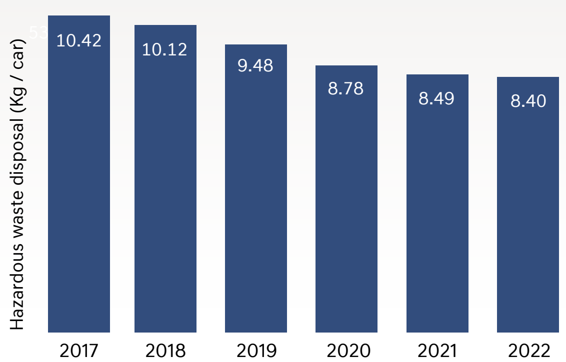
Reuse **84** ITEMS

CO_2 **6,560** TONNES

Overall non-hazardous waste quantity disposed (in 2021~22): 67,737 tonnes



Overall hazardous waste quantity disposed (in 2021-22): 4,531 tonnes



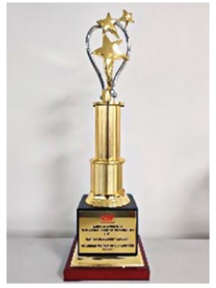
Hazardous waste is disposed in the safest way to Tamil Nadu Pollution Control Board (TNPCB) authorised vendors for co-processing.

Greenery and biodiversity management

We are proud of our green cover of 177 acres (33%) with 22,227+ trees managed by a dedicated in-house team.

Short term (2022-2024)	Long term (2025-2030)
Increased tree count to 28,000 from 18,577	Increased count of native tree plantation to 100+
Strengthening of the irrigation system, by engaging sprinklers to 50% from current 28%	Achieve 100% sprinkler-based irrigation
50% reuse of lawn waste, compared to 20%	Zero waste from HMIL to the external environment

Awards and Accolades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2

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4

5


HMIL's environmental performance was recognised across the country, on various platforms:

1. Green Award from the Government of Tamil Nadu for the third time

2. National Leader in Energy Efficiency Award for the second consecutive year and the Excellent Energy Efficient Unit Award for the fourth consecutive year from the Confederation of Indian Industry (CII)

3. National Water Award from the Ministry of Jal Shakti, Government of India

4. Best Recycled Water Consumer Award from the Federation of Indian Chambers of Commerce & Industry (FICCI)

5. Industry Excellence Award from the Institution of Engineers India (IEI)

Social

People at the forefront

We continue to uphold the principles of human rights across our operations and contribute effectively to human development across our operational and community footprint. Our Company has been consistent in the support we extend to our people.

Promoting holistic growth

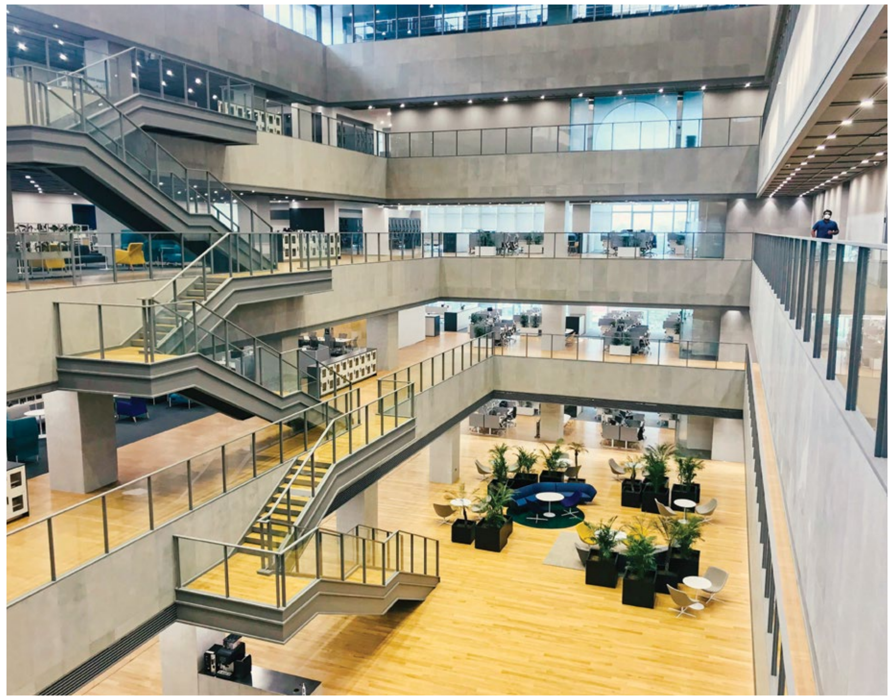
The year 2021 was a difficult one as the pandemic affected millions across the country. While the challenges in the first year were unprecedented, the second year saw us better prepared to face the adversities. With the support of all our departments, our production resumed in two shifts, except for a brief period when the transmission of the infection was extremely high. Apart from supporting our people throughout the pandemic, our teams focused on gaining a better understanding of our employees' new expectations, and introduced flexible working hours, work-from-home options, virtual trainings, and other initiatives to create a sustainable work culture.

Business as usual

As always, our HR function focused on the continued health and wellbeing of our employees. For all those who were in dire need, we arranged hospitalisation and extended medical benefits. This approach enabled us to successfully continue the operations even during the pandemic.

A period of transformation

Learning from the challenges of the previous year, our HR group opted to adapt to the new normal. Our Group's strategy for 2021 focused primarily on the talent ecosystem, HR as a Centre of Expertise and Business Partner, Data Driven HR, Performance Aligned Learning, and Learning Demand Management. We established a strategy to assist us make changes holistically, i.e., in work, workplace, and workforce.



Centre of Transformation—HQ Gurugram

The Era of Transformation started in the year 2021, when we moved into the new headquarters at Gurugram, strategically termed as 'Centre of Transformation'. Supported by various key departments, we made an efficient and seamless shift to our new workspace.

As part of this transformation journey, it was also necessary to introduce a creative, parallel, and collaborative DNA to set up an innovative organisational culture that contributes to our competitiveness and employee performance.

'Smart Culture' leading to a 'Smart Company'
'Smart Culture', conceptualised in February 2021 was brought into action, providing various platforms and opportunities for employee participation in culture innovation, showcasing HMIL as a 'Great Place to Work'. As a first step, flexible work timings with three shifts were introduced in the corporate office.

Following this were multiple communication forms, such as – 'KnoXchange', townhall meetings with our MD and interaction with division heads, all of which brought our employees together on one platform. Employees got a better insight into our industry and interacted directly with our senior management.

Diversity—A priority

In 2022, buoyed by the success of 2021, we moved on to the ideation of Smart Culture 2.0. To increase the diversity quotient in our workforce we employed more women as trainees, and strengthened our focus on creating a safe working environment for them.

Hybrid workplace
In 2021, with the wellbeing of our employees in mind, we took a cautious decision regarding our working model. We were on a hybrid work model with 50% of workforce coming to office in alternate shifts. With the ebbing of pandemic cases in February 2022, we finally took the big step of opening all offices with 100% attendance.

With the timely intervention of our Business Support team and HR teams, all necessary precautions and protocols were in place to ensure the safe return of our employees to work across India.

A platform for new talent
Young talent has always been important to HMIL as they are a valuable source of innovations, ideas and new perspectives. We have also started the 'Budding Talent Programme' for internships, to seek out the best talent in the market and provide them opportunities to work on live projects, and absorbing them as full-time employees post encouraging performance.

Honing skills
With dynamic working conditions and work environments, the learning requirements are also changing. Our HR department has conducted an

Social

extensive training need analysis, and incorporated programmes to skill our employees across behavioural, technical, functional, safety, and other Training on Demand (TOD) programmes.

- With a focus on spreading awareness on changes in technology and to upgrade skills to match this change, sessions are facilitated by in-house gyan gurus and external experts. We launched monthly, theme-based programmes for all our executives for innovation, customer experience, sales, production and quality.
- The Hyundai Academy was launched to help employees upgrade their functional skills and become talent specialists. We launched hands-on training sessions in pneumatics, MODAPTS, data analytics, storytelling, and instructional design.
- Some of the demand-based trainings organised are on 8D problem solving, SPC, DOE, NVH, Six Sigma, lean management, data analytics, machine learning and Python.
- For leaders, we unveiled exclusive leadership programmes for metamorphosis, demystifying diversity, and the art of receiving feedback.

Employee Training Programmes

01

Senior Management

- Art of Giving Feedback
- Present with Impact
- Demystifying Diversity

02

Middle Management

- Academy/Gyan guru
- Business impact/KSS
- Job Competency
- Capability Building
- Technical/Functional.
- Genesis/Novitiate

03

Junior Management

- Supervisory Development
- Job Competency
- Capability Building
- Technical/Functional

04

NEX & Trainees

- Refresher programme
- Parenting skill/Yoga
- Health awareness
- Virtual Reality Training
- Safety Simulation
- Basic Job Training

Social

Society - Creating Shared Value

Since inception, we have been investing in sustainable ways of community and social development which go beyond mandatory legal and statutory requirements. These activities strive to improve quality of life under the banner of “Progress for Humanity”. We have set up a registered public trust- Hyundai Motor India Foundation (HMIF) which directly or through other NGOs, supports in implementing our CSR projects. HMIF works closely and supports the Board and the CSR Committee in identifying and implementing CSR projects. HMIF also assists the Board and the CSR Committee in reporting progress of deployed initiatives and in making appropriate disclosures (internal/external) on a periodic basis.

CSV Vision and Long-term Strategy

HYUNDAI continue

Earth | Mobility | Hope

	Innovation	Communication	Growth	Economic Value
Approach	Develop Ideas to create value for all stakeholders using a creative and innovative approach to solve social problems	Develop a robust communication system in collaboration with stakeholders	Build a future oriented society with sustained growth and development	Go Beyond Mobility; through innovation, sustainable development and innovative solutions for our customers
Strategies	Create social value through sustainable replicable models, using technology and innovation	Communicate to stakeholders about the solutions developed to resolve the social problems	Design agile and constantly evolving need-based solutions. Solicit involvement of partners in CSR programmes	

	Environment	Healthcare	Skill Development	Road Safety	Community	Social Value
Areas	Recycle resources and effective waste management Water positivity Increase green cover, Reduce carbon footprint	Increase access to quality healthcare across rural India through telemedicine, mobile medical unit and health camps	Upskill youth in existing and new technologies for increased employability	Develop innovative solutions to make roads safer and reduce traffic accidents	Inclusive programmes for holistic development of society through youth centric programmes	Create value for society, customers, government; Progress for Humanity
Focus Group	Pan-India Activities for Young Millennials and GenZ					

In FY 2021-22, the initial focus of our CSR activities was to provide support to various governments to tackle the COVID-19 pandemic. A few projects from the previous year, like Saksham and Sparsh Sanjeevini, were ongoing. Art for Hope lived up to our expectations and provided a lifeline for many artists who were severely affected economically and needed a breakthrough.

COVID-19 and healthcare

Under our global vision of 'Progress for Humanity', we extended support to communities in need of resources during COVID-19. HMIF supported the states of Tamil Nadu, Haryana, Telangana, Delhi, Uttarakhand and Maharashtra with lifesaving oxygen support systems like oxygen plants, 225 Bipap and 200 HFNO machines, 20 high-end ventilators and 600 oxygen concentrators. Additionally, we also distributed medical supplies like thermal scanners, oxymeters, masks and sanitizers to some regions. Dry Ration was distributed in Tamil Nadu.

Boosting the wellness quotient

HMIF opened 10 new ‘Sparsh Sanjeevani – Satellite Clinics’ in partnership with Anhad India, an Indian socio-cultural organisation. The clinics are in Vadodara and Chhotaudepur districts in Gujarat, and in Mandla and Narsinghpur districts in Madhya Pradesh near Jabalpur. The opening of the satellite clinics strengthened the accessibility of healthcare services for the most vulnerable communities of the country. Each clinic is operated by

Social

a qualified and trained nurse. The nurse assists patients in receiving real-time, online medical consultation with a qualified doctor.

HMIF plans to promote community health services by providing preventive, curative referral services by setting up more such clinics across India. These clinics will cater to over 3 lakh people in rural India providing medical consultations by using technology to connect specialist with rural patients from 75+ villages. It is planned to set up 23 such clinics in 2022-23.

The Mobile Medical Unit is another initiative under preventive healthcare. In partnership with Wockhardt Foundation, Mobile Vans were deployed in Lakshmangarh Block, Alwar District, Rajasthan, where access to healthcare ecosystems were virtually absent.

Skill development

To provide young students access to modern education, HMIF has teamed up with Government ITIs and polytechnics to upgrade their infrastructure and technology, while making students, future ready.

With the pandemic causing the shutdown of many institutes, HMIF could upgrade only six polytechnics during the year, taking the total number to 13. This is in addition to the 47 polytechnics which have already been upgraded in the previous years.

HMIL has been guiding ITI Ranipet in upgrading its facilities to make it a model ITI in India, under the PPP schemes. Recently, under our guidance, ITI Ranipet added a simulator booth, cycle stand and modern equipment to train students in the trades for wiring, MMV and paint. The brand-new facilities were inaugurated on December 24, 2021.

The 'Saksham' project is yet another initiative to boost employment opportunities in diverse sectors. The aftermath of the pandemic had a severe impact on employment opportunities, especially in the healthcare sectors, where apart from the shortage of medics, there was an acute shortage of paramedics as well. To bridge this gap, HMIF rolled out a 45-day course for underprivileged youth. This year, over 1,000 youth in the states of Maharashtra, Telangana, Bihar, Jharkhand, Andhra Pradesh and West Bengal have been trained. Last year, 580 youth were trained in the states of Delhi, Haryana, Punjab, Himachal, Maharashtra and Bihar. While some students are working many have opted to study further.

The Hyundai Driving School, located near our factory is one of our oldest projects, where close to 1,623 unemployed youth have been trained to be four-wheeler drivers, out of which about 160 were trained in this year alone. This programme doesn't just guarantee safe drivers, but it also provides immediate employment to at least 60% youth.

Infrastructure support for schools

HMIF believes that good school infrastructure inspires young minds and encourages them to study. From the nascent stage of operations, factory scrap was fashioned into benches and desks and donated to schools in the Kancheepuram district. So far, 39,620 desks have been donated to 264 schools, benefitting more than 4 lakh children The tradition continues to date. This year, an additional 1,500 sets of benches and desks were donated to 25 government schools, which will seat at least 3,000 students.

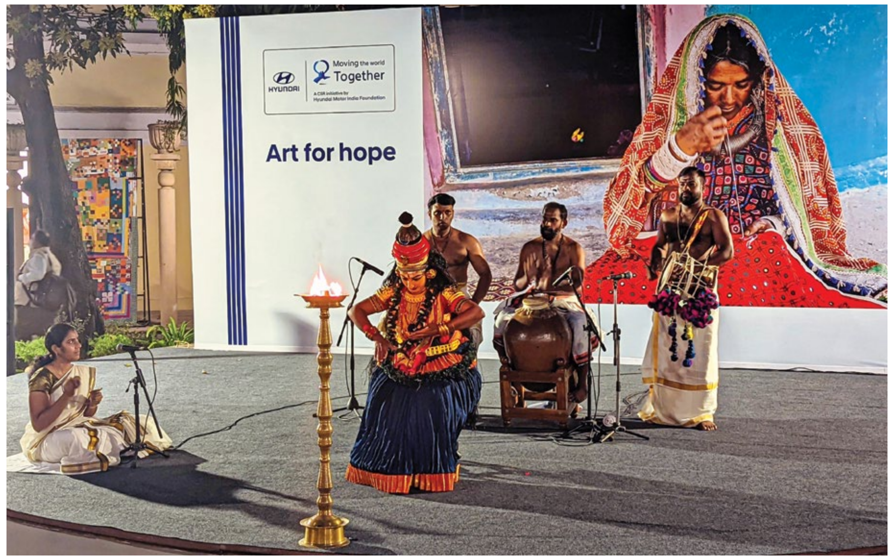
Additionally, HMIF has taken up work in schools in the Kancheepuram district, namely the Panchayat Union Primary School and Government Higher Secondary School, Salavakkam; Government High School, Perambakkam. The work involves improving facilities and updating infrastructure including the kitchen area, creating drinking water provisions, modifying plumbing and restrooms, renovating the computer lab, science lab, library, painting of the building, and more. With this, the total number of schools renovated are now at seven between 2020 and 2022.

Road safety and awareness

To inculcate good road etiquettes and reduce accidents, HMIF regularly engages with the relevant authorities and also builds public advocacy through multiple programmes, such as:

#BeTheBetterGuy: This is an ongoing effort by Hyundai Motor India to spread awareness and sensitise masses about the importance of road safety. The initiative highlights road safety practices through innovative and engaging content to bring behavioural change among all the stakeholders. Our vision of 'Progress for Humanity' sees us constantly working to raise awareness and promote safe driving habits such as observing speed limits and traffic rules, usage of seatbelts, avoiding drunken driving and mobile phone use, discouraging underage driving, and prioritising pedestrian safety. During the pandemic, the campaign also advocated maintaining hygiene and social distance, cultivating the habit of wearing masks and periodic car sanitisation of vehicles.

Mission Gurugram and Faridabad: HMIF announced 'Mission Gurugram' and 'Mission Faridabad', unique Town Hall projects with the message – 'Dhyan Do' emphasising on road safety and healthcare of public/private transport drivers. With health check-up camps and road safety training programmes, the project has reached 34,000 public transport drivers corporate employees and drivers at Gurugram and Faridabad, Haryana.



Other Road Safety Programmes
To create safer roads, we have:

- Donated 200 number of road barricades and installed two traffic signals at high-density traffic near Chennai, Tamil Nadu.
- **Traffic Marshall Scheme:** Deployed 40 volunteers (students drawn from economically weaker sections) for traffic regulation in select congested locations in Chennai.
- **TROZ:** Traffic Regulation Observed Zone [Annanagar, Chennai], is an exclusive and comprehensive road safety project that commenced in the year 2019. A surveillance system with 63 super-sophisticated cameras and a fully equipped monitoring room was installed at ₹2.1 crore, and is used to track private and public vehicle drivers.

Community development

HMIF has been working with communities around the factory for more than 10 years. The many interventions have helped improve lives and facilities. Last year, we have trained 295 rural women in dairy farming, adding to the 200 women trained the previous year. The women earn a living through sale of milk and milk products, while ensuring better nutrition for their own families.

A new community centre and anganwadi has also been constructed in the Katrambakkam village. This will help the communities from neighbouring villages also access the facilities.

The self-help groups created during our very successful dream village projects which commenced in 2015, have continued to grow and flourish with each successive year. Our team has been supporting and guiding them from time to time.

Environment sustainability

Water for life: To create a sustainable ecosystem for future generations, HMIF joined hands with GuruJal Society and initiated the eco-restoration of 3 ponds—Sohna, Pataudi and Farrukhnagar blocks of Gurugram. This project will help replenish ground water and a biodiversity park around each waterbody will be set up to help in carbon sequestration as well.

Green zone @ Irrungattukottai: To create a green pocket within the industrial belt, SIPCOT handed over an Open Space Reserved [OSR] area of 12.17 acres with 5,000 saplings to HMIF for three years. The area is lush with healthy plants, and has become an oasis of calm in this busy industrial area. A nursery with 5,000 saplings has been added with the purpose of donating the saplings to villagers and other visitors with the mission of encouraging more people to come forward to plant trees and create their own green zones. The property has generated employment for 15 tribal families, who have worked hard to transform the barren land to its current form.

Green zone at @ Tamil Nadu: From 2011 HMIF has been converting arid land to cultivable land through agro forestry. To date, 1,800 marginalised farmers have benefitted in multiple ways from the 2,00,000 trees that have been planted. The rejuvenated land has begun attracting local flora, fauna and rain; soil erosion has also subsided, with an improvement in the quality of soil. The project has sequestered approximately 22,000 tonnes of carbon until March 2022.

Art for Hope

Art for Hope was conceptualised to promote art as an agent of change that inspires positivity, happiness and documents the journey of 'Progress for Humanity'. The programme is a unique initiative to recognise artists from various domains who are undiscovered, need support to carry on their art form and need a larger platform. Shortlisted artists are presented with an opportunity to exchange ideas along with executing art projects. The winners' art pieces and performances are then displayed for community viewing across India, which stand as a testament to India's rich and storied heritage of arts, craft and culture. The 'Art for Hope' programme has a panel of expert jurors from different art domains who act as mentors to the winners.

We selected 25 youth and women artists from 17 states and provided them a grant of ₹1 lakh. The final works were exhibited in a public exhibition in New Delhi and had more than 500 people in attendance. At least 70% of the artists have benefitted from the grant as they got an opportunity to connect with galleries, researchers housed their work in prominent public libraries across the country, performers were invited to various functions, and a few have been invited to residencies on fully paid grants within the country and overseas.

Craft Fest

HMIF organised an artisan support mela in Gurugram where 11 small crafters and struggling collectives were invited to display and sell their wares during the festive season. In addition to exposure, the mela also opened many doors for them at other forums where they could showcase their work and sell it.

Social

Round up of our CSV journey in 2022

Earth

Ecosystem, (forest restoration/forest conservation, water protection/water purification) and resource circulation solutions to solve global environmental problems.

Forest

AREA/PROJECT	BRIEF OF PROJECT	IMPACT
Forest - SIPCOT	‣ Greenbelt activity near plant ‣ Bio diversification of 12.6 acre land ‣ Created employment opportunities for nearby communities	**5,188** Trees **7,933** saplings
Agro Forestry	‣ Providing a Sustainable Ecosystem using barren land (500 acres) ‣ Generate livelihood opportunities for 400 families	200,000 trees expected to reduce 20,000 tonnes of carbon in 10 years

Conservation of water

AREA/PROJECT	BRIEF OF PROJECT	IMPACT
Water ATMs in School (MP)	‣ Clean drinking water for 50 schools covering more than 10,000 students ‣ Improving quality of health of students	Expected to reduce school dropout rates by 12-15%
Pond Clean – Up/Restoration	‣ Eco-restoration of three ponds in Gurugram ‣ 9.3 million liters of groundwater restoration	‣ 2.27 billion liters of water purification/year ‣ Expected 2,550 tonnes of carbon reduction/year ‣ Benefit more than 8,000 nearby residents
Conservation of water resources near the factory	‣ Water conservation near the factory (surface water, ground water restoration, waste water treatment etc.)	More than 10,000 people will be benefitted around the factory

Waste recycle

AREA/PROJECT	BRIEF OF PROJECT	IMPACT
Office (paper/ plastic waste→ school supplies)	‣ Office garbage upcycling (6.6 tonnes)	Total of 8,991.8X points will be redeemed for notebooks, Support provided
Factory waste upcycling	‣ Upcycling of our factory waste materials (Wood/ iron/pallet→ bookcase making/ donation)	‣ 1,500 sets (25 schools) ‣ Total amount of scrapped 30,150 iron (kg) waste reused for desk and bench ‣ Approximately 3,000 students/year
Community (Wet waste→ biogas)	‣ Dry and wet waste recycling in Gurugram	This will provide alternate solutions to solid waste management in the city.

Social

Mobility

Providing solutions to social issues related to mobility utilisation and traffic safety, and automotive research/education.

Solving social issues through mobility

AREA/PROJECT	BRIEF OF PROJECT	IMPACT
Sparsh Sanjeevani (Primary healthcare)	▸ Addressing healthcare issue through mobility solutions ▸ Mobile health van, telemedicine clinics	▸ Covering 18 villages through mobile health van ▸ 12 telemedicine clinics ▸ Approximately 1.8 million people are being supported by healthcare
Youth library and Science lab	▸ Providing access to education through mobile youth library and science labs	60 schools, benefiting 20,000 students in three years

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Traffic safety

AREA/PROJECT	BRIEF OF PROJECT	IMPACT
Brighter Gurugram	▸ Artist collaboration, improved traffic safety visibility and blind spots	▸ Giving artists the opportunity for 3D paintings, improve road safety ▸ Behavioral change in community ▸ Painting zebra crossing and police booths to ensure greater visibility in the night.
TROZ (Traffic Regulation Observed Zone)	▸ Within the Tamil Nadu Traffic Regulation Jurisdiction providing a practical traffic safety system (Speeding CCTV, barricades, street lights, etc.)	▸ Traffic violations reduced by almost 90% ▸ Road fatalities reduced to 10% in three years in nearby residents

Automotive studies/Education

AREA/PROJECT	BRIEF OF PROJECT	IMPACT
Electric vehicle research support	▸ In collaboration with Indian Institutes of Technology: IIT Delhi	KONA EV Donation supports research in the field of Electric Vehicles (battery, charging field)
Technical school support	▸ Industrial Training Institutes (ITI) assistance → Supports training to students on how the engine works	▸ 24 institutes supported ▸ Around 12,000 students will be benefitted in next five years
Safe driving education	▸ Training unemployed youths to drive, helping them get their drivers license	▸ Trained 160 youths to drive/ year ▸ 60% of youths employed post training

Social

Hope

Providing solutions to support the unlimited growth and hope of future generations

Youth employment

AREA/PROJECT	BRIEF OF PROJECT	IMPACT
Saksham: Skill development	‣ Skill training on General Duty Assistant (Healthcare) for youths	‣ 1,580 candidates trained ‣ Approx. 75% of trainees placed ‣ Salary range from ₹6,000 – ₹15,000
Rural women's support for self-reliance	‣ Skill training, entrepreneurship building and women empowerment	‣ 250 women benefitted from 53 families ‣ Avg. income/month/family increased by ₹8,000

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Youth capability building

AREA/PROJECT	BRIEF OF PROJECT	IMPACT
Art for Hope	‣ Promotion of Indian Art & Culture ‣ Support talented artists across India	‣ Promotion of 25 traditional and folk art ‣ Financially supported 5 projects on raising awareness on environment and social issues
Artisan Fest	‣ Organise exhibitions for promotion of traditional arts and crafts	‣ 45 artists and crafters directly; more than 2,000 individuals indirectly impacted.
Skill Institute (HATS)	‣ Supporting the technical education of young people in industrial training	‣ Scheduled for completion in 2024
Sports Education	‣ Supporting children's sports education	‣ 10 cities (to be launched in '22). → Approximately 1,500 students will be supported

Social

Hope

Disaster support

AREA/PROJECT	BRIEF OF PROJECT	IMPACT
COVID-19 /Flood disaster support	▸ Supporting government/ District administration ▸ Provide assistance to the needy people	▸ COVID-19: Seven oxygen plants, 600 concentrators, 20,000 PPE kits, 15 lakh masks etc. ▸ Flood: Supported 5,000 families in three districts of TN, overall 25,000 people impacted

Rural area development

AREA / PROJECT	BRIEF OF PROJECT	IMPACT
Dream Village 2.0	▸ Supporting public infrastructure and for underprivileged community near plant	▸ Basic infrastructure like child care center, community hall etc. ▸ Improved personal hygiene of 250 school children and 500 families
Rural Schools Infrastructure Support	▸ Govt. School Infrastructure Renovation such as classrooms, toilets and drinking water facilities	▸ So far seven schools renovated impacting 5,000 students ▸ Attendance improved by 20% ▸ Enrollment in schools increased by 15% ▸ Overall academic performance improved by 15%
Back to School	▸ 62% of rural areas during the COVID-19 period did not access the school ▸ Supporting school safety/hygiene in rural areas	▸ Supports hygiene management in 1,250 schools (launched in '22) → Approximately 180,000 students supported

Driving accountability in everything we do

Board of Directors

Our Board of Directors guides us in our endeavours to ensure a healthy and sustainable growth and guards the interests of our stakeholders. Functioning as our top decision-making body, the BoD brings a diversity of perspectives, experience, and expertise to its deliberations.

Composition

Our Board consists of nine Directors, five Executive and four Non-Executive Directors, including one woman Director. Each member comes with a vast experience and expertise in production, finance, marketing and strategy, having served in senior management positions in the Hyundai Group as well as in the automobile sector in India.

The details of the Board of Directors, meetings attended and changes in the composition are stated in the Board's report.

ESG Governance mechanism

Ethics and Integrity Framework

HMC supports the ten principles of the UN Global Compact, which includes a commitment to working against corruption in all its forms, such as extortion and bribery. HMIL being an integral part of HMC's global operations, is equally committed to ensuring a culture of ethics and integrity in all aspects of its business. We will be introducing a comprehensive Ethics Charter and Code of Conduct and various policies and processes in the current year to promote and strengthen the culture of ethics and integrity within our organisation.

A harassment-free workplace

We are an equal-opportunity employer and are committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and any form of harassment. We also believe that every employee of our Company has the right to be treated with dignity.

We have a zero-tolerance policy towards:

- Sexual harassment
- Harassment/Discrimination based on gender, race, colour, religion, age, national origin, disability, sexual orientation.
- Retaliation against anyone for making a good-faith complaint of such harassment or for cooperating in Company investigations of such complaints.

The Internal Complaints Committee (ICC) has been set up to redress all complaints regarding sexual harassment. Our Company has complied with the provisions relating to the constitution of the ICC under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The present constitution of the ICC is given below

Location	Role in Internal Committee	Position in Company
Factory and Chennai location	Presiding Officer	Woman employee in senior position
	Members	HOG (Employee Relations)
		HOD (Human Resources)
		2 women employees from factory
		External participant
Corporate Office and regional locations	Presiding Officer	Woman employee in senior position
	Members	HoG- Strategy Planning
		HoS (Human Resources)
		2 women employees from corporate office
		External participant

During FY 2021-22, the ICC did not receive any complaints and no complaints are pending resolution.

Compliance is at the forefront of our daily life, monitored by management through monthly dashboards

Vigil mechanism/ Whistleblower policy

We have established a Vigil Mechanism /Whistle Blower Policy to define and establish our position on the framework for reporting instances of unethical/improper conduct and taking suitable steps to investigate and to the maximum extent possible, preventing recurrence of such unethical/ improper conduct.

This Policy will ensure that sufficient safeguards are provided against victimisation of employees and Directors, who act as whistle blowers in bringing out any unethical/improper conduct transpiring in the Company. The identity of the Whistle blower shall be always kept confidential, except during the course of any legal proceedings, where a Disclosure/ statement is required to be filed. The Company, as a policy, strongly condemns any kind of discrimination, harassment or any other unfair employment practice being adopted against the Whistle blowers for Disclosures made under this policy.

The Protected Disclosures of an unethical/improper conduct, if any, reported under this Policy shall be forwarded to the Vigilance Officer with a copy to the Managing Director and shall be appropriately and expeditiously investigated.

We affirm that no Director or employee has been denied access to the Managing Director and that no whistle blower complaints were received during the FY 2021-22.

The Whistle Blower Policy is disclosed on our Company's website under the web link https://www.hyundai.com/in/en/hyundai-story/corporate-governance and has been informed to all stakeholders

Compliance management

As per the provisions of Companies Act, 2013, the Board must ensure that the Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

In HMIL, the Board of Directors is responsible for providing the strategy and guidance for implementing and monitoring a comprehensive system for ensuring compliance with all statutory and regulatory requirements.

In 2018, the Company set up a robust Compliance Management System (CMS) which consists of the following interdependent elements:

- Supervision of compliances by a Compliance Committee consisting of the Function Heads which confirms the status of compliances to the Board
- Compliance Management tool to monitor the compliances
- Compliance audit

The Compliance Team continuously monitors compliances in accordance with the industry requirements, EHS guidelines and other applicable legislations. The amendments are continuously updated in the CMS and informed to the functional teams. The compliances are evidenced by the upload of documentary proof on the tool, which are periodically audited and reported to the Compliance Committee, consisting of Heads of Finance, Marketing, Production and Administration. A management dashboard facilitates prompt remedial action to reduce non-compliances/ delayed compliances.

Kona Electric

Versatile and powerful, the KONA Electric is the first All-Electric SUV in India. Its power packed performance provides a thrilling driving experience with high acceleration over long distances. KONA Electric is here to change the way people think about going electric.

BOARD OF DIRECTORS

Mr Unsoo Kim
Managing Director

Mr Choon Hang Park
Whole Time Director & CFO

Mr Jong Hoon Lee
Whole Time Director

Mr Dosik Kim
Whole Time Director

Mr Tarun Garg
Whole Time Director

Mr Gang Hyun Seo
Director – Non Executive

Mr Kuen Han Yi
Director – Non Executive

Ms Kyung Hee Jung
Director – Non Executive

Mr Daehan Choi
Alternate Director to Mr. Gang Hyun Seo

COMPANY SECRETARY

Ms. M V Vidya

REGISTERED OFFICE

Plot No H-1 SIPCOT Industrial Park
Irrungattukottai
Sriperumbudur Taluk
Kancheepuram District
Tamil Nadu 602 117
Tel: 044 4710 0000
Fax: 044 4710 0400
www.hyundai.co.in

CORPORATE OFFICE

Plot No. C-11 & C-11 A, City Centre,
Urban Estate, Gurgaon II, Sector 29,
Gurugram, Haryana - 122001

STATUTORY AUDITORS

BSR & Co., LLP
Chartered Accountants
KRM Tower, 1st and 2nd Floors
No-1, Harrington Road
Chetpet
Chennai-600 031

SECRETARIAL AUDITORS

B. Chandra & Associates

Practising Company Secretaries
AG 3, Ragamalika,
No. 26, Kumaran Colony Main Road,
Vadapalani, Chennai – 600 026

COST AUDITORS

Geeyes & Co.,

Cost and Management Accountants
A-3, III Floor, 56, Seventh Avenue,
Ashok Nagar, Chennai – 600 083

BANKERS

Citibank NA
DBS Bank India Ltd
HDFC Bank Ltd
HSBC Ltd
ICICI Bank Ltd
Indian Bank
KEB Hana Bank
MUFG Bank
Shinhan Bank
Standard Chartered Bank
State Bank of India
Woori Bank

Board's Report and Financial Statements

Board's Report

To the Members of
Hyundai Motor India Limited

The Directors are pleased to present their Twenty Sixth Annual Report along with the Audited Statement of Accounts for the Financial Year 2021-22.

CORPORATE RESULTS

(₹ in million)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	470,427.93	406,740.12	473,784.32	409,722.51
Other Income	5,808.95	4,269.92	5,876.16	4,323.99
Total Income	**476,236.88**	**411,010.04**	**479,660.48**	**414,046.50**
Expenses				
(a) Cost of materials consumed	352,308.08	304,696.79	352,308.08	304,696.79
(b) Purchase of stock-in-trade	6,564.05	7,553.02	6,564.05	7,553.02
(c) Changes in inventories of finished goods, stock in trade & WIP	(621.20)	1,048.06	(621.20)	1,048.06
(d) Employee benefit expenses	14,734.01	13,022.06	16,476.38	14,648.58
(e) Finance cost	1,318.94	1,646.47	1,319.13	1,646.47
(f) Depreciation & amortisation	21,356.79	19,437.14	21,695.86	19,731.64
(g) Other expenses	43,549.89	38,913.41	44,397.74	39,556.26
(h) Cost of vehicles for own use	(201.61)	(236.81)	(201.61)	(236.81)
Total expenses	**439,008.95**	**386,080.14**	**441,938.42**	**388,644.01**
Profit Before Taxes	37,227.93	24,929.90	37,722.06	25,402.49
Less: tax expense				
(a) Current tax	10,259.55	8,200.43	10,377.87	8,359.03
(b) Deferred tax (net)	(1,649.27)	(1,742.15)	(1,671.72)	(1,768.11)
Total Tax Expenses	**8,610.28**	**6,458.28**	**8,706.15**	**6,590.92**
Profit for the year	**28,617.65**	**18,471.62**	**29,015.91**	**18,811.57**
Other comprehensive income / (loss)				
(i) Items that will not be reclassified to profit and loss				
Re-measurement of the defined benefit plans	34.93	41.64	36.11	10.92
(ii) Income tax relating to items that will not be re-classified to profit and loss	(8.79)	(10.48)	(9.09)	(2.75)
Total comprehensive income /(loss)	**26.14**	**31.16**	**27.02**	**8.17**
Total comprehensive Income for the year ended 31st March 2022	**28,643.79**	**18,502.78**	**29,042.93**	**18,819.74**
Earnings Per Share				
Basic (Face Value of ₹1000 each)	3,521.99	2,273.32	3,571.01	2,315.15
Diluted (Face Value of ₹1000 each)	3,521.99	2,273.32	3,571.01	2,315.15

ECONOMY AT A GLANCE

During the last two years, the world economy has faced a number of challenges. There were small signs of recovery from the pandemic, when unexpectedly, the Russia-Ukraine crisis turned into an outright war, throwing the world economy into turmoil. Consequently, prices of crude oil and gas, food grains such as wheat and corn and several other commodities have increased drastically. The conflict has also brought in severe financial sanctions and political pressure on Russia from the rest of the world, primarily the Western powers. These are likely to have unpredictable and undesired repercussions on the global financial system and economy.

While these changes have had a serious impact on businesses and communities, they have also accelerated some important trends for the future viz. (i) Go Green – move towards green mobility, (ii) Supply Chain Transition – Building rebalanced and resilient supply chains and (iii) Digital transition – Technology-driven trends, the internet of things (IoT), and new advances in artificial intelligence supported digital transformation (DX) in the automotive industry.

India did reasonably well in the FY 2021-22. India's strong vaccination program, low interest rates boosting the real estate sector, supply side economic reforms and high consumer demand helped Indian economy to remain on track to post fastest growth among the major economies. India recorded 14.25% growth for H1 of FY 2021-22 crossing the pre pandemic levels, though the fast spread of Omicron variant raised concern for future. INR against USD traded in the range of 72.40~75.40 depreciated by 1% in H1 FY 2021-22.

High commodity prices posed a major risk to Indian Economy. Upgradation of India's sovereign rating outlook to stable by Moody, revival in construction activity, exports and imports above pre Covid level led to overall growth in Indian Economy @8.7% which was lower than the Budget Expectation of 9.5%. India's overall exports touched a record high of $670bn in FY 2021-22 as compared to $526 bn in FY 2020-21 owing to an increase in service exports.

The scenario for the current year, however, is worrying. The war has impacted India's growth outlook as well. Crude oil prices are lingering above US$100 per barrel, wheat has gone up by 50% in the recent past, and edible oil prices are up 20%—all of which are critical imports from the two warring nations. India also partly meets its fertilizer needs from the region. For India, which has been battling inflation for a while now, this situation is making matters worse. Higher fuel and fertilizer prices will reduce government revenues and increase subsidy costs. Furthermore, capital outflows and rising import bills will weigh on the current account balance and currency valuation.

Not only India, but almost all emerging economies are reeling under these external shocks. However, India's underlying economic fundamentals are strong and despite the short-term turbulence, the impact on the long-term outlook will be marginal. While the growth outlook remains optimistic it will require a consistent and concerted policy push owing to ongoing geopolitical risks and food protectionism which may derail the recovery. India is expected to grow by around 7.5% and 6.5% in the next two fiscal years, respectively. This will mean that the baton for the fastest-growing emerging country will be passed on from China to India in the coming years.

INDIAN AUTO INDUSTRY

With FY23 being the first year of Covid-19 recovery after the impact of the lockdown, which lasted two Aprils - FY20 and FY21 - the Federation of Automobile Dealers Associations (FADA) expects the Indian auto industry may be able to reach pre-pandemic highs only by FY24 and not before.

Indian auto retails saw a 7 per cent year-on-year (YoY) rise and all segments, except tractors which fell by 1 per cent, closed in positive but fell by 25 per cent when compared to FY20, which was largely a pre-Covid year.

While the two-wheeler (2W) segment recorded the lowest growth of 4 per cent, three-wheelers (3W) saw a 50 per cent rise, passenger vehicles (PV) witnessed 14 per cent growth and the commercial vehicles (CV) segment saw 45 per cent YoY growth.

Indian auto industry's near-term outlook will continue to remain a challenge due to the ongoing Russia-Ukraine war, lockdown in China, rising fuel prices etc.

Interestingly, the PV segment saw high demand throughout the year but was unable to offer enough supplies due to the global semi-conductor shortage. While there seems to be no dent in the demand of cars in the PV segment, it will have an impact on the 2W segment as it is an extremely price-sensitive market. On the other hand, the 3W segment is also witnessing a shrinking market as there's a tactical shift from ICE (Internal Combustion Engine) to EV, which is visible as a 45 per cent 3W market is now driven by EVs.

Overall, the organisation remains extremely cautious in terms of any future recovery until the Russia-Ukraine war ends and the supplies from China revert to normalcy.

LONG-TERM OUTLOOK OF INDIAN AUTO INDUSTRY

With the international crude prices crossing the $100 mark for the first time since 2014, this resulted in the skyrocketing of petrol and diesel prices and has negatively impacted consumer confidence.

In addition to this, with the recent reverberations of war tilting the balance of risks downwards in the country, the Government's thrust on capital expenditure in FY23 can act as a game-changer by enhancing productive capacity, crowding in private investment and strengthening aggregate demand.

EV MARKET IN INDIA

India's electric vehicle (EV) market is expected to grow at a compounded annual growth rate (CAGR) of 90 per cent in this decade to touch $150 billion by 2030.

The drivers of EV adoption are the rising fuel prices and higher cost of ICE vehicles that impact their affordability. Government support for EV's is also playing a big role. Central schemes such as Faster Adoption and Manufacturing Plan, and Production Linked Incentive schemes have increased the investments in manufacturing of EV's. Many state governments have also provided demand incentives and capital assistance for setting up greenfield manufacturing plants.

Your Company is accelerating its electrification strategy to become a market leader in the EV segment.

HMI'S PERFORMANCE

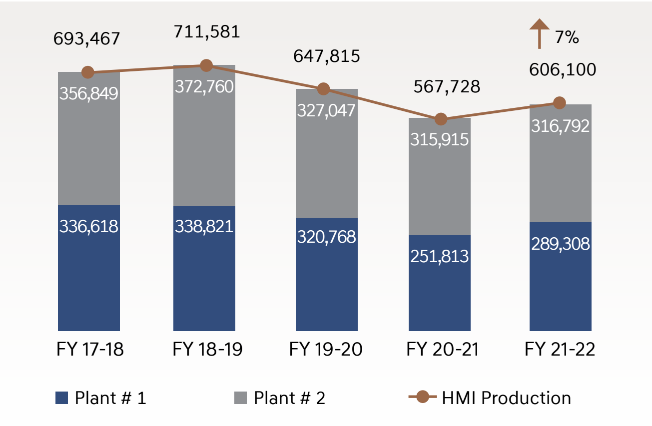
FY22 was a busy year for the Company as it navigated these challenges to successfully strengthen the fundamentals of the business.

Production

The total production of your Company for the year was 6.06 lakh units as against 5.67 lakh units in the previous year with an increase of 7%. The semi-conductor shortage impacted production to a large extent.

Plant # 2 achieved the highest production of 143,206 units in June 2021 which was significant in post COVID times.

Production Data - Last 5 years



The Company, during the year had also crossed the milestone of 10 million cars in the facility in June 2021.

Domestic Sales

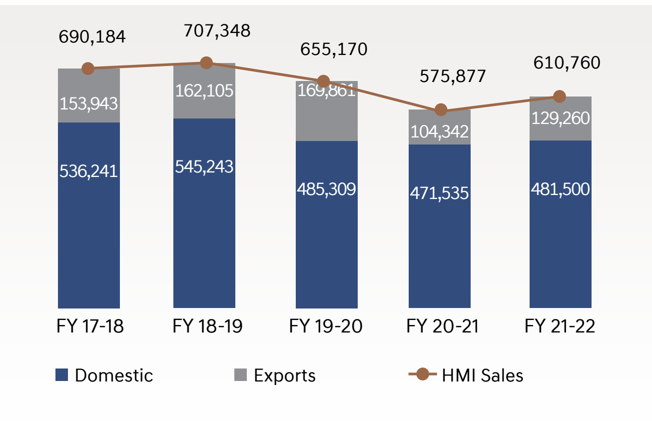
The domestic sales during the year was 4.81 lakh units as against 4.71 lakh units in the previous year, a growth of 2%.

During the year, your Company launched Alcazar 6&7 Seater SUV & i20 N Line.

Export Sales

On the export front, your Company sales increased from 1.04 lakh units to 1.29 lakh units, a growth of 24% contributed mainly by African and Latin American markets.

Sales Data - Last 5 years



Profitability

The profit before tax and profit after tax for FY 2021-22 was ₹37,228 million and ₹28,617 million respectively as compared to ₹24,930 million and ₹18,472 million respectively for the FY 2020-21, recording an increase of **49.3% in PBT and 54.9% in PAT respectively**.

Dividend

Your Directors have recommended a final dividend of ₹1,838 per share (nominal value of ₹ 1000/- per share) at a rate of 183.80% for the FY 2021-22 and this would involve a cash outflow of ₹ 14,935 million including TDS remittance of ₹2,240 million. Payment of Dividend is subject to the approval of the shareholders in the forthcoming Annual General Meeting.

Transfer to Reserves

Your Company does not propose to transfer any amount to the General Reserves out of the amount available for appropriation.

Production Capacity

Your Company is in the process of increasing the production capacity to 8.50 lakh units p.a. to meet the market demand by further automating certain processes, removing a few bottlenecks in the production process & supply chain and introduction of new models.

MILESTONES, AWARDS AND NEW INITIATIVES

Your Directors take immense pleasure in sharing the following achievements of your Company

- Smart Factory of the year - Frost & Sullivan India Manufacturing Excellence Awards
- Indian Manufacturer of the year – Frost & Sullivan India Manufacturing Excellence Awards
- BBC Top Gear Manufacturer of the year
- BBC Top Gear Hatchback of the year – Hyundai i20 N Line
- Jagran Hi-Tech Value for Money Car of the year – Hyundai ALCAZAR
- Jagran Hi-Tech Brand Entry of the year – Hyundai i20 N Line
- Jagran Hi-Tech Auto Manufacturer of the year
- India Vehicle Awards Variant of the year – Hyundai i20 N Line
- India Vehicle Awards Family 7-Seater of the year – Hyundai ALCAZAR
- Car India MPV of the year – Hyundai ALCAZAR
- The Machinists' Super Shop Floor Excellence in Quality Winner
- The Machinists' Super Shop Floor of the year 2021 Winner

Some of the notable initiatives of the Company include

- Commitment to Electrification – HMIL will introduce 'Electric Global Modular Platform' [EGMP] – Development of Electric Vehicle Infra.

- Smart Multi Gauge System [SMGS] – Introduced in TM Sub-Assembly for smooth functioning of gear engagement.

GROSS VALUE OF INVESTMENT IN PROPERTY, PLANT & EQUIPMENT AND INTANGIBLES

Upon transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as at the transition date.

Consequently, the gross book as at March 31, 2022 presented in the standalone financial statements (refer note 4A & 4B to the standalone financial statements) represents the deemed cost as of April 1, 2015 (Written down value as of April 1, 2015) adjusted for the additions & deletions till March 31, 2022. The summary of impact of changes in the Gross investment is given below.

(₹ in million)

Particulars	As at 31.03 2022	As at 31.03.2021
Original Gross Investment (Refer Annexure F for detailed breakup)		
PPE	233,088.59	219,613.72
Intangibles	13,690.99	13,638.12
Total	**246,779.57**	**233,251.84**
Gross book value under Ind AS (Refer Note 4 & 5 accompanying the Standalone Financial Statements for detailed breakup)		
PPE	165,813.82	151,796.37
Intangibles	11,723.98	11,671.30
Total	**177,537.80**	**163,467.67**

During the year your Company has made Additional Investment of **₹14,743.92** Million, Cumulative Gross Investment in Property, Plant & Equipment and Intangibles, details of which are given in **Annexure F** to the Board's Report.

EXTRACT OF ANNUAL RETURN

As per the Companies Act, 2013, the Company's Annual Return in Form MGT-7 for the FY 2021-22 will be placed in the Company's website www.hyundai.com/in post the Annual General Meeting upon filing of the same with the Registrar of Companies.

We are also providing the Extract of the Annual return as an Annexure to this Board Report in **Annexure A**.

COMPLIANCE OF SECRETARIAL STANDARDS

As required under Section 118(10) of the Companies Act, 2013, the Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India.

SUBSIDIARY COMPANIES

During the year, the Company has ventured into a new business segment 'Insurance' by promoting a wholly owned subsidiary, Hyundai India Insurance Broking Private Ltd. The new company has obtained registration with IRDAI as a Direct Broker – General. The Company will initially cater to servicing motor insurance policies and later branch out into other general insurance policies. It is expected to commence commercial operations in September 2022.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiaries, Associates and Joint Ventures (in Form AOC-1) is attached as **Annexure B(i)** to the Board's Report. The statement provides the details of performance of the subsidiaries.

FINANCE

The Company continued to maintain highest credit rating A1+ for its short term borrowings and AAA for its Long Term borrowings, from CRISIL. The rating emphasizes the financial strength of the Company in terms of the highest safety with regard to timely fulfillment of its financial obligations.

The Company is exposed to the risks associated with fluctuations in foreign exchange rates mainly on import of components, royalty payments and export of vehicles. The Company adopts natural hedge strategy and discounting of export bills to minimize currency fluctuation risk.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Corporate Social Responsibility continues to remain one of the primary focus areas of the Company.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and other details required as per the Companies (Corporate Social Responsibility Policy) Rules 2014, as amended, in the prescribed format are provided in **Annexure C**.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) During the year under review and upto the date of this report, the Company appointed the following Directors

- Mr. Dosik Kim was appointed as Additional Director at the Board Meeting held on 28th September 2021 and his appointment was approved by the shareholders at the general meeting held on 25th October 2021.
- Ms. Kyung Hee Jung was re-appointed as Non-Executive Director (Woman) for a period of three years commencing from 6th December 2021 at the Board Meeting held on 8th November 2021 and her appointment was approved subsequently by the shareholders at the general meeting held on 30th March 2022.
- Mr. Unsoo Kim was appointed as Additional Director designated as Managing Director at the Board Meeting held on 25th January 2022 and his appointment was approved subsequently by the shareholders at the general meeting held on 30th March 2022.

- Mr Jong Hoon Lee was re-appointed as Whole Time Director at the Board Meeting held on 23rd March 2022 and his term will continue for a further period of three years w.e.f 9th April 2022.

- Mr. Daehan Choi has been appointed as De Facto Whole Time Director and Alternate Director to Mr. Gang Hyun Seo with effect from 20th April 2022.

The appointment of Mr. Jong Hoon Lee and Mr. Daehan Choi will be placed for approval of the members in the ensuing Annual General Meeting.

(ii) The following Directors resigned/ retired from the Board during the year under review and upto the date of this report.

- Mr. Woongsik Oh, Whole Time Director resigned from the Board with effect from 8th August 2021, consequent to his return to Korea.

- Mr. Seonseob Kim, who was the Managing Director of the Company resigned from the Board effective from 31st December 2021, as he had to return to Korea to take up another global assignment.

- Mr. Choon Hang Park, Whole Time Director and CFO and Mr. Ganesh Mani S retired by rotation and were re-appointed at the Annual General Meeting held on 23rd August 2021.

- Mr. Tarun Garg, Mr. Gang Hyun Seo and Mr. Kuen Han Yi, being the longest serving Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

The Board takes this opportunity to once again thank all the Directors who have resigned from the Board during the year, for their guidance and valuable support during their tenure as Director.

BOARD MEETINGS

The Board met 12 (Twelve) times during the financial year. The intervening gap between any two meetings was within the time limits prescribed by the Companies Act, 2013 read with the relevant Rules and amendments as applicable from time to time.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually. Inputs were sought on various aspects of Board/Committee Governance for evaluation.

The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and the fulfillment of Directors' obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee Meetings.

As per Rule 6 of the Companies (Meeting of the Board and its Powers), Rules, 2014, read with Rule 4(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Notification No. G.S.R. 880(E) dated 13th July, 2017 issued by the Ministry of Corporate Affairs, the Company, being a wholly owned subsidiary of Hyundai Motor Company, Korea, is not required to constitute a Nomination and Remuneration Committee and an Audit Committee. Hence, the NRC Committee and Audit Committee were dissolved w.e.f 01.04.2018.

As the requirement to appoint Independent Directors is not applicable to the Company, no Independent Director is being appointed.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with the provisions of Section 134(3)(c) of the Companies Act, 2013, relating to the Directors' Responsibility Statement, the Directors hereby confirm that:

- in the preparation of the accounts for the financial year ended 31st March, 2022 the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

- the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2022 and of the profit of the Company for the year under review;

- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- the Directors had prepared the accounts for the financial year ended 31st March 2022 on a 'going concern' basis; and

- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company has an adequate Internal Financial control system over financial reporting and such controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control criteria stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

AUDITORS

Statutory Auditors

M/s B S R & Co. LLP, Chartered Accountants (ICAI Firm No. 101248W/W–100022), Chennai, Statutory Auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting of the Company.

The Company proposes to re-appoint BSR & Co. LLP, Chartered Accountants (ICAI Firm No. 101248W/W–100022), Chennai, as Statutory Auditors of the Company for a period of five years from the conclusion of the ensuing Annual General Meeting, subject to the approval of the shareholders.

The Auditor's report on the Standalone and Consolidated financial statement for the year ended March 31, 2022 to the Board on even date, does not contain any qualification, observation or adverse comment.

Cost Auditors

Pursuant to the provisions of Section 148(3) of the Companies Act, 2013, the Board of Directors had appointed M/s. Geeyes & Co., (Firm Registration No.: 00044), as Cost Auditors of the Company, for conducting the audit of cost records for the financial year ended March 31, 2022. The audit is in progress and report will be filed with the Ministry of Corporate Affairs within the prescribed period. The remuneration of the Cost Auditors for the financial year 2021-22 has been approved by the Board of Directors in their meeting held on 29th July 2021 and subsequently approved by the Shareholders at the General Meeting held on 23rd August 2021.

The Cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act are being maintained by the Company.

Secretarial Auditors

M/s. B Chandra and Associates, Practicing Company Secretaries were appointed to conduct the Secretarial Audit of the Company for the FY 2021-22, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for FY 2021-22 forms part of the Annual Report as **Annexure D** to the Board's Report. The Company has complied with all the provisions of the Acts and Rules made there under that are applicable to the Company.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

MATERIAL CHANGES & COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company between the end of financial year (March 31, 2022) and the date of the Report.

INTERNAL FINANCIAL CONTROLS

The Board has adopted the policies and procedures for ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

RISK MANAGEMENT POLICY

The Company has established a Risk Management Policy. The policy outlines the risk management framework to minimize the impact of uncertainty on the Company's strategic goals. The framework enables a structured and disciplined approach to risk management including risk identification, impact assessment, effective implementation of risk mitigation plans and risk reporting.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors had approved the Policy on Vigil Mechanism/ Whistle Blower and the same is hosted on the website of the Company which can be accessed at https://www.hyundai.com/in/en/hyundai-story/corporate-governance.

This Policy inter-alia provides a direct access to the Managing Director. Your Company hereby affirms that no Director/ employee has been denied access to the Managing Director of the Board during the Financial Year 2021-22.

FIXED DEPOSITS

During the year under review, your Company did not accept or renew any deposits within the meaning of provisions of Chapter V of the Companies Act, 2013 - Acceptance of Deposits read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186 of the Companies Act, 2013, your Company has not provided any loan / guarantee/ security in connection with loan to any person or any other body corporate or acquired security of any other body corporate.

The Company as on 31st March, 2022 had invested an amount of ₹ 40 million in various tranches in its wholly owned subsidiary Company – Hyundai India Insurance Broking Private Limited (HIIBPL) and was allotted 4 million Equity Shares of ₹ 10/- each as against the said investment. The details of the said investment are provided under Note No 7 to the Financial Statements.

The Company after the period under review and upto the date of this report had further invested in HIIBPL a sum of ₹ 40 million and was allotted 4 million Equity Shares of ₹ 10/- each on 17th June, 2022 as against the said investment.

The Investments mentioned above are in line with the approval of the Board of Directors obtained at their meeting held on 9th July, 2021.

RELATED PARTY TRANSACTIONS

In pursuance to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, the Board's Report shall disclose particulars of contracts/ arrangements entered into by the Company with related parties referred to in Sec 188(1) of the Act

Your Company has not entered into any transaction with related parties which are not at arm's length basis. All transactions entered into by the Company were in the Ordinary Course of Business and at Arm's Length basis, and the Board had accorded pre-approval for the transactions.

The confirmation that there are 'Nil' Material Related Party Transactions, as required under Section 134(3)(h) of the Companies Act, 2013 is given in Form AOC-2 as **Annexure B(ii)**, which forms part of this Board's Report.

The Details of transactions are provided in Note 38 of the Notes to the Financial Statements and hence not repeated here, for the purpose of brevity.

RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Your Company continues to focus on Research and Development activities with specific reference to emission conformance, fuel efficiency, vehicular performance and enhancement of safety, aesthetics, ride comfort and green initiatives. Expenditure incurred by way of capital and revenue on these activities is shown separately.

The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are furnished in **Annexure E** to this Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has a detailed Policy on Prevention of Sexual Harassment at Workplace in accordance with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act). Internal Complaints Committees (ICC) have been set up to redress complaints received regarding sexual harassment, as per the requirements of the POSH Act. The ICC is constituted with a senior woman employee as the presiding officer and has 2 women employees as members.

All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender inclusive, and the framework ensures complete anonymity and confidentiality.

During the year under review, no complaints were received by the ICC and no complaint is pending resolution.

ACKNOWLEDGEMENT

Your Directors take this opportunity to acknowledge the continuous support of Hyundai Motor Company, Korea.

Your Directors would like to express their appreciation for the assistance and co-operation received from the Government authorities, Financial Institutions, Banks, Customers, Dealers, Vendors, Employees Union and all other business associates.

The Directors also wish to place on record their deep sense of appreciation for the committed services by all the employees of the Company.

For and on behalf of the Board of Directors

Unsoo Kim
Managing Director

Choon Hang Park
Whole Time Director & CFO

Place: Gurugram
Date: 5th July 2022

Annexure 'A' to the Board's Report

Extract of Annual Return

I. REGISTRATION AND OTHER DETAILS:

1	CIN	U29309TN1996PLC035377
2	Registration Date	6th May 1996
3	Name of the Company	Hyundai Motor India Limited
4	Category/Sub Category of the Company	Indian Non- Government Company
5	Address of the Registered Office and contact details	Plot No H-1, SIPCOT Industrial Park, Irrungattukottai Sriperumbudur Taluk, Kancheepuram 602117
6	Whether listed company	No
7	Name, Address and Contact Details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ Service	% of total turnover of the Company
1	Manufacture of passenger cars	29101	92%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary / Associate	Applicable Section
1	Hyundai Motor Company, South Korea	NA	Holding	Section 2(46)
2	Hyundai Motor India Engineering Private Limited	U50103TG2006PTC073037	Subsidiary	Section 2(87)
3	Hyundai India Insurance Broking Private Limited	U67200HR2021PTC098982	Subsidiary	Section 2(87)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS% OF TOTAL EQUITY)

i) Category-wise Share Holding

Category	No of shares held at the beginning of the year				No of shares held at the end of the year				% change
	Demat	Physical	Total	%	Demat	Physical	Total	%	
A. Promoters									
Indian									
Individual/HUF									
Central Govt									
State Govt									
Bodies Corporate									
Banks/FI									
Any other									
Sub Total (A(1))									
Foreign									
NRIs- Individual									
Others- Individual									
Bodies Corporate		8,125,405	8,125,405	100		8,125,405	8,125,405	100	
Banks/FI									
Any other (Nominees of Holding company)		6	6			6	6		
Sub Total (A(2))		**8,125,411**	**8,125,411**	**100**		**8,125,411**	**8,125,411**	**100**	
Total shareholding of promoter A=A(1)+A(2)		**8,125,411**	**8,125,411**	**100**		**8,125,411**	**8,125,411**	**100**	

Category	No of shares held at the beginning of the year				No of shares held at the end of the year				% change
	Demat	Physical	Total	%	Demat	Physical	Total	%	
B. Public Shareholding									
Institutions									
Mutual Funds									
Banks/ FI									
Central Govt									
State Govt (s)									
Venture Capital Funds									
Insurance Companies									
FIIs									
Foreign Venture Capital Funds									
Others specify									
Sub Total B(1)									
Non Institutions									
Bodies Corporate									
Indian									
Overseas									
Individuals									
Individual shareholders holding nominal share capital upto ₹ 1 lakh*									
Individual shareholders holding nominal share capital in excess of ₹ 1 lakh*									
Others (Specify)									
Sub Total B(2)									
Total public shareholding B=B(1)+B(2)									
C. Shares held by custodian for GDR & ADRs									
Grand Total (A+B+C)		**8,125,411**	**8,125,411**	**100**		**8,125,411**	**8,125,411**	**100**	

ii) Shareholding of Promoters

S No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change
		No of shares	% of total shares	% of shares pledged/ encumbered	No of shares	% of total shares	% of shares pledged/ encumbered	
1	Hyundai Motor Company, South Korea and its Nominees	8,125,411	100	0	8,125,411	100	0	0
	Total	**8,125,411**	**100**	**0**	**8,125,411**	**100**	**0**	**0**

iii) Change in Promoter's shareholding (please specify if there is no change)

S No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares	No of shares	% of total shares
1	At the beginning of the year	8,125,411	100	8,125,411	100
2	Date wise increase/ decrease in shareholding during the year: No change	-	0	-	0
3	At the end of the year	8,125,411	100	8,125,411	100

iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares	No of shares	% of total shares
			NIL		

v) Shareholding of Directors and Key Managerial Personnel

Sl No	Director/ KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of Shares	% of total shares	No of Shares	% of total shares
A	**Mr. Seonseob Kim**				
1	At the beginning of the year	1	0	1	0
2	Increase / (Decrease) in shareholding during the year	-	-	(1)	0
3	At the end of the year	-	-	0	0
B	**Mr. Jong Hoon Lee**				
1	At the beginning of the year	1	0	1	0
2	Increase / (Decrease) in shareholding during the year	-	-	0	0
3	At the end of the year	-	-	1	0
C	**Mr. Woongsik Oh**				
1	At the beginning of the year	1	0	1	0
2	Increase / (Decrease) in shareholding during the year	-	-	(1)	0
3	At the end of the year	-	-	0	0
D	**Mr. Kuen Han Yi**				
1	At the beginning of the year	1	0	1	0
2	Increase / (Decrease) in shareholding during the year	-	-	0	0
3	At the end of the year	-	-	1	0
E	**Mr. Dosik Kim**				
1	At the beginning of the year	0	0	0	0
2	Increase / (Decrease) in shareholding during the year	-	-	1	0
3	At the end of the year	-	-	1	0
F	**Mr. Unsoo Kim**				
1	At the beginning of the year	0	0	0	0
2	Increase / (Decrease) in shareholding during the year	-	-	1	0
3	At the end of the year	-	-	1	0

Note:

(I) The Directors are holding shares in the capacity of nominee shareholders of Hyundai Motor Company

(II) One Equity share has been transferred from Mr. Woongsik Oh to Mr. Dosik Kim and from Mr. Seonseob Kim to Mr. Unsoo Kim on 16.8.2021 and 11.01.2022 respectively

V. INDEBTEDNESS (UNDISCOUNTED)

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

(₹ in Million)

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5,936.68	12,953.79	-	18,890.47
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**5,936.68**	**12,953.79**	**-**	**18,890.47**
Change in indebtedness during the financial year				
i) Addition	5.94	11,049.52	-	11,055.46
ii) Reduction	5.94	13,752.44	-	13,758.38
Net change	-	(2,702.92)	-	(2,702.92)
Indebtedness at the end of the financial year				
i) Principal Amount	5,936.68	10,250.87	-	16,187.55
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not paid	-	-	-	-
Total (i+ii+iii)	**5,936.68**	**10,250.87**	**-**	**16,187.55**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director and/or Manager

(₹ in Million)

S No	Particulars of remuneration	S S Kim	U S Kim	C H Park	J H Lee	Woongsik Oh	Ganesh Mani S	Tarun Garg	Dosik Kim	Total amount
1	Gross Salary									
	a) Salary as per provisions contained in Sec 17(1) of the Income Tax Act, 1961	26.87	6.38	21.18	25.55	7.34	22.18	31.45	14.07	155.02
	b) Value of perquisites u/s 17(2)	14.18	3.04	11.17	11.74	3.72	2.15	1.87	6.73	54.61
	c) Profits in lieu of salary u/s 17(3)									
2	Stock option									
3	Sweat Equity									
4	Commission									
	-As % of profits									
	-Others, specify									
5	Others, please specify									
	Total (A)	**41.05**	**9.42**	**32.35**	**37.29**	**11.05**	**24.33**	**33.33**	**20.80**	**209.63**
	Ceiling as per Act									4,100.93

B. Remuneration to Other Directors

S No	Particulars of remuneration	Names of Directors			Total Amount
1	Non Executive Directors	Kuen Han Yi	Kyung Hee Jung	Gang Hyun Seo	
	Fee for attending Board Meetings	-	-	-	-
	Commission	-	-	-	-
	Others (please specify)	-	-	-	-
	Total (B)	**-**	**-**	**-**	**-**
	Overall ceiling as per the Act	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/ WTD

(₹ in Million)

S No	Particulars of remuneration	Key Managerial Personnel		Total Amount
		CS- M V Vidya	CFO – Choon Hang Park	
1	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4.87	21.18	26.05
	b) Value of perquisites u/s 17(2)	0.02	11.17	11.19
	c) Profits in lieu of salary under Section 17(3)			
2	Stock option			
3	Sweat Equity			
4	Commission			
	-As % of profits			
	-Others, specify			
5	Others, please specify			
	Total	**4.89**	**32.35**	**37.24**

VII PENALTIES/ PUNISHMENTS/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of penalty/ punishment/ compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made if any (give details)
A. Company					
Penalty			**NIL**		
Punishment					
Compounding					
B. Directors					
Penalty			**NIL**		
Punishment					
Compounding					
C. Other officers in default					
Penalty			**NIL**		
Punishment					
Compounding					

Corporate Overview

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Annexure 'B(i)' to the Board's Report

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint ventures

Part "A" Subsidiaries

(₹ in Million)

1	Name of the subsidiary	Hyundai Motor India Engineering Private Ltd	Hyundai India Insurance Broking Pvt Ltd
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as that of Holding Company	Same as that of Holding Company
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable	Not applicable
4	Share capital	1,370.00	40.00
5	Reserves and Surplus	2,219.79	(9.55)
6	Total Assets	4,129.45	64.92
7	Total Liabilities	539.66	34.47
8	Investments	NIL	NIL
9	Turnover	3,507.61	NIL
10	Profit/(Loss) before taxation	506.02	(12.76)
11	Provision for taxation	99.08	3.21
12	Profit/ (Loss) after taxation	406.94	(9.55)
13	Other Comprehensive Income/ (loss)	0.88	NIL
14	Total Comprehensive Income	407.82	(9.55)
15	Proposed Dividend	NIL	NIL
16	% of shareholding	100%	100%

Notes: The following information shall be furnished at the end of the statement

1	Names of subsidiaries which are yet to commence operations	Hyundai India Insurance Broking Pvt Ltd
2	Names of subsidiaries which have been liquidated or sold during the year	None

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies, Joint Ventures

Hyundai Motor India Ltd has not invested in shares of any other company except the subsidiary companies as detailed above

Note: Hyundai India Insurance Broking Pvt Ltd was incorporated on 8th November 2021 and the first financial year is from date of incorporation to 31st March 2022

Annexure 'B(ii)' to the Board's Report

FORM NO. AOC-2

Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts)Rules 2014

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

   There were no contracts or arrangements or transactions entered into during the year ended 31st March 2022, which were not at arm's length basis.

2. **Details of material contracts or arrangements or transactions at arm's length basis:**

   There were no material contracts or arrangements or transactions for the year ended 31st March 2022. Thus, this disclosure is not applicable.

Annexure 'C' to the Board's Report

Annual Report on CSR Activities

INTRODUCTION

Your Company firmly believes that a healthy and prosperous society benefits all. Hence your company set up a not for profit Foundation - Hyundai Motor India Foundation (HMIF) in the year 2006 to serve the disadvantaged. This initiative was taken up well before the requirement for contribution to CSR activities was introduced in the Companies Act, 2013. HMIF was built on the core values of changing lives in the shortest possible time.

HMIL also partners with other Non Government Organisations (NGOs) to carry out healthcare, environment and education projects in different parts of India.

1. OUTLINE OF CSR POLICY & FOCUS AREAS

- **Skill development and sustainable livelihoods**

  Enabling India's youth to gain skills that can provide employment opportunities is key to realizing the potential of India's demographic divide and driving inclusive growth. Improving employability of the youth from lower-income sections of society is hence an important focus area.

- **Health care**

  The challenges faced in healthcare in India are many and HMIL will be focusing on providing access to affordable healthcare for the poor; creating awareness on health issues & making available basic medical facilities in the remote villages of India.

- **Education**

  HMIL aims to promote employment enhancing Vocational skills especially for the youth through livelihood enhancement projects. The Company, both directly and through HMIF will continue to work with various bodies, including State Governments and other NGOs for holistic development of the children.

- **Road Safety**

  HMIL will promote Road Safety among people through various activities for creating awareness on road safety, training of drivers and working with traffic department in regulating traffic in major cities of India.

- **Promoting art and culture**

  HMIL will provide forums for promoting and developing traditional arts and handicrafts and work with artisans from under privileged sections of society to showcase their talent through exhibitions, shows etc.

  HMIL will also work on the uplift of young artists and different art forms, by organizing workshops, panel discussions, and other programs to foster creative learning across cultural fields.

- **Community Development**

  HMIL will foster development in the local villages by providing livelihood opportunities, sanitation and drinking water facilities and general upkeep of schools and community health centres.

  HMIL being a firm believer in gender equality will work towards empowering women particularly in the rural areas to develop their skill sets which will provide them with a means of livelihood. HMIL will help in setting up Self Help Groups (SHGs) to enable them to become economically independent.

- **Environmental sustainability**

  Promoting Environmental sustainability through sustainable mobility(EV), ecological balance and conservation of natural resources and maintaining quality of soil, air and water through various initiatives such as resource conservation, renewable energy and energy efficiency.

- **Support for Technology Incubators and Public Funded Universities**

  The Company will aim at promoting and supporting technology and innovations by contributing to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and;

  HMIL will also continue to support by way of contribution to public funded Universities and such other Universities and Institutions as may be notified by the Government from time to time, engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

- **Other areas**

  Contribution to the Prime Minister's National Relief Fund or any other Fund set up by the Central Government for socio-economic development and relief and welfare of the scheduled caste, tribes and other backward classes, minorities and women.

  The Company will continue to provide support to specific needs such as during natural disasters through financial as well as logistical support. HMIL may also contribute from time to time to the Prime Minister's National Relief Fund including Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government or the State Governments for socio-economic development and relief.

  The projects undertaken by the Company during the FY 2021-22 are within the broad framework of Schedule VII of the Companies Act, 2013.

2. COMPOSITION OF THE CSR COMMITTEE

Sl No	Name of the Director	Designation	Number of meetings of CSR Committee entitled to attend during the year	Number of Meetings of CSR Committee attended during the year
1	Mr. Seonseob Kim	Managing Director (upto 31.12.2021)	2	2
2	Mr. Choon Hang Park	Whole Time Director & CFO	3	3
3	Mr. Woongsik Oh	Whole Time Director (upto 08.08.2021)	1	1
4	Mr. Ganesh Mani S	Whole Time Director	3	1
5	Mr. Tarun Garg	Whole Time Director	3	2
6	Mr. Dosik Kim	Whole Time Director (wef 28.09.2021)	2	1
7	Mr. Unsoo Kim	Managing Director (wef 25.01.2022)	1	0

3. PLEASE PROVIDE THE WEB-LINK WHERE COMPOSITION OF THE CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY

Composition of the CSR Committee is shared above, Details of the CSR Policy, the CSR objectives and the CSR Committee is available on the Company's website on https://www.hyundai.com/in/en/hyundai-story/csr

4. PROVIDE THE DETAILS OF THE IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB- RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES 2014, IF APPLICABLE (ATTACH REPORT)

The Company does not have any projects which were due for impact assessment in the financial year 2021-22.

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES 2014 AND THE AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY

S No	Financial Year	Amount available for set off from the preceding financial years (in ₹)	Amount required to be set off for the financial year if any (in ₹)
		NIL	

6. AVERAGE NET PROFITS OF THE COMPANY AS PER SECTION 135(5): ₹ 32,277.06 Million

7. CSR OBLIGATION FOR THE FINANCIAL YEAR 2021-22

a) Two percent of the average net profits of the Company as per Section 135(5): **₹ 645.54 million**

b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – **NIL**

c) Amount required to be set off for the financial year if any: **NIL**

d) Total CSR obligation for the financial year 7(a) + 7(b) + 7(c): **₹ 645.54 million**

8. (a) CSR Amount spent or unspent for the financial year

Total Amount spent for the Financial Year	Amount unspent				
	Total amount transferred to Unspent CSR Account as per Section 135(6)**		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
141.94	503.60	30.04. 2022	NA	NA	NA

Note: ** The actual amount transferred to the Unspent CSR Account was ₹ 502.08 Million as the Company had spent the differential amount of ₹ 1.52 million on Ongoing Projects during the month of April 2022.

8. (b) Details of CSR amount spent against ongoing projects for the financial year

Amount ₹ in million

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl No	Name of the project	Item from the list of activities in Sch VII to the Act	Local Area (Y/N)	Location of the project		Project Duration	Amount allocated for the project	Amount spent in the current financial year	Amount transferred to the Unspent CSR Account for the project as per Sec 135(6)	Mode of implementation – Direct (Y/N)	Mode of implementation through implementing agency	
				State	District							
1	Art for all	Art	Yes	Haryana	Gurugram	FY 21-22 TO 24-25	12.00	3.38	8.62	No	HMIF	CSR00000458
2	Road Safety, Health, Clean India and Environment	Road Safety	Yes	Pan India	Pan India	FY 21-22 TO 22-23	75.00	25.00	50.00	No	HMIF	CSR00000458
3	Govt. Schools- Toilet Renovation	Preventive Health	Yes	Tamil Nadu	Chennai	FY 21-22 TO 23-24	22.20	1.45	20.75	No	HMIF	CSR00000458
4	TROZ	Road Safety	Yes	Tamil Nadu	Chennai	FY 21-22 TO 22-23	3.70	2.47	1.23	No	HMIF	CSR00000458
5	Income Generation - Rural Development	Community Development	Yes	Tamil Nadu	Chennai	FY 21-22 TO 22-23	15.00	4.67	10.33	No	HMIF	CSR00000458
6	Saksham (*)	Education	Yes	Pan India	Pan India	FY 21-22 TO 22-23	5.00	-	5.00	No	HMIF	CSR00000458
7	Go Green Project	Environment	Yes	Tamil Nadu	Chennai	FY 21-22 TO 23-24	3.40	0.71	2.69	No	HMIF	CSR00000458
8	Maintenance of OSR Land	Environment	Yes	Tamil Nadu	Chennai	FY 21-22 TO 24-25	40.00	4.70	35.30	No	HMIF	CSR00000458
9	Water Resource Management and Recycling-CER	Environment	Yes	Haryana	Gurugram	FY 21-22 TO 22-23	21.30	13.90	7.40	No	HMIF	CSR00000458
10	Water Resource Management and Recycling-Gurugram	Environment	Yes	Haryana	Gurugram	FY 21-22 TO 24-25	18.10	6.35	11.75	No	HMIF	CSR00000458
11	Water Resource Management and Recycling-Factory	Environment	Yes	Tamil Nadu	Kancheepuram	FY 21-22 TO 24-25	150.30	0.04	150.26	No	HMIF	CSR00000458
12	Road Safety Initiatives	Road safety	Yes	Pan India	Gurugram	FY 21-22 TO 24-25	105.50	17.47	88.03	No	HMIF	CSR00000458
13	Satellite Clinic and MMU	Preventive Health	Yes	Pan India	Pan India	FY 21-22 TO 23-24	111.20	27.72	83.48	No	HMIF	CSR00000458
14	Payment of Electricity charges and AMC for streetlights and blinkers(*)	Road safety	Yes	Tamil Nadu	Chennai	FY 21-22 TO 22-23	0.10	-	0.10	No	HMIF	CSR00000458
15	Access to Clean Water Supply (West Zone)	Preventive Health	Yes	Madhya Pradesh	Vidisha, Raisen, Rajgarh, Bhopal and Sehore	FY 21-22 TO 22-23	18.60	3.41	15.20	No	HMIF	CSR00000458
16	Promoting Youth Education (Central Zone)(*)	Education	Yes	Pan India	Pan India	FY 21-22 TO 23-24	13.50	-	13.50	No	HMIF	CSR00000458
17	Volunteering Towards Happiness, Education	Environment	Yes	Haryana	Gurugram	FY 21-22 TO 22-23	0.40	0.43	-0.03	No	HMIF	CSR00000458
18	Disaster Management	Disaster Management	Yes	Pan India	Pan India	FY 20-21 TO 22-23	14.30	14.30	0	No	HMIF	CSR00000458
	Total						629.60	126.00	503.60			

Note (1) - (*) – these projects were commenced during FY 2022; however no expenses were booked during that period (2) HMIF – HYUNDAI MOTOR INDA FOUNDATION

8 (c) Details of CSR amount spent against other than ongoing projects for the financial year

Amount ₹ in million

(1)	(2)	(3)	(4)	(5)		(6)	7)	(8)	
Sl No	Name of the project	Item from the list of activities in Sch VII to the Act	Local Area (Y/N)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation – Direct (Y/N)	Mode of implementation through implementing agency	
				State	District				
1	Dream Village Project- Rural area development in villages around factory	Community Development	Yes	Tamil Nadu	Kancheepuram	3.25	No	HMIF	CSR00000458
2	Misc. exps incurred for donation of BS VI engine	Promotion of Education	Yes	Tamil Nadu	Multiple	0.19	No	HMIF	CSR00000458
3	Polytechnic and ITI – refurbishing of infrastructure	Promotion of Education	Yes	Pan India	Pan India	5.01	No	HMIF	CSR00000458
4	Traffic Marshalls – stipend and admin charges	Road safety	Yes	Tamil Nadu	Chennai	0.84	No	HMIF	CSR00000458
5	Skill development – Driving school	Skill Development	Yes	Tamil Nadu	Kancheepuram	1.03	No	HMIF	CSR00000458
6	Donation of benches and desks to schools	Promotion of Education	Yes	Tamil Nadu	Kancheepuream	5.51	No	HMIF	CSR00000458
Total						**15.84**			

Note: HMIF – Hyundai Motor India Foundation

8 (d) Amount spent in Administrative Overheads – ₹ 0.10 million

8 (e) Amount spent on Impact Assessment, if applicable - NA

8 (f) Total amount spent for the Financial Year [8(b)+8(c)+8(d)+8(e)] - ₹141.94 Million

8 (g) Excess amount for set off, if any: Nil

Sl No	Particulars	Amount (₹ In Million)
(i)	Two percent of average net profit of the Company as per Section 135(5)	645.54
(ii)	Total amount spent for the Financial Year	141.94
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)+ (iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years

S No	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) in ₹ Million	Amount spent in the reporting Financial Year (in ₹ Million)	Amount transferred to any fund specified under Schedule VII as per Section 135(6) if any			Amount remaining to be spent in the succeeding financial year (in ₹ million)
				Name of the Fund	Amount (in ₹ Million)	Date of transfer	
1	2020-21	274.26	263.49	-	-	-	10.77*

*The said amount has been spent subsequently after the reporting date on CSR activities as per the approved budgets

9. (b) Details of CSR amount spent in the financial year on ongoing projects of the preceding financial year(s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of the reporting Financial Year	Status of the project Completed/Ongoing
1	FY31.03.2021_1	COVID Donation	FY 2020-21	Apr 2020 to May 2021	539.50	241.93	531.43	Project duration revised. Project Completed in April 2022
2	FY31.03.2021_3	Vocational Training - Self Help Group	FY 2020-21	Apr 2020 to Apr 2021	8.25	0.12	8.25	Completed
3	FY31.03.2021_4	Vocational Training-Road Safety	FY 2020-21	Apr 2020 to Apr 2021	1.16	0.08	1.16	Completed
4	FY31.03.2021_5	Employment Generation	FY 2020-21	Dec 2020 to Oct 2021	12.04	8.25	12.04	Completed
5	FY31.03.2021_6	Promoting Health care Facilities	FY 2020-21	Oct 2020 to Mar 2022	20.64	15.83	17.93	Completed in April 2022
6	FY31.03.2021_7	Safety Traffic Engineering	FY 2020-21	Apr 2020 to Apr 2021	5.00	0.49	5.00	Completed
		Total				**266.70**	**575.81**	

Note: The amount of ₹ 266.70 million referred to in Col (7) includes a sum of ₹ 3.21 million which was spent in April 2021 prior to the transfer to Unspent CSR Account of FY 20-21.

10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR (ASSET WISE DETAILS)

a. Date of creation or acquisition of the capital asset(s): 16th June 2020

b. Amount of CSR spent for creation or acquisition of the capital asset: NIL

c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc:

- The Company had taken land on Long Term Lease from SIPCOT as detailed in (d) herein below, during the FY 20-21, for setting up of a Technical Skills Academy, which is a Right to Use Asset in the books of the Company. The Company had approached SIPCOT for approval for transfer of this asset to a specified entity in accordance with the Corporate Social Responsibility (Amendment) Rules 2021. However, the approval is yet to be received and hence, the Company is continuing to retain the asset in its books.
- The Amount spent on the acquisition of the above asset is ₹ 44.00 million

d. Provide details of the capital assets created or acquired (including complete address and location of the capital asset) - Plot No K-46 to K-49 admeasuring 6.45 acres at SIPCOT Industrial Park, Irrungattukottai, Kancheepuram, 602117

11. SPECIFY THE REASON(S) IF THE COMPANY HAS FAILED TO SPEND TWO PERCENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5)

The Company has earmarked 2% of its average net profits as per Section 135(5) for CSR activities, amounting to ₹ 645.54 million. Out of the above, the amount unspent against "Ongoing Projects" as on 31st March, 2022 was ₹ 503.60 Million. Out of the above, a sum of ₹ 1.52 million was spent in April 2022 and the balance amount of ₹ 502.08 million has been transferred to the Unspent CSR Account – FY 2021-22 on 30th April 2022. This amount will be spent in accordance with the project timelines.

For and on behalf of the Board of Directors

Unsoo Kim
Managing Director
DIN: 09470874

Choon Hang Park
Whole Time Director & CFO
DIN: 08234169

Annexure 'D' to the Directors' Report

FORM NO MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2022

(Pursuant to Section 204 (1) of the Companies Act 2013, and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014)

To
The Members,
M/s. Hyundai Motor India Limited,
Plot No.H-1, Sipcot Industrial park,
Irrungattukottai, Sriperumpudur Taluk,
Kancheepuram District 602 117.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Hyundai Motor India Limited, CIN U29309TN1996PLC035377 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2022 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the Rules made there under;

ii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

iii. The Company being an unlisted Public Company, the provisions of Securities Exchange Board of India are not applicable to the said Company.

iv. Based on the study of the systems and processes in place and a review of the (1) compliance status report provided by In charge of Utility & Services Department (2) the compliance certificate given by the Heads of (a) Finance, (b) Human Resources and (c) Employee Relations of the Company with its factory located at Irrungattukottai which undertakes manufacture, assembly and sale of Passenger cars, we report that the Company has complied with the provisions of the following industry specific statutes and the rules made there under as well as other laws to the extent it is applicable to them:

- Motor Vehicles Act, 1988
- The Motor Transport Workers Act, 1961
- The Explosives Act, 1884
- The Petroleum Act, 1934
- The Environment (Protection) Act, 1986
- The Water (Prevention and Control of Pollution) Act, 1974
- The Air (Prevention and Control of Pollution) Act, 1981

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

- The Board of Directors of the Company is duly constituted as required under the provisions of Companies Act, 2013.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Based on the minutes made available to us, we report that Majority decision is carried through and that there were no dissenting votes from any Board member, which was required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor, report deviations, if any, to the Board, take corrective actions and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the appeal filed by the Company in connection with the imposition of a penalty of ₹ 4,202.61 mn by the Competition Commission of India (CCI), is pending before the National Company Law Appellate Tribunal (NCLAT). The NCLAT while granting stay of the CCI order had directed the Company to deposit a sum of ₹ 42 Crores (10% of Penalty amount). On an Appeal filed by the Company, the Supreme Court granted Permanent Stay on NCLAT Interim order for deposit of ₹ 42 Crores and has directed NCLAT to decide the case on merits. The appeal before the NCLAT was last listed on 7th March 2022 for final arguments and then adjourned to 19th July 2022 for hearing. In another complaint made by certain dealers, the imposition of penalty by the CCI of ₹ 87 crores has been set aside by the NCLAT and an appeal filed by the CCI is pending before the Supreme Court.

Sd/-
C. ANURADHA
PARTNER
B. CHANDRA & ASSOCIATES
ACS No.: 38746
C P No.: 21407
UDIN: A038746D000564997
PEER REVIEW 1711/2022

Place: Chennai
Date: 05.07.2022

Annexure 'E' to the Board's Report

I CONSERVATION OF ENERGY

Your Company has continued its thrust on energy conservation by taking various Energy Conservation initiatives. Energy conservation activities were closely monitored through regular Inspections and Audits by a dedicated Energy Section and through the Suggestions and Innovation involving all shops who have been extensively identifying potential savings in their work areas.

The investments and activities carried out during the Financial Year 2021-22 and the resultant savings are detailed below.

(₹ In Millions)

Sl. No.	Proposal	Investment	Saving / annum
1	Process steam elimination through WHR	28.30	29.43
2	Boiler relocation to reduce transmission loss	40.00	22.57
3	Energy Optimization of Compressors	24.51	16.23
4	Wax booth exhaust fan optimization	-	4.40
5	Work duct #2 cooling coil modification 3à2 way type	4.00	3.55
6	Oven Burner sequential switch off_Final_1	-	2.14
7	C/Head Ccs Pump Running Qty Optimization	-	2.80
8	Ebw Washing Machine Temperature Reduce T2	-	2.53
9	Lockdown energy savings	-	2.16
10	EBW washing energy saving through heater temp. down (Station 2,4,5,6)	-	1.90
11	AHU Silencer Chamber Insulation Type Change	1.30	1.54
12	IE UK20-80 Washing pump conversion inverter type	1.12	1.46
13	Conventional to BLDC blower conversion	4.50	1.32
14	BLDC modification in blower	4.76	1.28
15	VFD Inverter control Washing pump	0.80	0.82
16	Energy Saving through Air Plug Gauge Pore Size Reduction	0.20	0.65
17	Air gauge automation	0.40	0.59
18	Weld Cap tip material change to Gold spot	0.80	0.51
19	Electric Heaters → Heat Pump for crank washing machine	0.43	0.39
20	Side LH/Rh #701 Sliding jig movement elimination	-	0.33
21	Side LH/Rh #701 Sliding jig movement elimination	-	0.25
22	Air washer switch off	-	0.23
23	Oven Energy Saving Sequential Motor switch off	-	0.22
24	Other Minor - Activities (< 4 Lakh Saving/ Annum)	8.70	11.37
	TOTAL Savings	**119.8**	**108.6**

II TECHNOLOGY ABSORPTION

A. Technology absorption, adaptation and innovation

(i) Efforts in brief, made towards technology absorption, adaptation and innovation

HMIL has been absorbing the state of art technology from Hyundai Motor Company, Korea. (HMC) The latest and best practices being followed are adapted to suit Indian conditions and implemented in the design and manufacturing process.

(ii) Imported technology

The Company imports technology from HMC for the manufacture of cars.

B. Expenditure Incurred on Research and Development

Particulars	₹ in Million
Capital	102.15
Revenue	258.24
Total	**360.39**
Total R&D expenditure as % of total turnover	0.08%

C. Brief particulars of Research & Development (R&D) activities

The R&D activities of the Company were predominantly in product refreshments. Efforts have also been made to enhance the Safety standards and develop countermeasures to meet the upcoming regulations. Improving Cost Competitiveness through localization is also a focus area.

1) **Model Refreshments:**

The "Venue Facelift" was developed by HMC addressing the customer feedback with respect to the outgoing model. The overall product offer has been improved to meet the customer aspirations and evolving market trends. Exterior has been redesigned to make it bold and futuristic with dark chrome grille and "H" type connected LED tail lamps at Front and Rear respectively. Interiors were refreshed with two tone Black and Greige (Beige + Grey) theme to amplify the perceived interior space. The rear Leg room was also enhanced by providing scoop shaped front seats.

In order to boost the overall customer experience, many first in segment features like 4-way power driver seat, 2 step reclining rear seat, Home-to-car connectivity (Alexa/ Google voice assistant connectivity), Voice recognition with 12 languages, FOTA updates (Firmware over the air), USB Type C ports etc. were added. In order to further enhance the driving performance, Drive modes were added with a choice of Normal, Eco & Sport options. "N-Line" a performance variant also has been added to Venue line up to address the performance enthusiasts.

2) **Technology development:**

We continuously strive to upgrade technology for our vehicles in line with evolving customers' safety requirements. Advanced Safety features have been developed for our upcoming models, considering Indian road & traffic conditions. Suitable hardware to enhance the overall safety standards of our vehicles is also considered and implemented.

3) **Regulation & Certification:**

All our models were tested and certified with new Indian Regulations notified by MoRTH with in specified time period. We also performed tests for new regulations like ESC (Electronic Stability Control) / BAS (Brake Assist System) and received certificates for all existing models.

4) **Value Engineering:**

We are continuously striving to maintain the cost competitiveness of our models. We have conducted various research activities and accordingly optimized features based on customers' evolving needs & requirements. As part of cost reduction through localization, we have saved ₹ 235 Million and will continue to enhance the same in future as well.

D. Benefits derived as a result of above R&D

1) Our dedicated efforts to establish high standards for our products has resulted in achieving high Customer satisfaction. 4 models have topped in 2021 IQS (India Initial Quality Study – Santro, i20, Venue & Creta)

2) Cost reduction, localization of sourcing of parts enhanced the profitability to organization provided optimized product to the customers.

III FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange earned in terms of actual inflows and the foreign exchange outgo in terms of actual outflows during the year are given below:

Particulars (Cash basis)	₹ in Million
Foreign Exchange earned in terms of actual inflows	107,796.07
Foreign Exchange outgo in terms of actual outflow	100,213.85
Dividend remittance in terms of actual outflow	11,554.74

Annexure 'F' to the Board's Report

1. DETAILS OF ORIGINAL GROSS INVESTMENT IN PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE

(₹ In Millions)

Gross investment in Property, Plant & Equipment and Intangibles	Gross Investment as at March 31, 2021	Additions	Deletions	Gross Investment as at March 31, 2022
PPE				
Land	5,210.67	0.05	-	5,210.72
Buildings	18,920.40	190.81	9.54	19,101.67
Moulds & Dies	103,560.51	6,465.78	68.91	109,957.38
Other Plant & Equipment	84,003.66	6,628.35	593.41	90,038.61
Furniture & Fittings	1,840.03	784.42	67.39	2,557.06
Office & Other Equipment	1,148.90	83.15	42.88	1,189.17
Data Processing Equipment	2,542.00	137.32	44.15	2,634.93
Test Vehicles	850.70	90.55	190.66	750.59
Other Vehicles	992.43	245.29	96.36	1141.36
Leasehold Improvements	544.41	-	37.32	507.09
PPE Sub-total	**219,613.72**	**14,625.73**	**1,150.63**	**233,088.59**
Intangible				
Computer software	2,608.10	118.19	65.59	2,660.96
Technical Knowhow	11,030.02	-	-	11030.02
Intangible sub- total	**13,638.12**	**118.19**	**65.59**	**13,690.99**
Total	**233,251.84**	**14,743.92**	**1216.22**	**246,779.57**

Independent Auditor's Report

To the Members of Hyundai Motor India Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of Hyundai Motor India Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 on the standalone financial statements.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

- Obtain an understanding of internal 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 the Management and Board of Directors.

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

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

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.

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

Report on Other Legal and Regulatory Requirements

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

2A. As required by Section 143(3) of the Act, we report that:

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

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

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

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

e. On the basis of the written representations received from the directors as on 01 April 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 36.1 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

d(i) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 47 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or

- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 47 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

e. The final dividend paid by the Company during the year, which was declared in the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 18 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

C. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

S Sethuraman
Partner

Place: Chennai
Date: 05 July 2022

Membership No.: 203491
ICAI UDIN:22203491AMGGQP5679

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Hyundai Motor India Limited for the year ended 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

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

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, including inventory lying with third parties, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security, granted loans or advances in the nature of loans, secured or unsecured to firms, limited liability partnership or any other parties during the year. However, the Company has made investments in companies during the year. The Company has not provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity during the year.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the interest of the Company. There are no guarantees provided, security given, or loans and advances in the nature of loans and guarantees provided during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Accordingly, reporting under clause 3(iii)(c) is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Accordingly, reporting under clause 3(iii)(d) is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Accordingly, reporting under clause 3(iii)(e) is not applicable to the Company.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (in INR million)	Amount paid under protest (in INR million)	Disputed but not deposited (in INR million)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	512.22	99.20	413.02	FY 2004-05, FY 2007-08, FY 2017-18	Customs, Excise and Service Tax Appellate Tribunal
		36.13	-	36.13	FY 2012-13 to FY 2016-17	Commissioner Appeals
Central Excise Act, 1944	Duty of Excise	0.28	-	0.28	FY 1999-00	Commissioner Appeals
		5.63	-	5.63	FY 2006-07 to FY 2007- 08	Customs, Excise and Service Tax Appellate Tribunal
		10.20	-	10.20	FY 2003- 04 to FY 2007-08	Honorable Supreme Court
		7,248.41	100.21	7,148.20	FY 2021-22	Honorable High Court of Madras
Maharashtra VAT Act, 2002	VAT	0.21	0.13	0.08	FY 2010-11	Maharashtra Sales Tax Tribunal
Tamil Nadu VAT Act, 2006	VAT	280.21	280.21	-	FY 2006- 07 to FY 2016-17	Tamil Nadu Sales Tax Appellate Tribunal
The Customs Act, 1962	Duty Drawback	261.33	261.33	-	September 2007 to August 2009	Honorable High Court of Madras

Name of the statute	Nature of the dues	Amount (in INR million)	Amount paid under protest (in INR million)	Disputed but not deposited (in INR million)	Period to which the amount relates	Forum where dispute is pending
The Customs Act, 1962	Anti Dumping Duty	320.40	165.66	154.74	April 2014 to March 2021	Honorable Supreme Court
		6,967.78	6,967.78	-		
	Duty of Customs	5,689.15	-	5,689.15	July 2006 to August 2011	Customs, Excise and Service Tax Appellate Tribunal
		280.61	-	280.61	June 2016 to March 2018, November 2010 to February 2011, March 2014 to February 2015	
		29.33	29.33	-	June 2004	
		595.64	595.64	-	FY 2021-22	Directorate of Revenue Intelligence
	Extra Duty Deposit	91.31	-	91.31	FY 1997-02	Honorable High Court of Madras
Income Tax Act, 1961	Income Tax	4,136.97	127.08	4,009.89	FY 2002- 03, FY 2004- 05 to FY 2005- 06, FY 2007-08 to FY 2010-11, FY 2012-13, FY 2014-15 to FY 2015-16	Honorable High Court of Madras
		2,562.79	50.28	2,512.51	FY 2011-12	Income Tax Appellate Tribunal
		2,345.75	1,009.00	1,336.76	FY 1998- 99 to FY 2005- 06, FY 2007-08 to FY 2010- 11, FY 2013-14	CIT (A)

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

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

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

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us based on our examination of the books of accounts of the Company, transactions entered by the Company with the related parties during the year are in compliance with section 188 of the Act where applicable and the details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. Section 177 of the Act is not applicable to the Company.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business. Such internal audit system has an implementation programme over a phased manner.

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

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

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

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

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

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
ICAI UDIN:22203491AMGGQP5679

Place: Chennai
Date: 05 July 2022

Annexure B to the Independent Auditor's Report on the standalone financial statements of Hyundai Motor India Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

We have audited the internal financial controls with reference to financial statements of Hyundai Motor India Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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

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 Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone 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 standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
ICAI UDIN:22203491AMGGQP5679

Place: Chennai
Date: 05 July 2022

Standalone Balance Sheet

as at March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	4	61,262.90	66,585.37
Capital work-in-progress	4.1	5,290.62	7,958.71
Intangible assets	5	3,695.49	5,056.99
Right-of-use assets	6	636.07	410.63
Financial assets			
Investment in wholly-owned subsidiaries	7	1,410.00	1,370.00
Other financial assets	8	468.32	473.36
Non-current tax assets (net)	9	1,946.12	4,998.10
Deferred tax assets (net)	44.4	5,986.21	4,345.74
Other non-current assets	10	2,032.92	2,012.17
Total non-current assets		**82,728.65**	**93,211.07**
Current assets			
Inventories	11	28,811.20	25,633.20
Financial assets			
Trade receivables	12	21,490.85	24,406.15
Cash and cash equivalents	13	139,658.39	114,218.55
Loans	14	154.94	254.85
Other financial assets	15	2,950.84	2,825.76
Other current assets	16	5,043.35	4,432.81
Total current assets		**198,109.57**	**171,771.32**
Total assets		**280,838.22**	**264,982.39**
Equity and liabilities			
Equity			
Equity share capital	17	8,125.41	8,125.41
Other equity	18	158,226.04	143,176.06
Total equity		**166,351.45**	**151,301.47**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	7,667.10	8,158.46
Lease liabilities	20	289.83	46.86
Provisions	21	7,465.57	7,651.29
Other non-current liabilities	22	7,378.07	6,648.64
Total non-current liabilities		**22,800.57**	**22,505.25**
Current liabilities			
Financial liabilities			
Borrowings	23	3,733.23	5,259.06
Lease liabilities	24	61.12	74.98
Trade payables			
Total outstanding dues of micro and small enterprises	25	1,273.33	1,393.20
Total outstanding dues other than micro and small enterprises		52,712.53	59,146.32
Other financial liabilities	26	4,197.80	3,944.08
Provisions	27	4,521.19	4,089.26
Current tax liabilities (net)	28	1,984.37	2,670.59
Other current liabilities	29	23,202.63	14,598.18
Total current liabilities		**91,686.20**	**91,175.67**
Total liabilities		**114,486.77**	**113,680.92**
Total equity and liabilities		**280,838.22**	**264,982.39**

Significant accounting policies 2

The accompanying notes are an integral part of these standalone financial statements
As per our report of even date attached.

for B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

for and on behalf of the Board of Directors of
Hyundai Motor India Limited
CIN: U29309TN1996PLC035377

S Sethuraman
Partner
Membership Number: 203491

Unsoo Kim
Managing Director
DIN: 09470874

Choon Hang Park
Executive Director and CFO
DIN: 08234169

Place: Chennai
Date: July 05, 2022

M V Vidya
Company Secretary
Membership Number: 7296

Place: Gurgaon
Date: July 05, 2022

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	30	470,427.93	406,740.12
Other income	31	5,808.95	4,269.92
Total income		**476,236.88**	**411,010.04**
Expenses			
Cost of materials consumed	32(a)	352,308.08	304,696.79
Purchases of stock-in-trade	32(b)	6,564.05	7,553.02
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32(c)	(621.20)	1,048.06
Employee benefits expense	33	14,734.01	13,022.06
Finance costs	34	1,318.94	1,646.47
Depreciation and amortisation expense	6.1	21,356.79	19,437.14
Other expenses	35	43,549.89	38,913.41
Cost of vehicles for own use		(201.61)	(236.81)
Total expenses		**439,008.95**	**386,080.14**
Profit before tax		**37,227.93**	**24,929.90**
Tax expense			
Current tax	44.1	10,259.55	8,200.43
Deferred tax (net)	44.1	(1,649.27)	(1,742.15)
Total tax expense		**8,610.28**	**6,458.28**
Profit for the year		**28,617.65**	**18,471.62**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of net defined benefit liability/(asset)	37.2	34.93	41.64
Income tax relating to the above	44.3	(8.79)	(10.48)
Total other comprehensive income/(loss) for the year		**26.14**	**31.16**
Total comprehensive income for the year		**28,643.79**	**18,502.78**
Earnings per equity share (₹ 1000 paid up)	41		
- Basic		3,521.99	2,273.32
- Diluted		3,521.99	2,273.32

Significant accounting policies 2

The accompanying notes are an integral part of these standalone financial statements
As per our report of even date attached.

for B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

for and on behalf of the Board of Directors of
Hyundai Motor India Limited
CIN: U29309TN1996PLC035377

S Sethuraman
Partner
Membership Number: 203491

Unsoo Kim
Managing Director
DIN: 09470874

Choon Hang Park
Executive Director and CFO
DIN: 08234169

Place: Chennai
Date: July 05, 2022

M V Vidya
Company Secretary
Membership Number: 7296

Place: Gurgaon
Date: July 05, 2022

Standalone Statement of Cash Flows

for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities		
Profit for the year	28,617.65	18,471.62
Adjustments for		
Tax expense	8,610.28	6,458.28
Depreciation and amortisation expense	21,264.84	19,327.46
Depreciation on right of use assets	91.95	109.68
Finance costs	1,318.94	1,646.47
Loss on PPE sold / scrapped / written off (net)	53.12	28.96
Donations	-	5.07
Interest income from bank deposits	(3,893.97)	(3,048.76)
Interest income on refund of income tax	(354.60)	143.95
Income from government grant	(691.66)	(713.46)
Unrealised exchange (gain) / loss (net)	(38.27)	183.80
Operating profit before working capital/other changes	**54,978.28**	**42,613.07**
Working capital adjustments		
(Increase)/decrease in inventories	(3,178.00)	2,066.64
(Increase)/decrease in trade receivables	2,901.01	(9,842.70)
(Increase)/decrease in loans (current)	99.91	68.06
(Increase)/decrease in other financial assets (current and non-current)	330.09	3,029.00
(Increase)/decrease in other assets (current and non-current)	(479.89)	3,480.47
Increase/(decrease) in trade payables	(6,497.69)	14,443.64
Increase/(decrease) in other financial liabilities (current)	292.52	499.62
Increase/(decrease) in other liabilities (current and non-current)	10,019.62	6,407.05
Increase/(decrease) in provisions (current and non-current)	(117.21)	(39.25)
Cash generated from operating activities	**58,348.64**	**62,725.60**
Income taxes paid (net of refunds)	(7,537.77)	(9,076.24)
Net cash generated from operating activities (A)	**50,810.87**	**53,649.36**
Cash flows from investing activities		
Investment in subsidiary during the year	(40.00)	-
Capital expenditure (including capital advances, net of payables on purchase of property, plant and equipment and intangible assets)	(12,279.19)	(25,384.52)
Proceeds from sale of property, plant and equipment	109.93	40.21
Interest received on bank deposits	3,443.84	3,769.11
Net cash used in investing activities (B)	**(8,765.42)**	**(21,575.20)**
Cash flows from financing activities (refer note below)		
Proceeds from central sales tax soft loan	-	181.92
Repayment of sales tax / VAT deferral loan	(1,087.10)	(1,141.76)
Repayment of lease liabilities	(89.71)	(117.14)
Proceeds from short term borrowings	10,462.86	14,403.51
Repayment of short term borrowings	(12,083.48)	(11,451.25)
Finance costs paid	(228.93)	(440.80)
Dividend paid (including withholding tax)	(13,593.81)	-
Net cash flows (used in) / from financing activities (C)	**(16,620.17)**	**1,434.48**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**25,425.28**	**33,508.64**
Cash and cash equivalents at the beginning of the year	114,218.55	80,704.23
Effect of exchange rate fluctuations on cash and cash equivalents held	14.56	5.68
Cash and cash equivalents at the end of the year	**139,658.39**	**114,218.55**
Cash and cash equivalents as per note 13	**139,658.39**	**114,218.55**

Standalone Statement of Cash Flows

for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

Notes:

a) The above Statement of Cash Flows has been prepared using indirect method as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

b) Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities including both changes arising from cash flows and non-cash changes

For the year ended March 31, 2022

Particulars	As at March 31, 2021	Cash flow changes (net)	Non-cash changes	As at March 31, 2022
VAT/CST deferral loan (unsecured) (refer note 19)	6,716.26	(1,087.00)	489.61	6,118.87
CST soft loan (secured) (refer note 19)	2,529.20	-	196.01	2,725.21
Export receivables discounted on a "With recourse" basis (refer note 23)	4,172.06	(1,620.62)	4.81	2,556.25
Lease liabilities (refer note 40)	121.84	(89.71)	318.82	350.95

For the year ended March 31, 2021

Particulars	As at March 31, 2020	Cash flow changes (net)	Non-cash changes	As at March 31, 2021
VAT/CST deferral loan (unsecured) (refer note 19)	7,147.23	(959.84)	528.87	6,716.26
CST soft loan (secured) (refer note 19)	2,347.28	-	181.92	2,529.20
Export receivables discounted on a "With recourse" basis (refer note 23)	1,275.53	2,952.26	(55.73)	4,172.06
Lease liabilities (refer note 40)	213.40	(117.14)	25.58	121.84

Significant accounting policies - Refer note 2
The accompanying notes are an integral part of these standalone financial statements
As per our report of even date attached

for B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: July 05, 2022

for and on behalf of the Board of Directors of
Hyundai Motor India Limited
CIN: U29309TN1996PLC035377

Unsoo Kim
Managing Director
DIN: 09470874

Choon Hang Park
Executive Director and CFO
DIN: 08234169

M V Vidya
Company Secretary
Membership Number: 7296

Place: Gurgaon
Date: July 05, 2022

Standalone Statement of Changes in Equity

for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

A. EQUITY SHARE CAPITAL (Refer Note 17)

	No. of shares	₹ in million
Balance as at April 1, 2020	81,25,411	8,125.41
Changes in equity share capital during the year	-	-
Balance as at March 31, 2021	**81,25,411**	**8,125.41**
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	**81,25,411**	**8,125.41**

B. OTHER EQUITY

Particulars	Reserves and surplus		Total
	General Reserve	Retained earnings	
Balance as at April 1, 2020	4,963.91	119,709.37	124,673.28
a) Profit for the year ended March 31, 2021	-	18,471.62	18,471.62
b) Other comprehensive income / (loss) (net of tax) - Transferred to retained earnings	-	31.16	31.16
Total comprehensive income / (loss) for the year ended March 31, 2021	**-**	**18,502.78**	**18,502.78**
Balance as at March 31, 2021	**4,963.91**	**138,212.15**	**143,176.06**
Balance as at April 1, 2021	**4,963.91**	**138,212.15**	**143,176.06**
a) Profit for the year ended March 31, 2022	-	28,617.65	28,617.65
b) Other comprehensive income / (loss) (net of tax) - Transferred to retained earnings	-	26.14	26.14
c) Dividend paid (including withholding tax)	-	(13,593.81)	-
Total comprehensive income / (loss) for the year ended March 31, 2022	**-**	**15,049.98**	**15,049.98**
Balance as at March 31, 2022	**4,963.91**	**153,262.13**	**158,226.04**

Significant accounting policies (refer note 2)
The accompanying notes are an integral part of these standalone financial statements
As per our report of even date attached.

for B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

for and on behalf of the Board of Directors of
Hyundai Motor India Limited
CIN: U29309TN1996PLC035377

S Sethuraman
Partner
Membership Number: 203491

Unsoo Kim
Managing Director
DIN: 09470874

Choon Hang Park
Executive Director and CFO
DIN: 08234169

Place: Chennai
Date: July 05, 2022

M V Vidya
Company Secretary
Membership Number: 7296

Place: Gurgaon
Date: July 05, 2022

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

1. CORPORATE INFORMATION

Hyundai Motor India Limited (HMIL or the Company) is a wholly owned subsidiary of Hyundai Motor Company (HMC), South Korea, and is the second largest car manufacturer in India having its manufacturing facility based in Irrungattukottai, Sriperumbudur (Tamil Nadu).

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance and basis of preparation

The standalone financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises of Indian Accounting Standards (Ind AS) as specified in Sec 133 of the Companies Act, 2013 ('the Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter, pronouncements of regulatory bodies applicable to the Company and other provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone financial statements are presented in Indian ₹ (INR), the functional currency of the Company. Items included in the standalone financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0 / -" in the relevant notes in these standalone financial statements.

The standalone financial statements of the Company for the year ended March 31, 2022 were approved and authorised for issue in accordance with the resolution of the Board of Directors on July 5, 2022.

2.2 Basis of measurement

These standalone financial statements have been prepared under the historical cost basis, except for certain financial instruments and defined benefit obligation which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

(ii) Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if revision affects both current and future periods.

The following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies:

- Useful lives of Property, plant and equipment and intangible assets (Refer Note 2.8 and Note 2.9)
- Measurement of defined benefit obligation (Refer Note 2.15)
- Provision for taxation (Refer Note 2.18)
- Provision for warranty (Refer Note 2.21)
- Provision for disputed matters (Refer Note 2.21)
- Fair value of financial assets and financial liabilities (Refer Notes 2.13 and 2.14)
- Measurement of Lease liabilities and Right of Use Asset (Refer Note 2.16)

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Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, intangible assets, trade receivables and other assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external sources of information. The Company has reviewed the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

2.4 Inventories

Inventories are valued at the lower of cost and net realisable value.

The cost of raw materials, components, consumable stores and spare parts and stock in trade are determined on a weighted average basis. Cost includes freight, taxes and duties and other charges incurred for bringing the goods to the present location and condition and is net of credit under the CENVAT scheme, VAT and GST where applicable.

The valuation of manufactured finished goods and work-in-progress includes the combined cost of material, labour and manufacturing overheads incurred in bringing the goods to the present location and condition.

Due allowance is estimated and made by the management for slow moving/ non-moving items of inventory, wherever necessary, based on the past experience and such allowances are adjusted against the carrying inventory value.

2.5 Cash and cash equivalents

The Company's cash and cash equivalents consist of cash on hand and in banks and deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, in banks and deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system.

2.6 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) after tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.7 Revenue recognition

Revenue from sale of products are measured at fair value of the consideration received or receivable after deduction of discounts / rebates, sales incentives and any taxes or duties collected on behalf of the government. Revenues are recognized on unconditional appropriation of goods from factory / stockyard and delivery of goods from port for domestic and export sales respectively which is when the control of goods is transferred to the customer including risks and rewards and title of ownership as per the terms of sale / understanding with the customers. Revenue is recognised when recovery of consideration is probable.

When the Company sells products that are bundled with additional service or extended period of warranty, such services are treated as a separate performance obligation only if the service or warranty is optional to the customer or includes an additional service component. In such cases, the transaction price allocated towards such additional service or extended period of warranty is recognised as a contract liability until the service obligation has been met.

The consideration received in respect of transport arrangements made for delivery of vehicles to the dealers are shown as revenue and the corresponding cost is shown separately as part of expenses.

Sale of raw materials are considered as a recovery of cost of materials and adjusted against cost of materials consumed.

Income from service activities are recognized on satisfaction of performance obligation towards rendering of such services in accordance with the terms of arrangement.

Interest income is recognized using the effective interest rate method.

Dividend income on investments is recognised when the right to receive dividend is established.

2.8 Property, plant and equipment ('PPE')

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at cost and is not depreciated.

Cost includes purchase price, taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready

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for its intended use and for qualifying assets, borrowing costs are capitalised in accordance with the Company's accounting policy.

Any part or components of PPE which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalised separately, based on the technical assessment of the management.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

Internally manufactured vehicles are capitalized at cost including an appropriate share of relevant overheads.

Capital work-in-progress:

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss.

Depreciation:

Depreciation on property, plant and equipment is provided using the straight-line method, pro-rata from the month of capitalisation over the useful lives of the assets, assessed as below:

Particulars	Useful lives
Buildings	5 ~ 30 years
Plant and equipment	
- Moulds and dies	4 years
- Others	4 ~ 20 years
Furniture and fittings	3 ~ 5 years
Office and other equipment	3 ~ 5 years
Data processing equipment	3 ~ 5 years
Test vehicles	3 years
Other vehicles	5 years
Leasehold improvements	Amortised over the lease period or 5 years, whichever is less

Individual PPE costing less than ₹ 5,000 each are depreciated in the year of purchase considering the type and usage pattern of these assets.

The useful lives mentioned above are different from the useful lives specified for these assets as per Schedule II of the Companies Act, 2013, where applicable. The useful lives followed in respect of these assets are based on management's assessment, based on technical advice, taking into account factors such as the nature of the assets, the estimated usage pattern of the assets, the operating conditions, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support etc.

Depreciation is accelerated on PPE, based on their condition, usability, etc. as per the technical estimates of the management, wherever necessary.

Derecognition of property, plant and equipment:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

2.9 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use.

The intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date, the asset is available to the Company for its use. The amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the change.

The useful lives considered for the intangible assets are as under:

Particulars	Useful lives
Computer software	3 ~ 5 years
Technical knowhow	Amortised over the agreement period or 10 years, whichever is less

An intangible asset is derecognised on disposal or when no future economic benefits are expected to arise from continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net proceeds from disposal and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

2.10 Foreign currencies

Transactions in foreign currencies are initially recognised in the standalone financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign

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currencies that are measured at fair value are translated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise, except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

2.11 Government grants and export benefits

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to the statement of profit and loss on a systematic and rational basis.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in the statement of profit and loss in the period in which they became receivable.

The benefit of a government loan at a below-market rate interest is treated as a government grant, measured as the difference between the proceeds received and the fair value of the loan based on prevailing market interest rates.

Export benefits in the nature of duty drawback are recognised in the statement of profit and loss in the year of exports based on eligibility/expected eligibility duly considering the entitlements as per the policy, industry specific developments, interpretations arising out of judicial/regulatory proceedings where applicable, management assessment etc. and when there is no uncertainty in receiving the same.

Export benefits in the nature of RoDTEP & Merchandise Exports from India Scheme (MEIS) under Foreign Trade Policy are recognised in the statement of profit and loss when there is no uncertainty in receiving / utilizing the same, taking into consideration the prevailing regulations.

Adjustments, if any, to the amounts recognised in accordance with the accounting policy, based on final determination by the authorities, are dealt with appropriately in the year of final determination and acceptance.

2.12 Financial instruments

Classification, initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets other than equity instruments are classified into categories: financial assets at fair value through profit and loss and at amortised cost. Financial assets that are equity instruments are classified as fair value through profit and loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit and loss and other financial liabilities.

Financial instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit and loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Determination of fair value:

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

2.13 Financial assets and Liabilities - Classfication

Financial assets at amortised cost:

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual

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cash flows are classified in this category. Subsequently, these are measured at amortised cost using the effective interest method less any impairment losses.

Financial assets at fair value through profit and loss:

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in profit and loss.

Financial liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.14 Derecognition of financial assets and financial liabilities

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities are decrecognised when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

Impairment of financial assets:

The Company recognises a loss allowance for expected credit losses on a financial asset that is at amortised cost. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.15 Employee benefits

Employee benefits include provident fund, superannuation, gratuity, NPS and compensated absences.

Defined contribution plans:

Provident fund:

Contributions towards Employees' Provident Fund are made to the Employees' Provident Fund Scheme maintained by the Central Government and the Company's contribution to the fund are recognized as an expense in the year in which the services are rendered by the employees.

Superannuation fund:

The Company contributes a specified percentage of eligible employees' salary to a superannuation fund administered by trustees and managed by the insurer. The Company has no liability for future superannuation benefits other than its annual contribution and recognizes such contributions as an expense in the year in which the services are rendered by the employees.

National pension scheme:

The Company contributes a specified percentage of the eligible employees salary to the National Pension Scheme of the Central Government. The Company has no liability for future pension benefits and the Company's contribution to the scheme are recognized as an expense in the year in which the services are rendered by the employees.

Defined Benefit plans:

Gratuity:

The Company contributes to a gratuity fund administered by trustees and managed by the Insurer. The Company accounts its liability for future gratuity benefits based on actuarial valuation, as at the balance sheet date, determined every year by an independent actuarian using the projected unit credit method. Obligation under the defined benefit plan is measured at the present value of the estimated future cash flows using a discount rate that is determined by reference to the prevailing market yields at the balance sheet date on government bonds.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

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Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Compensated absences:

The Company accounts for its liability towards compensated absences based on actuarial valuation done as at the balance sheet date by an independent actuary using the Projected Unit Credit Method. The liability includes the long term component accounted for on a discounted basis and the short term component which is accounted for on an undiscounted basis.

2.16 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and this may require significant judgment. The Company also uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend or terminate the lease if the Company is reasonably certain based on relevant facts and circumstances that the option to extend will be exercised / the option to terminate will not be exercised. If there is a change in facts and circumstances, the expected lease term is revised accordingly.

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 leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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2.17 Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

2.18 Taxation

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Offsetting:

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Current and deferred tax for the year:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.19 Research and development expenditure

Expenditure on research activities are recognised as expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible assets so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to reliably measure the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated asset can be recognised, development expenditure is recognised in the statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated

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amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.20 Impairment of 'PPE' and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its PPE and intangible assets or cash generating units 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). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.21 Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal/constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognsied as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Product warranty cost:

Expected recoveries towards warranty cost from the vendors are estimated and accounted for as receivable by the management in the year in which the related provision for warranty is created and when it is certain that such recoveries will be received if the Company incurs the warranty cost. The estimates used for accounting of warranty liability/recoveries are reviewed periodically and revisions are made as required.

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically upto three years.

Contingent liability:

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:

Contingent assets are not recognized in the standalone financial statements since this may result in the recognition of income that may never be realized.

2.22 Investment in wholly owned subsidiaries

Investment in wholly owned subsidiaries is measured at cost as per Ind AS 27 - Separate Financial Statements.

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2.23 Segment reporting

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Managing Director (the Company's Chief Operating Decision Maker (CODM)). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities.

2.24 Insurance claims

Insurance claims are accrued for on the basis of claims admitted / expected to be admitted and to the extent there is no uncertainty in receiving the claims.

2.25 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.26 Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3. RECENT ACCOUNTING PRONOUNCEMENTS - STANDARDS ISSUED BUT NOT YET EFFECTIVE:

Recent accounting developments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sale proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts

Costs of Fulfilling a Contract-The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity should include when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

4 PROPERTY, PLANT AND EQUIPMENT

(See accounting policy in note 2.8)

Particulars	Freehold land	Buildings	Moulds and dies	Other plant and equipment	Furniture and Fixtures	Office and other equipment	Data processing equipment	Test vehicles	Other vehicles	Leasehold improvements	Total
Cost											
Balance at April 1, 2020	5,210.67	11,543.24	61,271.54	48,442.09	859.75	825.75	1,489.63	731.74	787.84	500.98	131,663.23
Additions	-	3,318.28	11,769.35	3,810.46	729.55	102.85	373.30	168.59	167.55	1.45	20,441.39
Disposals	-	-	7.28	127.19	3.11	5.75	5.52	91.02	67.08	1.30	308.25
Balance at March 31, 2021	**5,210.67**	**14,861.52**	**73,033.61**	**52,125.36**	**1,586.19**	**922.85**	**1,857.42**	**809.31**	**888.31**	**501.13**	**151,796.37**
Balance at April 1, 2021	5,210.67	14,861.52	73,033.61	52,125.36	1,586.19	922.85	1,857.42	809.31	888.31	501.13	151,796.37
Additions	0.05	190.81	6,465.78	6,628.35	784.42	83.15	137.32	90.55	245.29	-	14,625.73
Disposals	0.05	9.45	0.58	185.80	49.87	32.01	22.47	184.67	86.06	37.32	608.28
Balance at March 31, 2022	**5,210.67**	**15,042.88**	**79,498.82**	**58,567.91**	**2,320.75**	**973.99**	**1,972.27**	**715.19**	**1,047.54**	**463.81**	**165,813.82**
Accumulated depreciation											
Balance at April 1, 2020	-	2,705.62	34,097.60	28,143.80	539.55	457.10	784.87	364.17	451.67	223.90	67,768.28
Depreciation for the year	-	623.09	10,729.16	5,424.02	160.91	141.02	271.19	186.00	136.60	9.81	17,681.79
Disposals	-	-	7.28	108.35	2.89	4.96	5.47	53.27	56.28	0.57	239.08
Balance at March 31, 2021	**-**	**3,328.71**	**44,819.48**	**33,459.47**	**697.57**	**593.16**	**1,050.59**	**496.90**	**531.98**	**233.14**	**85,211.00**
Balance at April 1, 2021	-	3,328.71	44,819.48	33,459.47	697.57	593.16	1,050.59	496.90	531.98	233.14	85,211.00
Depreciation for the year	-	724.89	12,131.85	5,938.50	273.17	127.46	319.12	162.28	144.97	-	19,822.24
Disposals	-	2.24	0.58	174.40	33.36	20.74	20.35	138.26	74.05	18.34	482.32
Balance at March 31, 2022	**-**	**4,051.37**	**56,950.75**	**39,223.56**	**937.38**	**699.88**	**1,349.37**	**520.92**	**602.90**	**214.80**	**104,550.92**
Carrying amount (net)											
As at March 31, 2021	**5,210.67**	**11,532.81**	**28,214.13**	**18,665.89**	**888.62**	**329.69**	**806.83**	**312.41**	**356.33**	**267.99**	**66,585.37**
As at March 31, 2022	**5,210.67**	**10,991.51**	**22,548.07**	**19,344.35**	**1,383.37**	**274.11**	**622.90**	**194.27**	**444.64**	**249.01**	**61,262.90**

Notes:

(i) Gross block as at March 31, 2022 includes ₹ 67,956.55 million (March 31, 2021 - ₹ 62,032.18 million) of assets situated at third party locations.

(ii) Includes assets whose gross block is ₹ 4,850.76 million as at March 31, 2022 (₹ 4,511.82 million as at March 31, 2021), hypothecated in favour of SIPCOT in respect of the soft loan taken by the Company. Also refer note 19(ii).

(iii) Depreciation expense for the year includes depreciation on research and development assets amounting to ₹ 89.94 million (March 31, 2021 - ₹ 105.35 million).

(iv) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed above are held in the name of the Company.

Notes

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(All amounts are in Indian ₹ million except share data and as stated)

4.1 Capital work-in-progress ('CWIP') ageing schedule

As at 31 March 2022

Particulars	Amount in capital work-in-progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	4,844.00	446.62	-	-	5,290.62
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**4,844.00**	**446.62**	**-**	**-**	**5,290.62**

As at 31 March 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	5,161.38	1,769.01	1,028.32	-	7,958.71
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**5,161.38**	**1,769.01**	**1,028.32**	**-**	**7,958.71**

There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan as on March 31, 2022 and March 31, 2021.

5 INTANGIBLE ASSETS

(See accounting policy in note 2.9)

Particulars	Computer software	Technical knowhow	Total
Cost			
Balance at April 1, 2020	1,501.91	8,796.92	10,298.83
Additions	57.17	1,315.35	1,372.52
Disposals	0.05	-	0.05
Balance at March 31, 2021	**1,559.03**	**10,112.27**	**11,671.30**
Balance at April 1, 2021	**1,559.03**	**10,112.27**	**11,671.30**
Additions	118.19	-	118.19
Disposals	65.51	-	65.51
Balance at March 31, 2022	**1,611.71**	**10,112.27**	**11,723.98**
Accumulated amortisation			
Balance at April 1, 2020	1,036.19	3,932.51	4,968.70
Amortisation for the year	160.88	1,484.78	1,645.66
Disposals	0.05	-	0.05
Balance at March 31, 2021	**1,197.02**	**5,417.29**	**6,614.31**
Balance at April 1, 2021	**1,197.02**	**5,417.29**	**6,614.31**
Amortisation for the year	139.11	1,303.49	1,442.60
Disposals	28.42	-	28.42
Balance at March 31, 2022	**1,307.71**	**6,720.78**	**8,028.49**
Carrying amount (net)			
As at March 31, 2021	362.01	4,694.98	5,056.99
As at March 31, 2022	**304.00**	**3,391.49**	**3,695.49**

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022
(All amounts are in Indian ₹ million except share data and as stated)

6 RIGHT-OF-USE ASSETS

(See accounting policy in note 2.16)

Particulars	Land	Building	Total
Cost			
Balance at April 1, 2020	143.00	444.94	587.94
Additions	157.71	11.79	169.50
Disposals	-	-	-
Balance at March 31, 2021	**300.71**	**456.73**	**757.44**
Balance at April 1, 2021	**300.71**	**456.73**	**757.44**
Additions	-	317.39	317.39
Disposals	-	-	-
Balance at March 31, 2022	**300.71**	**774.12**	**1,074.83**
Accumulated depreciation			
Balance as at April 1, 2020	2.07	235.06	237.13
Depreciation for the year	3.14	106.54	109.68
Disposals	-	-	-
Balance as at March 31, 2021	**5.21**	**341.60**	**346.81**
Balance as at April 1, 2021	**5.21**	**341.60**	**346.81**
Depreciation for the year	3.53	88.42	91.95
Disposals	-	-	-
Balance as at March 31, 2022	**8.74**	**430.02**	**438.76**
Carrying amount (net)			
Net carrying amount as at March 31, 2021	295.50	115.13	410.63
Net carrying amount as at March 31, 2022	**291.97**	**344.10**	**636.07**

6.1 Depreciation and amortisation expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Depreciation of property, plant and equipment (refer note 4)	19,822.24	17,681.79
b) Amortisation of intangible assets (refer note 5)	1,442.60	1,645.66
c) Depreciation of right-of-use assets (refer note 6)	91.95	109.68
	21,356.79	**19,437.14**

7 INVESTMENTS - FINANCIAL ASSETS (NON-CURRENT)

(See accounting policy in note 2.22)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in subsidiaries - unquoted - carried at cost		
Hyundai Motor India Engineering Private Limited, a wholly owned subsidiary	1,370.00	1,370.00
(1,370,000 [As at March 31, 2021 - 1,370,000] equity shares of ₹ 1,000 each, fully paid up)		
Hyundai India Insurance Broking Private Limited, a wholly owned subsidiary	40.00	-
(4,000,000 [As at March 31, 2021 - Nil] equity shares of ₹ 10 each, fully paid up)		
	1,410.00	**1,370.00**
Aggregate amount of impairment in value of investments	-	-

8 OTHER FINANCIAL ASSETS - NON-CURRENT (UNSECURED, CONSIDERED GOOD)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Security Deposits - measured at amortised cost	468.32	473.36
	468.32	**473.36**

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022
(All amounts are in Indian ₹ million except share data and as stated)

9 NON-CURRENT TAX ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
a) Advance income tax / tax deducted at source	792.53	991.15
b) Income tax paid under protest	1,153.59	4,006.95
	1,946.12	**4,998.10**

10 OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
a) Capital advances	562.06	410.66
b) Balance receivable from government authorities		
- Extra duty deposit receivable (refer note (i) below)	1,087.07	1,087.07
c) Contractually reimbursable expenses-warranty recoveries (refer note 21 (ii))	383.79	514.44
	2,032.92	**2,012.17**

Note:

(i) Extra Duty Deposit (EDD) receivable represents amount of duty paid by the Company in connection with the import of materials/goods during the period from June 2011 to August 2013 pending receipt of the order from the Special Valuation Bench (SVB) towards valuation of such imports. The Company is in the process of obtaining the final order and the refund of EDD.

11 INVENTORIES

(See accounting policy in note 2.4)

Particulars	As at March 31, 2022	As at March 31, 2021
a) (i) Raw materials and components	14,001.93	10,497.39
(ii) Materials in transit	3,603.48	4,619.48
b) Work in progress - Motor vehicles, engines, transmission and parts	9,668.22	6,349.89
c) Finished goods (other than those acquired for trading)		
(i) Motor vehicles	468.52	3,131.89
(ii) Engines, transmission and parts	25.36	53.45
d) Stock in trade - service parts (acquired for trading)	16.45	22.12
e) Stores and spare parts	1,027.24	958.98
	28,811.20	**25,633.20**

Notes:

(i) The cost of inventories (including cost of traded goods) recognised as expense during the year is ₹ 397,328.36 million (March 31, 2021 - ₹ 345,452.26 million).

(ii) The cost of inventories recognised as expense includes adjustments towards reversal of write down of inventories to the extent of ₹ 7.63 million (March 31, 2021 - ₹ 62.84 million write down).

12 TRADE RECEIVABLES - FINANCIAL ASSETS (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Secured, considered good	8,023.16	11,203.42
b) Unsecured, considered good	13,467.69	13,202.73
c) Which have significant increase in credit risk	-	-
d) Credit impaired	-	-
	21,490.85	**24,406.15**

Also refer note 38.2 for trade receivables from related parties

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

12 TRADE RECEIVABLES - FINANCIAL ASSETS (CURRENT) (contd...)

Notes:

(i) Transferred trade receivables that are not derecognized

During the year, the Company has discounted trade receivables on a "With recourse" basis and in respect of which the risks continue to remain with the Company. As at the Balance Sheet date, the carrying amount of the trade receivables that have been transferred but have not been derecognised amounts to ₹ 2,556.25 million (As at March 31, 2021 ₹4,172.06 million) (refer note 23).

(ii) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Also no trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or member.

(iii) Expected credit loss (Refer note 2.14 Impairment of financial assets)

The Company has assessed the trade receivables for impairment on a collective basis based on the historical credit loss experience adjusted for forward-looking information. Based on the analysis of objective evidences, the Company expects that the evidences do not warrant any expected credit loss to be provided for.

Ageing of trade receivables:

Balance as at March 31, 2022	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1- 2 years	2- 3 years	More than 3 years	
Undisputed Trade Receivables considered good	21,052.53	428.42	0.07	9.83	-	-	21,490.85

Balance as at March 31, 2021	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1- 2 years	2- 3 years	More than 3 years	
Undisputed Trade Receivables considered good	20,392.12	4,013.90	0.12	-	-	-	24,406.15

13 CASH AND CASH EQUIVALENTS - FINANCIAL ASSETS (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Cash on hand	0.08	0.21
b) Balances with banks		
(i) In current accounts	1,677.50	1,265.02
(ii) In EEFC accounts	4,622.01	3,563.32
(iii) In deposit accounts	133,358.80	109,390.00
	139,658.39	**114,218.55**
Cash and cash equivalents as per the Statement of Cash Flows	139,658.39	114,218.55

Note: Balance in current accounts includes ₹ 10.78 million pertaining to unspent amount towards CSR (refer note 48)

Details of bank deposits

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits with original maturity of 3 months or less	53,080.00	37,640.00
Deposits due to mature within 12 months of the reporting date	80,278.80	71,750.00
Deposits due to mature after 12 months of the reporting date	-	-
Total balances with banks in deposit accounts	**133,358.80**	**109,390.00**

Note: The deposits maintained by the Company with banks and financial institutions comprise time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

14 LOANS - FINANCIAL ASSETS (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances to employees, unsecured, considered good	154.94	254.85
	154.94	**254.85**

15 OTHER FINANCIAL ASSETS (CURRENT) (UNSECURED, CONSIDERED GOOD)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Deposits	123.79	194.87
b) MoU benefit receivable from GOTN	1,961.67	2,219.87
c) Interest accrued but not due on fixed deposits with Banks	856.65	406.53
d) Other receivables	8.73	4.49
	2,950.84	**2,825.76**

16 OTHER CURRENT ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
a) Receivable from government authorities (unsecured, considered good)		
(i) GST credit receivable	806.61	650.86
(ii) CENVAT / GST refund receivable	203.14	143.17
(iii) Balance receivable from customs authorities	308.17	351.54
(iv) VAT credit / refund receivable	0.62	0.62
(v) Deposits with government authorities	1,209.02	613.39
(vi) Others - Export benefit receivables (refer note below)	1,085.43	371.83
	3,612.99	**2,131.41**
b) Advance to suppliers - unsecured, considered good	344.24	477.61
Advance - Duty portion	716.86	1,372.91
c) Prepaid expenses - considered good	244.35	253.03
d) Other loans and advances		
- Unsecured, considered good	27.45	46.71
- Credit impaired	298.00	298.00
	325.45	**344.71**
- Less: Provision for doubtful other loans and advances	(298.00)	(298.00)
	27.45	**46.71**
e) Contractually reimbursable expenses - warranty recoveries (refer note 21(ii))	97.46	151.14
	5,043.35	**4,432.81**

Note:

The Company has estimated and accrued as income an amount of ₹ 970.69 million under Remissions of Duties and Taxes on Exported Products (RoDTEP) Scheme (Previous year - ₹ 331.13 million under Merchandise Exports from India Scheme (MEIS)) as export benefits for the current year ended March 31, 2022. Based on professional advice, the Company has excluded the aforesaid amount for computation of taxable income for the current financial year but has created a deferred tax liability in respect of amounts outstanding as at the year end, pending application/receipt of the related license.

17 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2022	As at March 31, 2021
a) Authorised	14,000.00	14,000.00
14,000,000 (March 31, 2021: 14,000,000) equity shares of ₹ 1,000 each		
b) Issued, subscribed and fully paid up	8,125.41	8,125.41
8,125,411 (March 31, 2021: 8,125,411) equity shares of ₹ 1,000 each		
	8,125.41	**8,125.41**

Notes

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(All amounts are in Indian ₹ million except share data and as stated)

17 EQUITY SHARE CAPITAL (contd...)

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹ in million	No. of shares	₹ in million
Shares outstanding as at the beginning of the year	81,25,411	8,125.41	81,25,411	8,125.41
Add: Fresh issue of shares during the year	-	-	-	-
Less: Buy-back of shares during the year	-	-	-	-
Balance outstanding as at the beginning & end of the year	81,25,411	8,125.41	81,25,411	8,125.41

(ii) Details of shares held by holding company

Particulars	As at March 31, 2022	As at March 31, 2021
Hyundai Motor Company, South Korea and its nominees	81,25,411	81,25,411

(iii) Particulars of shareholders holding more than 5% shares in the Company:

Class of shares / Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% Holding	No. of shares	% Holding
Equity shares				
Hyundai Motor Company, South Korea and its nominees	81,25,411	100%	81,25,411	100%

(iv) The Company has only one class of equity shares having a par value of ₹ 1,000 each. Each holder is entitled to one vote per equity share. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend

(v) Details of shareholding of promoters:

As at March 31, 2022

Name of the Promoter	Number of equity shares	% of total number of shares	% of change during the year
Hyundai Motor Company, South Korea and its nominees	81,25,411	100%	-
Total	**81,25,411**	**100%**	**-**

As at March 31, 2021

Name of the Promoter	Number of equity shares	% of total number of shares	% of change during the year
Hyundai Motor Company, South Korea and its nominees	81,25,411	100%	-
Total	**81,25,411**	**100%**	**-**

18 OTHER EQUITY

a) General reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	4,963.91	4,963.91
Add: Transferred from surplus in statement of profit and loss	-	-
Closing balance	**4,963.91**	**4,963.91**

Note: The general reserve is used from time to time to transfer profits from retained earnings for appropriate purposes.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

18 OTHER EQUITY (contd...)

b) Retained earnings

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Surplus in the statement of profit and loss		
Opening balance	138,592.88	120,121.26
Add: Profit for the year	28,617.65	18,471.62
Less: Appropriations		
Dividend paid (including witholding tax)	(13,593.81)	-
Closing balance	**153,616.72**	**138,592.88**
(ii) Other comprehensive income		
Remeasurement of net defined benefit liability/(asset)		
Opening balance	(380.73)	(411.89)
Add: Additions during the year	26.14	31.16
	(354.59)	**(380.73)**
Total retained earnings	**153,262.13**	**138,212.15**
Total equity (a+b)	**158,226.04**	**143,176.06**

Note:

The Board of Directors recommended a final dividend of ₹ 1,673 per share (nominal value of ₹ 1,000 per share) for the FY 2020-21. The Dividend is approved by the shareholders at the AGM (FY 2020-21) and has been paid during the year 2021-22. The total cash flow to Parent company is ₹ 11,554.74 million after deducting withholding tax of ₹ 2,039.07 million

The Board of Directors have proposed a final dividend of ₹ 1,838 per share (nominal value of ₹1,000 per share) for the FY 2021-22. The Dividend is subject to the approval of shareholders at the annual general meeting and has not been accounted as liability in this financial statement. The total expected cash outflow is ₹ 14,934.51 million (including withholding tax of ₹ 2,240.18 million).

19 FINANCIAL LIABILITIES - NON-CURRENT

Particulars	As at March 31, 2022	As at March 31, 2021
Long-term borrowings - measured at amortised cost		
a) Deferred payment liabilities		
- VAT/CST deferral loan (unsecured) (refer note below)	4,941.89	5,629.26
b) Term loans		
- CST soft loan (secured) (refer note below)	2,725.21	2,529.20
	7,667.10	**8,158.46**

Notes:

(i) VAT/CST deferral loan (unsecured)

As per the Memorandum of Understanding ('the MoU'), dated July 18, 1996, between the Company and the Government of Tamil Nadu (GoTN) read along with the deed of agreement dated September 23, 2005, the Company is eligible for and has opted for sales tax (including VAT and CST) deferral on sale of vehicles. The loan is an interest free loan and is repayable in equal quarterly installments over a period of 5 years after the deferment period of 14 years. The number of installments outstanding as at March 31, 2022 are 32 (as at March 31, 2021 - 36). Refer table below for gross amount outstanding.

(ii) CST soft loan (secured)

As per the MOU dated January 22, 2008 entered into between the Company and the GoTN, the Company is eligible for infrastructure, labour and other support in the form of fiscal incentives on meeting certain specified milestones. The amounts of such incentives have been determined and accounted for by the management based on the terms specified in the MoU. The loan carries 0.1% interest and is repayable in equal quarterly installments over a period of 5 years after 14 years. The number of installments outstanding as at March 31, 2022 are 56 (as at March 31, 2021 - 56). As per the terms of MOU with the GoTN, the repayment of principal will

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19 FINANCIAL LIABILITIES - NON-CURRENT (contd...)

commence from the year 2024 onwards, though interest is paid on a quarterly basis. Refer table below for gross amount outstanding. The loan is secured by a charge against specified fixed assets of the Company to the extent of ₹ 6,000 million (₹ 6,000 million, as at March 31, 2021). Also refer note 4(ii).

(iii)

Particulars	Deferral loan	Soft loan
As at March 31, 2022		
Gross amount outstanding	7,694.63	5,936.68
Less: Present value discounts (treated as Government grant - deferred revenue)	1,575.76	3,211.47
Fair value of borrowing measured at amortised cost	**6,118.87**	**2,725.21**
Less: Current maturities (refer note 26(a))	1,176.98	-
Financial liabilities - non-current	**4,941.89**	**2,725.21**
Government grant - deferred revenue	**1,575.76**	**3,211.47**
(i) Government grant - current (refer note 29(b)(iv))	439.86	211.20
(ii) Government grant - non-current (refer note 22(b))	1,135.90	3,000.27
As at March 31, 2021	Deferral loan	Soft loan
Gross amount outstanding	8,781.73	5,936.68
Less: Present value discounts (treated as government grant (deferred revenue))	2,065.47	3,407.48
Fair value of borrowing measured at amortised cost	**6,716.26**	**2,529.20**
Less: Current maturities (refer note 26(a))	1,087.00	-
Financial liabilities - non-current	**5,629.26**	**2,529.20**
Government grant - deferred revenue	**2,065.47**	**3,407.48**
(i) Government grant - current (refer note 29(b)(iv))	489.71	196.01
(ii) Government grant - non-current(refer note 22(b))	1,575.76	3,211.47

20 LEASE LIABILITIES - NON-CURRENT

Particulars	As at March 31, 2022	As at March 31, 2021
(See accounting policy in note 2.16)		
Long-term lease liabilities	289.83	46.86
	289.83	**46.86**

21 PROVISIONS - NON-CURRENT

Particulars	As at March 31, 2022	As at March 31, 2021
a) Provision for warranty (see below for movement) (refer note 2.21 & note (i) & (ii) below)	6,928.55	7,087.83
b) Provision for employee benefits - gratuity (refer note 2.15 & 37)	537.02	563.46
	7,465.57	**7,651.29**

Notes:

(i) The Company has made provision for contractual warranty obligations based on the assessment of the amount it expects to incur to meet such obligations. The details of the same are given below:

Particulars	Provision for warranty	
	As at March 31, 2022	As at March 31, 2021
Beginning of the year	9,127.72	9,124.97
Provision made during the year	2,231.12	2,482.75
Discounting impact on account of time value of money	(313.49)	(493.68)
Utilisation/reversal	(2,273.86)	(1,901.43)
Unwinding of discount	398.35	492.21
Others (movement in vendor recovery receivable amount)	(184.44)	(577.10)
End of the year	**8,985.40**	**9,127.72**
Less: Current portion (refer note 27(a))	2,056.85	2,039.89
Non-current portion	**6,928.55**	**7,087.83**

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21 PROVISIONS - NON-CURRENT (contd...)

(ii) As against the provision for warranty, the Company also carries an amount of ₹ 481.13 million (Previous year - ₹ 665.58 million) as recoverable from vendors based on the terms of arrangement/understanding with the vendors. Out of ₹ 481.13 million (Previous year - ₹ 665.58 million), ₹ 97.46 million (Previous year - ₹ 151.14 million) is current portion disclosed under "Other current assets" (refer note 16(e)) and balance ₹ 383.68 million (Previous year - ₹ 514.44 million) is non-current portion disclosed under "Other non-current assets" (refer note 10(c)) based on management's assessment.

22 OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
a) Income received in advance (refer note below)	3,241.90	1,861.41
b) Deferred revenue - government grant (refer note 19 (iii))	4,136.17	4,787.23
	7,378.07	**6,648.64**

Note:

Income received in advance represents the amount collected / apportioned towards additional services to be provided to customers that are satisfied over a period of time in line with the requirements under Ind AS 115. These amounts are recognized on a straight line basis over the respective contractual period. The related expenses are charged off to the statement of profit and loss on an actual basis.

As at March 31, 2022, the Company carries ₹ 4,344.26 million (previous year - ₹ 2,703.52 million) as income received in advance. Refer note 29 (a)(i) for current portion of income received in advance.

23 BORROWINGS - FINANCIAL LIABILITIES (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Export receivables discounted on a "with recourse" basis (refer note (i) below)- unsecured	2,556.25	4,172.06
b) Current maturities of long-term borrowings (refer note 19 (iii))	1,176.98	1,087.00
	3,733.23	**5,259.06**

Notes:

(i) The Company has obtained bill discounting facilities from various banks. These credit facilities are unsecured. The tenor of the loan for bills discounted is up to a maximum of 180 days.

24 LEASE LIABILITIES - CURRENT

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturities of lease liabilities	61.12	74.98
	61.12	**74.98**

25 TRADE PAYABLES - FINANCIAL LIABILITIES (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro and small enterprises (refer note below)	1,273.33	1,393.20
Total outstanding dues of creditors other than micro and small enterprises	52,712.53	59,146.32
	53,985.86	**60,539.52**

Note:

Particulars	As at March 31, 2022	As at March 31, 2021
a) Total outstanding dues of micro and small enterprises		
Principal	1,273.33	1,393.20
Interest theron	-	-

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25 TRADE PAYABLES - FINANCIAL LIABILITIES (CURRENT) (contd...)

Particulars	As at March 31, 2022	As at March 31, 2021
b) Amount paid beyond "Appointed Day" as per MSMED Act,2006		
Principal	-	-
Interest theron	-	-
c) Interest due and payable for the period of delay (Paid beyond appointed day)	-	-
d) Interest accrued and remaining unpaid as at year end	-	-
e) Further Interest remaining due and payable in the succeeding years	-	-

The Company pays its micro enterprises and small enterprises within a maximum credit period of 30 days and no interest during the year or in the previous year has been paid or payable under the terms of the MSME Development Act, 2006.

Dues to micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the "suppliers" regarding their status under the MSME Development Act, 2006.

Ageing of trade payables:

Balance as at March 31, 2022	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 -2 years	2- 3 years	More than 3 years	
(i) MSME	-	1,099.27	174.06	-	-	-	1,273.33
(ii) Others	4,032.94	39,144.92	5,231.85	431.90	464.01	3,406.91	52,712.53
(iii) Disputed dues - MSME	-	-	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	-	-	
Total	**4,032.94**	**40,244.20**	**5,405.91**	**431.90**	**464.01**	**3,406.91**	**53,985.86**

Balance as at March 31, 2021	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 -2 years	2- 3 years	More than 3 years	
(i) MSME	-	1,219.92	173.28	-	-	-	1,393.20
(ii) Others	4,415.76	34,874.79	16,613.06	412.57	903.44	1,926.70	59,146.32
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**4,415.76**	**36,094.71**	**16,786.33**	**412.57**	**903.44**	**1,926.70**	**60,539.52**

26 OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Payable on purchase of fixed assets	1,207.35	1,246.15
b) Deposits received from customers	1,130.49	1,028.24
c) Others	1,859.96	1,669.69
	4,197.80	**3,944.08**

27 PROVISIONS - CURRENT

Particulars	As at March 31, 2022	As at March 31, 2021
a) Provision for warranty (refer note 21 (i))	2,056.85	2,039.89
b) Provision for employee benefits: (refer note 37)		
- Provision for compensated absences	1,143.67	989.43
- Provision for gratuity	109.45	112.46

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27 PROVISIONS - CURRENT (contd...)

Particulars	As at March 31, 2022	As at March 31, 2021
c) Provision - Others		
- Provision for disputed matters (refer note below)	670.00	670.00
- Provision for Corporate Social Responsibility	541.22	277.48
	4,521.19	**4,089.26**

Note:

The Company carries provision for disputed matters towards certain claims against the Company not acknowledged as debts (refer note 36.1). Whilst the provision is considered as short term in nature, the actual outflow with regard to said matters depends on the exhaustion of remedies available under the law based on various developments. No recoveries are expected against the provision. The details of the same are given below:

Particulars	As at March 31, 2022	As at March 31, 2021
Beginning of the year	670.00	670.00
Provision made during the year	-	-
Utilisation/reversal	-	-
End of the year	**670.00**	**670.00**

28 CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for tax (net of advance tax paid for respective assessment years)	1,984.37	2,670.59
	1,984.37	**2,670.59**

29 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
a) Income received in advance (refer note 22a)	1,102.36	842.11
b) Usance interest received in advance	54.93	41.39
c) Other liabilities		
(i) Advance from customers	16,263.02	10,762.49
(ii) Statutory dues	933.92	1,174.57
(iii) GST Payable (including compensation cess)	4,197.33	1,091.90
(iv) Deferred revenue - government grant (refer note 19 (iii))	651.07	685.72
	23,202.63	**14,598.18**

30 REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Sale of products (refer note (i) below)	442,611.70	386,443.41
b) Sale of services (refer note (ii) below)	18,640.51	14,216.74
c) Other operating revenues (refer note (iii) below)	9,175.72	6,079.97
	470,427.93	**406,740.12**

Note:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Sale of products		
- Vehicles	408,876.52	357,577.34
- Parts	33,735.18	28,866.07
Total	**442,611.70**	**386,443.41**

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30 REVENUE FROM OPERATIONS (contd...)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(ii) Sale of services		
- Transportation Income	17,606.17	13,380.00
- Others	1,034.34	836.74
Total	**18,640.51**	**14,216.74**
(iii) Other operating revenues		
Sale of scrap	2,188.61	1,498.76
Duty drawback (refer note 2.11)	3,474.36	2,364.84
Remissions of Duties and Taxes on Exported Products (RoDTEP) / Merchandise Exports from India Scheme income (refer note 16(a) (vi) and 2.11)	970.69	331.13
Other incentives from government	2,542.06	1,885.24
Total - Other operating revenues	**9,175.72**	**6,079.97**

Note:

Other incentives from government includes Capital Subsidy of ₹ 22.50 Millions during the current year from the State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT) under Structured Package of Assistance -Phase III (Expansion Scheme of Phase II).

31 OTHER INCOME

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Interest income (refer note (i) below)	4,413.72	3,554.25
b) Royalty income	552.33	413.63
c) Gain on foreign currency transactions and translation (net)	387.81	-
d) Other non-operating income	455.09	302.04
	5,808.95	**4,269.92**

Note:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Interest income earned on financial assets that are not designated as at FVTPL		
- from banks - fixed deposits	3,893.97	3,048.76
- on refund of taxes	354.60	143.95
- others	165.15	361.54
	4,413.72	**3,554.25**

32(a) COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Opening stock	15,116.87	16,082.28
b) Add: Purchases	377,230.48	320,674.94
	392,347.35	**336,757.22**
c) Less: Sale of raw materials	22,433.86	16,943.56
d) Less: Closing stock (refer note 11(a))	17,605.41	15,116.87
Total - Cost of material consumed	**352,308.08**	**304,696.79**

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32(b) PURCHASES OF STOCK-IN-TRADE

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Parts	6,564.05	7,553.02
Total	**6,564.05**	**7,553.02**

32(c) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE (REFER NOTE 11)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Inventories at the end of the year:		
Finished goods	493.88	3,185.34
Work-in-progress	9,668.22	6,349.89
Stock-in-trade	16.45	22.12
	10,178.55	**9,557.35**
b) Inventories at the beginning of the year:		
Finished goods	3,185.34	7,740.76
Work-in-progress	6,349.89	2,838.00
Stock-in-trade	22.12	26.65
	9,557.35	**10,605.41**
Net (increase) / decrease	**(621.20)**	**1,048.06**

33 EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Salaries, wages and bonus	11,871.21	10,576.93
b) Contributions to provident and other funds (refer note 37)	769.72	684.20
c) Staff welfare expenses	2,093.08	1,760.93
	14,734.01	**13,022.06**

Note:

(i) Employee cost / benefits expense includes research and development expenses amounting to ₹ 0.33 million (Previous Year - ₹ 0.05 million), as identified by the management.

(ii) The remeasurement of the net defined benefit liability amounting to ₹ 34.93 million (Net defined benefit asset for the period ended March 31, 2021 - ₹ 41.64 million) is included in other comprehensive income.

34 FINANCE COSTS

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Interest expense on:		
(i) Working capital facilities from banks	10.64	30.60
(ii) VAT/CST deferral & soft loan (refer note below)	691.66	713.46
(iii) Sincerity deposits / dealer down payments	193.54	216.84
(iv) Others	7.55	179.08
b) Unwinding of discounts on warranty provisions (refer note 21(i))	398.35	492.21
c) Interest on lease liabilities	17.20	14.28
	1,318.94	**1,646.47**

Note:

Interest on VAT/CST deferral & soft loan include actual interest paid of ₹ 5.94 million (Previous year - ₹ 5.94 million) at 0.1% interest rate and notional interest cost of ₹ 685.72 million (Previous year - ₹ 707.52 million)

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35 OTHER EXPENSES (REFER NOTE (i) BELOW)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Consumption of stores and spare parts	1,016.00	916.65
b) Clearing and forwarding charges	369.09	359.64
c) Power and fuel	2,614.50	2,189.71
d) Rent including lease rentals	311.51	366.27
e) Repairs and maintenance		
(i) Buildings	132.90	113.35
(ii) Machineries	832.25	576.65
(iii) Others	1,790.24	1,182.80
f) Service contract expenses	1,518.58	1,454.58
g) Insurance	94.79	80.81
h) Freight	15,178.67	12,950.00
i) Rates and taxes	28.04	45.82
j) Communication	37.96	42.08
k) Travelling and conveyance	56.40	46.93
l) Printing and stationery	65.50	87.32
m) Royalty	11,008.13	10,225.86
n) Advertisement and sales promotion expenses	4,918.90	4,640.70
o) Expenditure on Corporate Social Responsibility ('CSR')	645.54	649.77
p) Donations - Other than CSR	8.50	-
q) Legal and professional charges	75.47	61.35
r) Payments to auditors (refer note (ii) below)	16.45	21.20
s) Loss on PPE sold / scrapped / written off (net)	53.12	28.96
t) Technical assistance fee/training	51.11	48.47
u) Loss on foreign currency transactions and translation (net)	-	84.12
v) Provision for warranty (net)	1,917.63	1,989.07
w) Extended warranty expense	374.97	269.88
x) Miscellaneous expenses	433.64	481.42
	43,549.89	**38,913.41**

Note:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Expenses towards research and development included in the above amounts	257.91	390.11
(ii) Payments to auditors comprises (net of GST/service tax input credit):		
To Statutory auditors		
- for statutory audit	9.70	9.70
- for tax audit	1.30	1.30
- for group reporting	4.90	4.90
- for certification	0.43	5.14
- reimbursement of expenses	0.12	0.16
Total	**16.45**	**21.20**

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36.1 CONTINGENT LIABILITIES (TO THE EXTENT NOT SPECIFICALLY PROVIDED FOR) (REFER NOTE I BELOW)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Claims against the Company not acknowledged as debt		
(i) Customs duty (paid under protest: As at March 31, 2022 - ₹ 608.63 million and as at March 31, 2021 - ₹ 12.99 million) (refer note A below)	6,656.70	6,061.07
(ii) Anti dumping duty (refer note B below)	154.74	154.74
(iii) Excise duty and service tax (Paid under protest: As at March 31, 2022 - ₹ 199.41 million and as at March 31, 2021 - ₹ 98.15 million) (refer note D below)	7,613.48	344.97
(iv) Maharashtra VAT (Paid under protest: As at March 31, 2022 - ₹ 0.13 million and as at March 31, 2021 - ₹ 0.13 million)	0.21	0.21
(v) Tamil Nadu VAT (Paid under protest as at March 31, 2022 - ₹ 280.21 million and as at March 31, 2021 - ₹ 613.34 million) (refer note E below)	280.21	613.34
(vi) GST (Paid under protest as at March 31, 2022 - ₹ 2.70 million and as at March 31, 2021 - ₹ nil) (refer note D below)	27.01	-
(vii) Income tax (Paid under protest: As at March 31, 2022 - ₹ 1,153.58 million and as at March 31, 2021 - ₹ 4,006.95 million)	4,975.10	6,428.39
(viii) Penalty levied by Competition Commission of India (refer note F below)	4,202.61	4,202.61
(ix) Others	2,308.53	789.28
(b) Decided in favour of the Company against which department has gone on appeal		
(i) Customs (Paid under protest: As at March 31, 2022 - ₹ 29.33 million and as at March 31, 2021 - ₹ 29.33 million) (refer note A below)	29.33	29.33
(ii) Income Tax (Paid under protest: As at March 31, 2022 - ₹ 32.77 million and as at March 31, 2021 - ₹ 32.77 million)	4,070.40	305.67
(c) Guarantees	Refer note H below	

Notes:

A Customs duty:

(i) The Directorate of Revenue Intelligence (DRI) had initiated certain inspections/inquiries in connection with customs compliances. During the year ended March 31, 2012, the Company had received a notice from the DRI alleging mis-declaration of the transaction value of goods imported by the Company. The Company had challenged the said notice and also the inquiries/investigations and filed writ petitions before the Honourable High Court of Madras seeking a stay on the proceedings, which had been granted. Subsequently the stay was vacated. The Company received a demand of ₹ 5,777.77 million (including penalties of ₹ 3,018.89 million) during the year ended March 31, 2016, (of which ₹ 88.62 Million was appropriated by the Customs Authorities and charged off to the Statement of Profit and Loss during the year ended March 31, 2012). The department had also mentioned that the goods which are a subject matter of the demand of customs duty, is also liable for confiscation under Section 111 of the Customs Act, 1962. The Company had filed stay of operation of order and appeal against the order with the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) which is pending disposal as at March 31, 2022. Based on professional advice, the Company expects favourable outcome.

During the year ended March 31, 2022, the Company paid an amount of ₹ 595 million under protest to Directorate of Revenue Intelligence towards investigation proceedings commenced against the Company for incorrect classification of Electronic Control Unit for certain goods imported during the period (March 4, 2020 - March 11, 2022). Based on professional advice, the Company expects favorable outcome.

(ii) During the year ended March 31, 2021, the Company had received an order rejecting the classification of "Cover Assembly Front door Quadrant" imported by the Company and reclassifying the same under different heading of the customs tariff. The said order has imposed an additional duty of ₹ 64.94 Mn and an Penalty amount ₹ 65.59 Mn for the imports made during the period from June 2016 to Mar 2018. The Company has filed appeals with CESTAT challenging the Appellate Order and the hearings at CESTAT is pending disposal as at March 31, 2022. The Company expects a favourable outcome in respect of these matters.

(iii) During the year ended March 31, 2021, the Company received an Order stating that the Company has not fulfiled Export Obligation for Capital items valuing ₹479.52 Mn imported during the period from Nov 2010 to Feb 2011. The said order has imposed an additional duty of ₹ 126.09 Mn and a penalty of ₹ 11 Mn. Further it has also levied interest in terms of Notification No 102/2009 dated September 11, 2009. The Company has filed appeals with CESTAT challenging the Appellate Order and the hearings at CESTAT is pending disposal as at March 31, 2022. The

Notes

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Company expects a favourable outcome in respect of the above matter.

(iv) Further, during the year ended March 31, 2013, the Company received a demand notice for recovery of Extra Duty Deposit refunded by the department during the prior years amounting to ₹ 91.31 Mn from the Deputy Commissioner of Customs on account of issue of the above notice by DRI. The Company challenged the demand and obtained stay of demand filing a writ petition before the Honourable High Court of Madras which is pending disposal.

(v) In addition to the above, the outstanding demand under dispute towards various other Customs cases in respect of which the hearings are in progress at various levels at Customs Authorities / Appeals as at March 31, 2022 amounts to ₹ 42.32 Mn (including ₹ 29.33 Mn decided in favour of the Company against which department has gone on appeal).

(vii) During the year ended March 31, 2016, the Company also received certain other adjudication orders rejecting the classification of certain goods imported by the Company and reclassifying the same under different heading of the customs tariff. The Company had filed appeals against these orders with Commissioner of Customs (Appeals). Subsequently, the Commissioner of Customs (Appeals) upheld the adjudication order classifying the goods imported by the Company under a different heading of the customs tariff. The Company has paid the differential duty under protest and filed appeals with CESTAT challenging the Appellate Order and the hearings at CESTAT is pending disposal as at March 31, 2022. The Company expects a favourable outcome in respect of these matters.

B Anti-dumping duty

During the year ended March 31, 2015, the Directorate General of Anti-Dumping and Allied Duties initiated an investigation on import of cast and aluminium alloy wheels exported from China, Korea and Thailand and levied anti dumping duty on cast aluminium alloy wheels which have been imported into India allegedly at less than its normal value and passed a provisional order for a period of six months from April 11, 2014. The Company had filed four writ petitions before the Honourable High Court of Madras in this connection challenging the provisional order passed by the department and paid ₹ 165.66 million under protest, as against the Anti Dumping Duty payable of ₹ 320.40 million and charged to the Statement of Profit and Loss Account. Consequent to the legal suit filed, the Company also carries the amount paid as receivable and on grounds of prudence, provided for the same. However, in December 2014, the Honourable High Court of Madras had dismissed the writ petitions. The Company had filed writ appeal with the division bench of the Honourable High Court of Madras against the said order of the single member bench. During the year ended March 31, 2016, the Company received a transfer petition transferring the appeal to the Honourable Supreme Court of India and the Company has filed required counter petitions with the Honourable Supreme Court of India and the same is pending disposal as at March 31, 2022. The Company believes that it has a good case to obtain a favourable judgement in respect of this matter and there is no additional financial exposure in respect of the same.

In the meanwhile, the Directorate General of Anti-Dumping and Allied Duties had issued final order on May 22, 2015 levying Anti-Dumping duty for a period of five years commencing April 11, 2014. The Company is of the opinion that Anti-Dumping Duty shall not be levied with retrospective effect, based on the precedent judgement of the Honourable Supreme Court of India in a similar case and has not provided for / paid Anti-Dumping duty for the period from October 2014 to May 2015.

Further, the Company has paid Anti-dumping duty commencing from the period May 22, 2015 (date of notification of Final Order) till March 31, 2022 under protest amounting to ₹ 6,967.78 million which has been charged off to the Statement of Profit and Loss Account. Consequent to the legal suit filed, the Company also carries the amount paid as receivable and on grounds of prudence, provided for the same.

C Duty drawback

During the year ended March 31, 2011, the Company had received a demand of ₹ 797.34 Million from the Additional Commissioner, Large Taxpayer Unit, Chennai relating to excess drawback paid by the Department for the period from September 24, 2007 to August 4, 2009. Out of the above, the Company had voluntarily foregone and repaid duty drawback claim of ₹ 109.44 million and the balance of ₹ 687.90 million was disputed by the Company.

The Company had filed an appeal before the Commissioner of Customs (Appeals), Customs House, Chennai, LTU which was adjudicated against the Company and had filed a revision application before the Joint Secretary, Ministry of Finance which was partly allowed and remanded back to the original authority for reassessment. During the FY 2019-20, the Company received a refund of ₹ 426.58 million based on such reassessment. The remaining disputed amount which is pending for disposal at the Honourable High Court of Madras based on a writ petition filed by the Company has been fully provided for and hence not included as contingent liability as at March 31, 2022.

D Excise duty, Service tax and GST

During October 2021, the Company has received order from the Additional Director General demanding payment of Central excise duty amounting to ₹ 3,574 million and penalty amounting to ₹ 3,574 million. The Company has filed a writ petition with the Honorable Madras High court to grant the stay of the operation and all further proceeding pursuant to the demand order received by the Company. The Company has received order from Honorable Madras High court granting interim stay of recovery proceedings pending disposal of Writ petition subject to the Company depositing minimum amount required under section 35F of the Central excise Act, 1944. The Company has paid ₹ 100 million pre-deposit as at March 31, 2022. Apart from the above, there are pending litigations for various other matters relating to Excise Duty, Service Tax and GST involving demands, for which the Company has filed appeals against the orders received which are pending at various forums as at March 31, 2022.

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E Tamil Nadu VAT

The Company had received sales tax demands (including interest) for various assessment years amounting to ₹ 613.31 million towards arbitrary demand of sales tax on royalty income received by the Company and denied availment of input tax credits on goods on various submissions made in respective assessment years. The Company paid such demand amount under protest and filed appeals against all the orders with the Sales tax appellate tribunal.

During the reporting period, the Company received an order in favor of the Company from the Sales tax appellate tribunal amounting to ₹ 331.12 million with respect to such royalty income by excluding the same from its assessed tax demand. However, the Tribunal confirmed the department's demand for the disputed input credits of the Company amounting to ₹ 231 million. The Company has further contested against the said order with the Honorable Madras High court and expects a favorable outcome.

F Investigation by the Competition Commission of India

(i) In 2012, the Directorate General of the Competition Commission of India (CCI) had submitted its final investigation report to the CCI regarding violations of the provisions of Competition Act, 2002.

In the meanwhile, the Company filed a writ petition before the Honourable High Court of Madras challenging the jurisdiction of the CCI to expand the investigation in respect of the above matter and requesting for a stay which was granted initially. During the year ended March 31, 2015, the Honourable High Court of Madras dismissed the Company's petition challenging the jurisdiction of the CCI stating that CCI has powers to expand the investigation. The Company had filed a writ appeal before the Divisional Bench of the Honourable High Court of Madras, and obtained Interim order that CCI should not pass final order till disposal of writ appeal. Meanwhile, CCI had issued final order imposing a penalty of ₹ 4,202.61 million violating Division Bench Order. However CCI has clarified that the order shall be enforceable based on and subject to the direction of the Honourable High Court of Madras in connection with the writ appeal filed by the Company.

(ii) The writ appeal was subsequently dismissed by the High Court of Judicature at Madras on July 23, 2018. The Company filed an appeal before the National Company Law Appellate Tribunal (NCLAT) against the CCI Order. On October 29, 2018, the NCLAT heard the matter for admission and directed the Company to deposit 10% of ₹ 4,202.61 million within three weeks. The Company filed an appeal before the Supreme Court of India (SC) against the NCLAT Interim Order. On November 16, 2018, the SC granted a interim stay on the operation of the CCI Order. Further on January 20, 2020, the Supreme Court granted Permanent Stay on NCLAT order for deposit of ₹ 420 million and directed NCLAT to decide HMIL's Appeal on Merits. Consequently, the Company is not required to deposit 10% of ₹ 4,202.61 million with the NCLAT till the SC Order is operational. The pleadings in the NCLAT appeal are complete and the appeal was listed on March 25, 2020 for final arguments. However, due to the COVID-19 pandemic, the matter was adjourned and is yet to be listed for hearing before NCLAT. Based on the legal opinion, the Company expects a favourable outcome in the above appeal also.

(iii) Further, the CCI had directed the Director General for an investigation to be made in respect of the complaints made by two terminated dealers against the Company. The Company received notices seeking certain information for the purpose of investigation and the Company had furnished the required details. During the year ended March 31, 2018, CCI passed an order imposing a penalty of ₹ 870.00 million on the Company. The Company filed an appeal before NCLAT against the order and received an order in favour of the Company during the year ended March 31, 2019 by setting aside the CCI Order. CCI has further filed an appeal before Supreme Court in November 2018 against our favourable order. This case is now pending before Supreme Court and it is yet to be listed for hearing. Based on the legal opinion, the Company expects a favourable outcome in the above appeal also.

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36.1 CONTINGENT LIABILITIES (TO THE EXTENT NOT SPECIFICALLY PROVIDED FOR) (REFER NOTE I BELOW) (contd...)

G Show cause notices/draft assessment orders

The details of the show cause notices/draft assessment orders received by the Company from various government agencies pending formal orders / demand notices, which are not considered as claims against the Company not acknowledged as debts, are given below:

Particulars	As at March 31, 2022	As at March 31, 2021
Customs duty (refer note below)	1,194.76	1,194.76
Duty drawback	9.12	9.12
Excise duty	82.48	3,727.49
Service tax	190.24	476.83
GST	2,868.64	-
Income tax draft assessment orders received and pending disposal with Dispute Resolution Panel (DRP)	4,471.94	5,738.33

Note:

The Company had received show cause notices from the DRI demanding an amount of ₹ 1,194.76 million in connection with various matters. The department has also mentioned that the goods which are a subject matter of the demand of customs duty, is also liable for confiscation under Section 111 of the Customs Act, 1962. The Company has filed / is in the process of filing replies for the same and expects a favorable outcome in respect of the same.

H Guarantees

The Company has executed a Deed of Corporate Guarantee in favour of SIPCOT for CST Soft Loan of ₹ 6,000.00 million

I Management's assessment

The amounts shown under contingent liabilities and disputed claims represent the best possible estimates arrived at on the basis of the available information. Further, various government authorities raise issues/clarifications in the normal course of business and the Company has provided its responses to the same and no formal demands/claims has been made by the authorities in respect of the same other than those pending before various judicial/regulatory forums as disclosed above. The uncertainties and possible reimbursement in respect of the above are dependent on the outcome of the various legal proceedings which have been initiated by the Company or the claimants, as the case may be and, therefore, cannot be predicted accurately. The Company expects a favorable decision with respect to the above disputed demands / claims based on professional advice and, hence, no specific provision for the same has been made. Also refer note 27(c).

36.2 COMMITMENTS

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	3,696.76	5,483.08

(b) Commitment arising from Memorandum of Understanding (MoU) with Government of Tamil nadu (GoTN)

The Company has entered into fourth MoU dated January 24, 2019 with the GoTN being the third expansion of existing plant to increase the capacity from 0.7 million cars p.a. to 0.8 million cars p.a. As per the said MOU, the Company is entitled to certain fiscal benefits in the form of clean energy vehicle subsidy, capital subsidy, electricity tax exemption and also certain other concessions/benefits subject to the Company achieving specified conditions viz. investment of ₹ 70,000 million in fixed assets, creation of 500 direct employment, production of electric / clean energy vehicles of 200,000 nos. in 20 years (FY 2019-20 to 2038-39) etc. The period of investment as contemplated in this MOU is from April 1, 2018 to March 31, 2025 and the investment will be made for production of new models, electric and other clean energy vehicles (existing and new models) in Tamil Nadu.

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36.3 OTHERS

Particulars	As at March 31, 2022	As at March 31, 2021
Disputed VAT input refund receivable (refer note below)	92.13	92.13

Note:

The Company has submitted the claim for refund to Commercial Taxes Department [MoU Cell] under Phase II MoU. The Commercial Taxes Department [MoU Cell] is not in agreement with refund w.r.t Input tax Credit on stock transfer. The Company is in the process of discussion with Industries Department (GOTN) and belives that the VAT input refund is recoverable in full.

37 EMPLOYEE BENEFIT PLANS

37.1 Defined contribution plan

Company's (employer's) contribution to defined contribution plans recognised as expenses in the statement of profit and loss are:

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Employer's contribution to Provident fund	386.99	350.05
(b) Employer's contribution to National pension fund	41.04	28.27
(c) Employer's contribution to Superannuation fund	180.99	150.16
	609.02	**528.48**

Note:

The expenses are included in note 33 - Employee benefit expenses under "Contribution to provident and other funds"

37.2 DEFINED BENEFIT PLAN

(i) Refer note 2.15 for the accounting policy of the defined benefit plan

(ii) The defined benefit plan typically exposes the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in government securities, debt instruments, short term debt instruments, equity instruments and asset backed, trust structured securities as per notification of Ministry of Finance.

Interest risk

Decrease in the Interest rate will increase the cost of providing the above benefit and thus increase in the value of liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

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(All amounts are in Indian ₹ million except share data and as stated)

37.2 DEFINED BENEFIT PLAN (contd...)

(iii) The principal assumptions used for the purpose of the actuarial valuations were as follows.

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	7.50%	7.12%
Future salary increase	6.50%	6.50%
Expected rate of return on plan assets	7.50%	7.12%
Attrition rate	2.00%	2.00%
Mortality - Indian Assured Lives Mortality	2012-14	2006-08

(iv) Amounts recognised in the Statement of Profit and Loss in respect of the defined benefit plan are as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Components of defined benefit cost recognised in the Statement of Profit and Loss		
Current service cost	115.82	110.74
Past service cost	-	-
Interest cost	140.97	123.41
Interest income on plan assets	(96.09)	(78.43)
Total (Refer note below)	**160.70**	**155.72**
Components of defined benefit cost recognised in the Other Comprehensive Income		
Actuarial (gains)/losses		
-Changes in demographic assumptions	-	-
-Changes in financial assumptions	(85.15)	(60.33)
-Experience variance	37.08	8.82
Return on plan assets (excluding amount included in net interest expense)	13.13	9.87
	(34.93)	**(41.64)**

Note:

The expenses are included in Note 33 - Employee benefit expenses under "Contribution to provident and other funds"

(v) The amount included in the Balance Sheet arising from the entity's obligation in respect of the defined benefit plan is as follows.

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation as at the end of the year	2,062.35	1,905.49
Fair value of plan assets as at the end of the year	(1,415.88)	(1,229.57)
Net liability recognised in the balance sheet	**646.47**	**675.92**
Current liability	109.45	112.46
Non-current liability	537.02	563.46

(vi) Movements in the present value of the defined benefit obligation and fair value of plan assets are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Change in defined benefit obligation during the year		
Present value of defined benefit obligation as at the beginning of the year	1,905.49	1,743.88
Current service cost	115.82	110.74
Interest cost	140.97	123.41
Benefits paid	(51.87)	(21.03)
Actuarial loss/(gain)	(48.06)	(51.51)
Present value of defined benefit obligation at the end of the year	**2,062.35**	**1,905.49**

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37.2 DEFINED BENEFIT PLAN (contd...)

Particulars	As at March 31, 2022	As at March 31, 2021
Change in fair value of assets during the year		
Fair value of plan assets at beginning of the year	1,229.57	1,042.06
Expected return on plan assets	96.09	78.43
Employer's contribution	155.22	139.98
Benefits paid	(51.87)	(21.03)
Actuarial gains/(loss)	(13.13)	(9.87)
Fair value of plan assets at the end of the year	**1,415.88**	**1,229.57**
Net liability	**646.47**	**675.92**

(vii) The entire plan assets are managed by the insurer. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity.

(viii) Maturity profile of defined benefit obligation

Particulars	As at March 31, 2022	As at March 31, 2021
Time Periods		
Within 1 year	59.64	59.76
2 to 5 years	329.83	271.61
6 to 10 years	634.98	528.53
More than 10 years	4,672.89	4,390.92

(ix) The Company expects to contribute ₹109.45 million to its gratuity fund during the year ending March 31, 2023 (March 31, 2022- ₹ 149.08 Mn)

(x) The Average future service for the defined benefit obligation is 19.14 years as on March 31, 2022 (As on March 31, 2021- 19.93 years)

(xi) Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate:		
Decrease in defined benefit obligation if discount rate increases by 1%	224.06	218.23
Increase in defined benefit obligation if discount rate decreases by 1%	262.03	257.08
Attrition rate:		
Increase in defined benefit obligation if salary increases by 1%	10.68	1.80
Decrease in defined benefit obligation if salary decreases by 1%	11.31	1.33
Expected rate of salary increase:		
Increase in defined benefit obligation if salary increases by 1%	201.79	202.93
Decrease in defined benefit obligation if salary decreases by 1%	209.97	210.51

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37.3 COMPENSATED ABSENCES

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The key assumptions used in the computation of provision for compensated absences as per the actuarial valuation done by an independent actuary are as given below:

Particulars	As at March 31, 2022	As at March 31, 2021
Assumptions		
Discount rate	7.50%	7.12%
Future salary increase	6.50%	6.50%
Attrition rate	2.00%	2.00%

38 DISCLOSURE IN RESPECT OF RELATED PARTIES PURSUANT TO INDIAN ACCOUNTING STANDARD 24

38.1 Names of Related Parties and Nature of Relationship

Description of Relationship	Name of Related Party
Holding Company	Hyundai Motor Company, South Korea
Subsidiary Company	Hyundai Motor India Engineering Private Limited
	Hyundai India Insurance Broking Private Limited
Fellow Subsidiaries	Hyundai Motor Deutschland GmbH
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.
	Hyundai Motor Poland Sp. Zo.O
	Hyundai Motor UK Limited
	Hyundai Motor Company Australia Pty Limited
	Hyundai Motor Europe GmbH
	Hyundai Motor Company Italy S.R.L,
	Hyundai Motor Czech s.r.o.
	Hyundai Motor CIS LLC Russia
	Hyundai Motor Espana S.L.U
	Hyundai Motor Netherlands B.V.
	Hyundai Motor France SAS
	Hyundai Capital India Private Limited
	Hyundai Motor De Mexico S DE RL DE CV
	Hyundai Rotem Company
	Hyundai KEFICO Corporation
	Hyundai Motor Manufacturing Czech s.r.o.
	Hyundai Motor America
	Hyundai Thanh Cong Viet Nam Auto Manufacturing Corporation
	Hyundai Motor Japan Co. Ltd.
	Hyundai Motor Sport GmbH
	Hyundai Motor Brasil Montadora de Automoveis LTDA
	Hyundai Motor Manufacturing Rus LLC
	PT Hyundai Motors Indonesia
Associate of Holding Company (in respect of which the Company has had transactions during the year)	Hyundai Autoever Corp
	Hyundai Motor Group (China) Ltd.
	Hyundai Wia Corporation
	Kia Motor Corporation
	Primemover Mobility Technologies Private Limited
	Hyundai Engineering & Construction Co., Ltd
	Hyundai Wia Automotive Engine (shandong) Company
Entities with significant influence over the Holding Company	Hyundai Mobis Company Limited
Subsidiary of entities with significant influence over the Holding Company	Mobis India Ltd.
	Mobis India Module Private Ltd.

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38.1 Names of Related Parties and Nature of Relationship (contd...)

Description of Relationship	Name of Related Party
Entities which are Subsidiary of Associate of Holding Company (in respect of which the Company has had transactions during the year)	Hyundai Autoever India Private limited
	Hyundai Wia India Pvt ltd.
	Hyundai Engineering India Pvt Ltd.
	Kia Motors Slovakia s.r.o.
	Hyundai Transys Lear Automotive India Private Limited
	Hyundai Transys India Private Ltd.
	Kia India Private Limited
	HEC India LLP
Post Retirement Benefit Plans	Hyundai Motor India Limited Group Gratuity Scheme
	Hyundai Motor India Limited Executive Superannuation Scheme
Key Management Personnel	Mr Unsoo Kim - Managing Director (w.e.f. January 25, 2022)
	Mr Seonseob Kim - Managing Director (Upto December 31, 2021)
	Mr. Choon Hang Park - Whole Time Director cum CFO
	Mr. Jong Hoon Lee - Whole Time Director
	Mr. Woong Sik Oh - Whole Time Director (Upto August 08, 2021)
	Mr. Dosik Kim - Whole Time Director (w.e.f. September 28, 2021)
	Mr. S Ganesh Mani - Whole Time Director
	Mr. Tarun Garg - Whole Time Director
	Mr. Young Min Jung - Alternate Director (Upto January 01, 2021)
	Mr. Stephen Sudhakar John - Whole Time Director (Upto June 30, 2020)

Note:

Related Party relationships are as identified by the Management and relied upon by the Auditors.

38.2 Transactions with the related parties

Particulars	Name of the Related party	Year Ended March 31, 2022	Year Ended March 31, 2021
Income			
Sale of Motor Vehicles, Parts and Raw Materials	Hyundai Motor De Mexico S DE RL DE CV	13,879.66	11,496.76
	Hyundai Thanh Cong Viet Nam Auto Manufacturing Corporation	-	27.93
	Hyundai Motor Company, South Korea	104.99	35.89
	Kia India Private Limited	18,593.35	13,128.59
	Mobis India Ltd.	1,614.26	1,179.68
	Hyundai Transys Lear Automotive India Private Limited	1,110.09	784.77
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	2,854.34	2,413.87
Interest Income	Hyundai Motor De Mexico S DE RL DE CV	160.44	146.39
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	7.61	6.44
Other Income	Hyundai Motor Company, South Korea	3.35	2.49
	Kia India Private Limited	133.79	36.68
	Hyundai Motor India Engineering Private Limited	0.09	0.06
	Hyundai Engineering India Pvt Ltd.	3.78	-
Scrap Sales	Hyundai Wia India Pvt ltd.	3.77	0.50
	Hyundai Engineering India Pvt Ltd.	2,096.11	1,442.74
Expenses (gross of withholding tax wherever applicable)			
Purchase of Raw Materials, Components and Spare Parts	Hyundai Motor Company, South Korea	33,354.79	30,499.13
	Hyundai Motor Group (China) Ltd.	3,443.85	2,185.31
	Hyundai KEFICO Corporation	825.73	788.19
	Hyundai Transys Lear Automotive India Private Limited	10,333.14	10,894.32
	Hyundai Transys India Private Ltd.	1,792.99	564.91
	Hyundai Wia India Pvt ltd.	305.12	311.56
	Hyundai Wia Automotive Engine (shandong) Company	2,023.38	112.48
	Kia India Private Limited	13,206.04	14,149.91
	Mobis India Ltd.	63,154.03	56,114.90
	Mobis India Module Private Ltd.	0.03	0.39
	Kia Motors Slovakia s.r.o.	8.19	1.37

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38.2 Transactions with the related parties (contd...)

Particulars	Name of the Related party	Year Ended March 31, 2022	Year Ended March 31, 2021
Royalty	Hyundai Motor Company, South Korea	10,973.36	10,211.06
Technical Assistance Fee (refer note i)	Hyundai Motor Company, South Korea	77.35	201.38
Advertisement and Sales Promotion Expenses	Hyundai Capital India Private Limited	95.02	64.64
	Hyundai Autoever India Private Limited	98.68	15.87
	Hyundai Motor Brasil Montadora de Automoveis LTDA	205.91	-
	Primemover Mobility Technologies Private Limited	-	2.07
Warranty Expenses	Hyundai Motor Deutschland GmbH	8.53	1.83
	Hyundai Motor Company Italy S.R.L,	5.55	0.29
	Hyundai Motor Poland Sp. Zo.O	0.03	0.31
	Hyundai Motor Czech s.r.o.	0.02	0.01
	Hyundai Motor UK Limited	2.64	3.38
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	6.64	7.91
	Hyundai Motor France SAS	0.10	0.31
	Hyundai Motor Espana S.L.U	0.22	0.36
	Hyundai Motor Company Australia Pty Limited	0.32	25.38
	Hyundai Motor Netherlands B.V.	0.46	0.51
	Hyundai Motor De Mexico S DE RL DE CV	110.34	104.93
	Hyundai Thanh Cong Viet Nam Auto Manufacturing Corporation	0.09	2.83
	Hyundai Motor CIS LLC Russia	0.00	-
	Kia India Private Limited	1.91	-
	PT Hyundai Motors Indonesia	0.06	-
Rent	Hyundai Autoever Corp	67.54	77.93
	Hyundai Autoever India Private Limited	136.07	194.86
Maintenance Charges	Hyundai Motor India Engineering Private Limited	154.98	222.48
	Hyundai Autoever India Private Limited	311.94	288.05
	Hyundai Engineering India Pvt Ltd.	516.08	400.79
	Mobis India Ltd.	1.80	1.54
Other Expenses	Hyundai Motor Company, South Korea	68.05	73.95
	Hyundai Rotem Company	1.67	0.81
	Hyundai Engineering India Pvt Ltd.	5.05	26.92
	Mobis India Ltd.	178.41	66.26
	Hyundai Transys Lear Automotive India Private Limited	9.04	9.94
	Hyundai Autoever India Private Limited	3.89	6.99
Salaries, Bonus, Perquisites and Contribution to Funds	Mr. Unsoo Kim	9.42	-
	Mr. Seonseob Kim	41.05	44.37
	Mr Stephen Sudhakar John	-	3.53
	Mr. Choon Hang Park	32.35	26.43
	Mr. Dosik Kim	20.80	-
	Mr. Jong Hoon Lee	37.29	36.58
	Mr. Woong Sik Oh	11.05	33.50
	Mr. Young Min Jung	-	2.88
	Mr. S Ganesh Mani	24.33	11.48
	Mr. Tarun Garg	33.33	16.99
Others			
Purchase of Capital Goods	Hyundai Motor Company, South Korea	1,022.17	1,816.81
	Hyundai Rotem Company	3.61	3.58
	Hyundai Transys Lear Automotive India Private Limited	550.94	600.30
	Hyundai Autoever Corp	45.04	141.48
	Mobis India Ltd.	100.40	1,062.83
	Hyundai Wia Corporation	264.75	48.02
	Hyundai Autoever India Private Limited	193.53	176.89
	HEC India LLP	1,621.84	2,199.77
	Hyundai Engineering & Construction Co., Ltd	-	7.99
	Kia Corporation	-	1,196.38
	Kia India Private Limited	9.85	208.73
	Hyundai Transys India Private Ltd.	0.03	6.17
	Hyundai Engineering India Pvt Ltd.	149.83	191.37
Technical Knowhow	Hyundai Motor Company, South Korea	-	1,315.35
Transportation Income	Hyundai Motor De Mexico S DE RL DE CV	1,025.50	825.16

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(All amounts are in Indian ₹ million except share data and as stated)

38.2 Transactions with the related parties (contd...)

Particulars	Name of the Related party	Year Ended March 31, 2022	Year Ended March 31, 2021
Rental Income	Hyundai Motor India Engineering Private Limited	10.03	-
	Hyundai Capital India Private Limited	5.18	-
	Hyundai India Insurance Broking Private Limited	1.66	-
Insurance Reimbursement	Hyundai Motor De Mexico S DE RL DE CV	44.32	36.64
Other Reimbursement	Hyundai India Insurance Broking Private Limited	6.30	-
Warranty Claim Recovered	Hyundai Motor Company, South Korea	174.35	24.55
	Hyundai Wia India Pvt Ltd.	0.00	0.01
	Mobis India Ltd.	84.48	76.60
	Kia India Private Limited	3.14	16.30
	Hyundai Transys Lear Automotive India Private Limited	0.83	1.03
Dealer Reimbursement	Hyundai Autoever India Private Limited	3.91	5.77
Maintenance Charges recovered	Hyundai Transys Lear Automotive India Private Limited	14.22	15.92
	Mobis India Ltd.	90.43	14.85
Discount Received	Mobis India Ltd.	1.32	1.75
Investment	Hyundai India Insurance Broking Private Limited	40.00	-
Dividend Paid	Hyundai Motor Company, South Korea	13,593.81	-

38.3 Related Party balances as at the year end

Particulars	Related party	As at March 31, 2022	As at March 31, 2021
Receivables as at Year End			
Receivables (including contractually reimbursable expenses)	Hyundai Motor Company, South Korea	7.61	4.93
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	753.42	573.75
	Hyundai Motor De Mexico S DE RL DE CV	9,602.52	9,382.79
	Hyundai Transys Lear Automotive India Private Limited	157.02	104.50
	Kia India Private Limited	2,879.48	2,877.23
	Mobis India Ltd.	137.66	75.63
	Hyundai Wia India Pvt ltd.	0.09	0.06
	Hyundai Motor India Engineering Private Limited	2.12	-
	Hyundai Capital India Private Limited	0.52	-
	Hyundai India Insurance Broking Private Limited	6.71	-
Liabilities as at Year End			
Payables (net of TDS wherever applicable)	Hyundai Motor Company, South Korea	1,229.25	1,617.21
	Hyundai Motor Company Italy S.R.L,	0.03	0.07
	Hyundai Motor Company Australia Pty Limited	0.25	1.35
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	0.77	-
	Hyundai Thanh Cong Viet Nam Auto Manufacturing Corporation	0.32	0.31
	Hyundai Motor Espana S.L.U	0.03	0.07
	Hyundai Motor India Engineering Private Limited	21.05	20.46
	Hyundai Motor Deutschland GmbH	1.69	0.02
	Hyundai Motor De Mexico S DE RL DE CV	20.06	4.28
	Hyundai Motor Netherlands B.V.	0.03	-
	Hyundai Motor Poland Sp. Zo.O	0.00	-
	Hyundai Motor UK Limited	0.14	0.03
	Hyundai KEFICO Corporation	55.96	42.32
	Hyundai Autoever Corp	0.36	0.27
	Hyundai Wia Corporation	257.93	50.73
	Hyundai Motor Group (China) Ltd.	-	609.26
	Hyundai Autoever Inida Private Limited	5.23	83.05
	Hyundai Transys Lear Automotive India Private Limited	1,690.32	1,643.28
	Hyundai Capital India Private Limited	4.74	-
	Hyundai Motor Brasil Montadora de Automoveis LTDA	48.31	-
	Hyundai Motor CIS LLC Russia	0.00	-
	Hyundai Motor Czech s.r.o.	0.01	-
	Hyundai Motor France SAS	0.01	-
	PT Hyundai Motors Indonesia	0.06	-

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38.3 Related Party balances as at the year end (contd...)

Particulars	Related party	As at March 31, 2022	As at March 31, 2021
	Hyundai Engineering India Pvt Ltd.	81.06	91.57
	Hyundai Transys India Private Ltd.	362.59	164.28
	Hyundai Wia India Pvt Ltd.	34.08	47.45
	Kia India Private Limited	1,338.75	2,323.22
	Mobis India Ltd.	9,443.41	10,437.95
	HEC India LLP	-	61.35
	Kia Corporation	-	166.79
	Kia Motors Slovakia s.r.o.	4.68	1.17
	Mobis India Module Private Ltd.	-	0.46
Advances to suppliers	Hyundai Capital India Private Limited	-	22.80
	HEC India LLP	242.24	-
Royalty Payable (net of Tax deducted at source)	Hyundai Motor Company, South Korea	4,999.88	5,955.59
Salary Payable (refer note v)	Mr. Unsoo Kim	4.81	-
	Mr. Seonseob Kim	-	3.91
	Mr. Choon Hang Park	3.05	2.46
	Mr. Dosik Kim	3.67	-
	Mr. Jong Hoon Lee	3.32	3.25
	Mr. Woong Sik Oh	-	2.99
	Mr. S Ganesh Mani	1.61	1.32
	Mr. Tarun Garg	2.53	1.88

Note:

(i) The amount disclosed above includes Technical Assistance Fee capitalised amounting to ₹ 63.80 million (March 31, 2021 ₹ 193.95 million)

(ii) The Holding Company / certain other Group Companies (together referred to as "Group Companies"), incur certain common costs on behalf of the Company / other entities in the Group. These costs primarily relate to certain world-wide marketing, infrastructure and other costs incurred at an overall Group Level. Such costs have been accounted for in the financial statements of the Company based on and to the extent of actual debits received from the Group Companies. The Group Companies have confirmed to the Management that, as at 31 March 2022, there are no further amounts payable to them by the Company, on this account other than the amounts disclosed in these financial statements.

(iii) The Company incurs certain costs on behalf of other Companies in the Group. These costs have been allocated / recovered from the Group Companies on a basis mutually agreed to with the Group Companies.

(iv) Refer note 37 for information on transactions with post employment benefit plans.

(v) Amount attributable to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

39 SEGMENT REPORTING

The Company publishes these standalone financial statements along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

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40 LEASES

The Company as a lessee

The Company has entered into various lease agreements in respect of land/certain offices/showroom spaces at various places. These arrangements are non-cancellable in nature and the lease period varies from 1 year to 88 years.

Particulars	Year ended March 31, 2022	Year ended March 31, 2022
(i) Lease Liabilities:		
Opening Balance	121.84	213.40
Recognised during the year	301.62	11.30
Interest expenses	17.20	14.28
Lease payments	(89.71)	(117.14)
Closing Balance	**350.95**	**121.84**
Current	61.12	74.98
Non-Current	289.83	46.86
(ii) Weighted average incremental borrowing rate (% p.a.)	8.75%	8.75%
(iii) The future expected minimum lease payments under leases (undiscounted) are as follows:		
Payable in less than one year	88.27	81.91
Payable between one and five years	204.28	49.33
Payable after five years	195.11	-
	487.66	**131.24**
Amounts recognised in statement of Profit and Loss		
(i) Depreciation of right-of-use assets		
Land	3.53	3.14
Buildings	88.42	106.54
	91.95	**109.68**
(ii) Expenses recognized in relation to leases:		
Interest on lease liabilities	17.20	14.28
Expenses relating to short-term leases	117.06	186.19
Expense relating to leases of low-value assets	2.69	2.69
Variable lease payments not included in the measurement of lease liabilities		
a) Included in Rent including lease rentals	223.41	81.99
b) Included in various expenses	218.68	129.77
Income from sub-leasing right-of-use asset	(36.41)	(34.37)

41 EARNINGS PER SHARE

Particulars	Year ended March 31, 2022	Year ended March 31, 2022
Profit after tax - ₹ in million	28,617.65	18,471.62
Weighted average number of equity shares	81,25,411	81,25,411
Earnings per share		
- Basic in ₹	3,521.99	2,273.32
- Diluted in ₹	3,521.99	2,273.32
Face value per share - in ₹	1,000.00	1,000.00

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(All amounts are in Indian ₹ million except share data and as stated)

42 FINANCIAL INSTRUMENTS

42.1 Capital management

The Company manages its capital to ensure that it is able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the debt and equity balance. The Company determines the amount of capital required on the basis of annual budgeting exercise, future capital projects outlay etc. The funding requirements are met through equity, internal accruals and borrowings (short term/long term). Refer note 45 - Debt-Equity Ratio

42.2 Financial instruments by category

The carrying value and fair value of financial instruments by each category as at March 31, 2022 were as follows:

Particulars	Amortised cost	FVTPL	Total carrying value	Total fair value
Assets (refer note 8 and 11 to 15)				
Trade receivables	21,490.85	-	21,490.85	21,490.85
Cash and cash equivalents	139,658.39	-	139,658.39	139,658.39
Loans	154.94	-	154.94	154.94
Deposits	592.11	-	592.11	592.11
MOU benefit receivable from GOTN	1,961.67	-	1,961.67	1,961.67
Interest accrued but not due on fixed deposits with banks	856.65	-	856.65	856.65
Other receivables	8.73	-	8.73	8.73
Liabilities (refer note 19, 23 to 26)				
VAT/CST deferral loan and CST soft loan	8,844.08	-	8,844.08	8,844.08
Export receivables discounted on a "with recourse" basis-unsecured	2,556.25	-	2,556.25	2,556.25
Trade payables	53,985.86	-	53,985.86	53,985.86
Lease liabilities	350.95	-	350.95	350.95
Payable on purchase of PPE	1,207.35	-	1,207.35	1,207.35
Deposits received from customers	1,130.49	-	1,130.49	1,130.49
Others	1,859.96	-	1,859.96	1,859.96

The carrying value and fair value of financial instruments by each category as at March 31, 2021 were as follows:

Particulars	Amortised cost	FVTPL	Total carrying value	Total fair value
Assets (refer note 8 and 11 to 15)				
Trade receivables	24,406.15	-	24,406.15	24,406.15
Cash and cash equivalents	114,218.55	-	114,218.55	114,218.55
Loans	254.85	-	254.85	254.85
Deposits	668.23	-	668.23	668.23
MOU benefit receivable from GOTN	2,219.87	-	2,219.87	2,219.87
Interest accrued but not due on fixed deposits with banks	406.53	-	406.53	406.53
Other receivables	4.49	-	4.49	4.49
Liabilities (refer note 19, 23 to 26)				
VAT/CST deferral loan and CST soft loan	9,245.46	-	9,245.46	9,245.46
Export receivables discounted on a "with recourse" basis-unsecured	4,172.06	-	4,172.06	4,172.06
Trade payables	60,539.52	-	60,539.52	60,539.52
Lease liabilities	121.84	-	121.84	121.84
Payable on purchase of PPE	1,246.15	-	1,246.15	1,246.15
Deposits received from customers	1,028.24	-	1,028.24	1,028.24
Others	1,669.69	-	1,669.69	1,669.69

Note: The investments in subsidiaries (refer note 7) is accounted at cost less impairment.

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42.3 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposure by degree and magnitude of risks. The treasury function reports periodically to the Board of Directors of the Company. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities.

Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's trade receivables, treasury operations and Government receivables.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management considers that the demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. The Company is not exposed to concentration of credit risk to any one single customer since the products are sold to and services are provided to customers who are spread over a vast spectrum and hence, the concentration of risk with respect to trade receivables is low. The credit worthiness of the customers are assessed through a strong credit risk assessment policy of the Company. The Company's domestic sales operates primarily on a cash and carry/advance model and do not carry significant credit risk. The Company's credit period on export sales varies on case to case basis based on market conditions and are normally backed by a letter of credit to cover the risk.

Cash and cash equivalents and other investments

In the area of treasury operations, the Company is presently exposed to counter-party risks relating to liquid funds and short term and medium term deposits placed with public/private sector banks. The credit risk is limited considering that the counterparties are banks with high credit ratings and repute.

Government receivables

The credit risk on receivables from government agencies/authorities is nil considering the sovereign nature of the receivables.

Liquidity risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations. In addition, the Company has concluded arrangements with well reputed banks, and has unused lines of credit that could be drawn upon, should there be a need. The Company invests its surplus funds in bank fixed deposits.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts are gross and undiscounted, and include contractual interest payments. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at March 31, 2022	Undiscounted contractual cash flows	Less than 1 year	1-3 years	3-5 years	> 5 years
Non-interest bearing					
VAT/CST deferral loan	7,694.63	1,176.98	2,607.02	2,368.94	1,541.69
Trade payables	53,985.86	53,985.86	-	-	-
Lease Liabilities	487.66	88.27	101.79	102.50	195.11
Other financial liabilities	1,890.33	1,890.33	-	-	-
Variable interest rate instruments					
Deposits received from customers	1,130.49	1,130.49	-	-	-
Fixed interest rate instruments					
CST soft loan	6,002.78	5.94	108.41	280.01	5,608.42
Export receivables discounted with banks	2,557.02	2,557.02	-	-	-

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42 FINANCIAL INSTRUMENTS (contd...)

As at March 31, 2021	Undiscounted contractual cash flows	Less than 1 year	1-3 years	3-5 years	> 5 years
Non-interest bearing					
VAT/CST deferral loan	8,781.73	1,087	2,429.36	2,673.11	2,592.26
Trade payables	60,539.52	60,539.52	-	-	-
Lease Liabilities	131.24	81.91	49.33		-
Other financial liabilities	1,828.84	1,828.84	-	-	-
Variable interest rate instruments					
Deposits received from customers	1,028.24	1,028.24	-	-	-
Fixed interest rate instruments					
CST soft loan	6,008.72	5.94	11.87	204.86	5,786.05
Export receivables discounted with banks	4,174.43	4,174.43	-	-	-

Market risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Currency risk - Exposure to foreign currency

The Company's exposure in USD, Korean Won and other foreign currency denominated transactions is mainly on import of components, royalty payments and export of vehicles. The Company adopts natural hedge strategy and discounting of export bills to minimize currency fluctuation risk. The appropriateness/adequacy of the natural hedging principle is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

The Company's exposure to foreign currency risk as at March 31, 2022 was as follows:

All amounts in respective currencies as mentioned (in million)

Particulars	Cash and cash equivalents	Trade receivables	Borrowing	Trade payables	Capital goods payables	Net Balance Sheet exposure	Net Balance Sheet exposure (In INR)
USD	59.52	230.72	(33.75)	(103.15)	(12.76)	140.59	10,649.40
EUR	1.35	8.92	-	(2.40)	(0.86)	7.00	592.03
KRW	-	-	-	(19,196.24)	(498.02)	(19,694.27)	(1,231.88)
JPY	-	-	-	(20.55)	(136.69)	(157.24)	(97.38)
GBP	-	-	-	-	0.00	0.00	0.44
CHF	-	-	-	(0.01)	(0.09)	(0.09)	(7.65)

The Company's exposure to foreign currency risk as at March 31, 2021 was as follows:

All amounts in respective currencies as mentioned (in million)

Particulars	Cash and cash equivalents	Trade receivables	Borrowing	Trade payables	Capital goods payables	Net Balance Sheet exposure	Net Balance Sheet exposure (In INR)
USD	46.46	272.58	(56.70)	(126.07)	(12.28)	123.97	9,121.15
EUR	1.69	6.72	-	(3.05)	(1.21)	4.17	358.82
KRW	-	-	-	(12,838.26)	(89.53)	(12,927.78)	(839.92)
JPY	-	-	-	(3.58)	(65.99)	(69.57)	(46.16)
GBP	-	-	-	-	(0.00)	(0.00)	(0.44)
CHF	-	-	-	(0.01)	-	(0.01)	(0.43)

Currency risk - Sensitivity analysis

The Company is mainly exposed to the currencies of USD, EUR, KRW and JPY.

The following table details the Company's sensitivity to a 5% increase in the INR against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management

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42 FINANCIAL INSTRUMENTS (contd...)

for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR increases 5% against the relevant currency.

This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2022.

Particulars	As at March 31, 2022		As at March 31, 2021	
	Profit or loss	Other comprehensive income	Profit or loss	Other comprehensive income
USD	589.16	-	341.16	-
EUR	22.14	-	13.39	-
KRW	(46.09)	-	(31.43)	-
JPY	(3.64)	-	(1.73)	-

A 5% decrease in the rupee against the above currencies as at March 31, 2022 and 2021 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Company.

Profile

At the reporting date the interest rate profile of the Company's interest bearing financial instruments were as follows:

Fixed rate instruments	Carrying amount	
	Year ended March 31, 2022	Year ended March 31, 2021
Financial assets		
- Fixed deposits with banks	133,358.80	109,390.00
Financial liabilities		
- Borrowing from others (CST Soft loan @ 0.01%)	2,725.21	2,529.20
- Export receivables discounted on a "With recourse" basis	2,556.25	4,172.06

Fair value sensitivity for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

43 FAIR VALUE MEASUREMENT

Financial assets and financial liabilities that are not measured at fair value

The management considers that the carrying amount of all the financial asset and financial liabilities that are not measured at fair value in the standalone financial statements approximate the fair values and, accordingly, no disclosures of the fair value hierarchy is required to be made in respect of these assets/liabilities.

44 INCOME TAXES

44.1 Income tax recognised in the statement of profit and loss

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
- In respect of current year	11,213.20	8,217.42
- In respect of previous years	(953.65)	(16.99)
Deferred tax		
- In respect of current year	(1,649.27)	(1,742.15)
Total income tax expense recognised in the current year	**8,610.28**	**6,458.28**

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

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44.2 Income tax expense for the year reconciled to the accounting profit

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Gross amount	Tax amount	Gross amount	Tax amount
Profit before tax	**37,227.93**		**24,929.90**	
Income tax rate		25.168%		25.168%
Income tax expense		9,369.53		6,274.36
Tax effect of:				
(a) Effect of expenses that are not deductible in determining taxable profit	798.13	200.87	787.21	198.13
(b) Effect of net additional / (reversal) of provision in respect of prior years	-	(953.65)	-	(16.99)
(c) Others	(25.71)	(6.47)	11.05	2.78
Income tax expense recognised in the statement of profit and loss		**8,610.28**		**6,458.28**

44.3 Income tax recognised in other comprehensive income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Deferred tax assets / (liabilities)		
Arising on income and expenses recognised in other comprehensive income		
- Remeasurement of defined benefit obligation	(8.79)	(10.48)
	(8.79)	**(10.48)**

44.4 Following is the analysis of the deferred tax asset/(liabilities) presented in the balance sheet

As at March 31, 2022	Opening balance	Recognised in profit and loss (net)	Recognised in OCI (net)	Closing balance
Tax effect of items constituting deferred tax liabilities:				
Export benefits	76.80	161.17	-	237.97
Provision for warranty	235.08	(21.36)	-	213.72
Deferred tax liabilities	**311.88**	**139.81**	**-**	**451.69**
Tax effect of items constituting deferred tax assets:				
Difference between depreciation as per Books of Account and Income Tax Act, 1961	3,935.89	1,733.78	-	5,669.67
Provision for doubtful assets	81.89	-	-	81.89
Employee benefits	419.15	40.20	(8.79)	450.56
Provision for disputed matters	168.61	-	-	168.61
Sec.43A Disallowance	39.43	2.44	-	41.87
Others	12.65	12.65	-	25.30
Deferred tax assets	**4,657.62**	**1,789.07**	**(8.79)**	**6,437.90**
Net deferred tax liabilities/ (assets)	**(4,345.74)**	**(1,649.26)**	**8.79**	**(5,986.21)**

As at March 31, 2021	Opening balance	Recognised in profit and loss (net)	Recognised in OCI (net)	Closing balance
Tax effect of items constituting deferred tax liabilities:				
Export benefits	476.53	(399.73)	-	76.80
Provision for warranty	234.71	0.37	-	235.08
Deferred tax liabilities	**711.24**	**(399.36)**	**-**	**311.88**
Tax effect of items constituting deferred tax assets:				
Difference between depreciation as per Books of Account and Income Tax Act, 1961	2,632.35	1,303.54	-	3,935.89
Provision for doubtful assets	81.89	-	-	81.89

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(All amounts are in Indian ₹ million except share data and as stated)

44.4 Following is the analysis of the deferred tax asset/(liabilities) presented in the balance sheet (contd...)

As at March 31, 2021	Opening balance	Recognised in profit and loss (net)	Recognised in OCI (net)	Closing balance
Employee benefits	375.67	53.96	(10.48)	419.15
Provision for disputed matters	168.61	-	-	168.61
Sec.43A Disallowance	63.60	(24.17)	-	39.43
Others	3.19	9.46	-	12.65
Deferred tax assets	**3,325.31**	**1,342.79**	**(10.48)**	**4,657.62**
Net deferred tax liabilities/ (assets)	**(2,614.07)**	**(1,742.15)**	**10.48**	**(4,345.74)**

44.5 Transfer pricing - International transactions

The Company has entered into international transactions with associated enterprises. For the financial year ended March 31, 2021, the Company has obtained the Accountant's report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act, 1961 and has filed the same with the tax authorities. For the year ended March 31, 2022, the Company maintains documents as prescribed by the Income-tax Act to prove that these transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expense and that of provision for taxation.

45 RATIOS AS PER SCHEDULE III REQUIREMENTS

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance	Reason for Variance more than 25%
Current Ratio	Total current assets	Total current liabilities	2.16	1.88	15%	-
Debt-Equity Ratio	Total debt = current and non-current borrowings including current maturies of long-term borrowings	Total equity	0.07	0.09	-23%	-
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease payments + Principal repayments	13.41	7.35	25%	-
Return on Equity	Profit after tax	Average Total Equity	0.18	0.13	39%	Impact of increase in PAT by 55%, Dividend payout during the year ₹ 13,593 Mn
Inventory Turnover Ratio	Sale of Products	Average Inventory	16.26	14.49	12%	
Trade Receivables turnover ratio	Total Sales	Closing trade receivables	21.46	16.42	31%	Impact of increase in Domestic sale where credit sales is negligible
Trade payables turnover ratio	Total purchases	Closing trade payables	7.11	5.42	31%	Impact of increase in Purchases and payment cycle
Net capital turnover ratio	Total Sales	Net working capital	4.33	4.97	-13%	
Net Profit ratio	Profit after tax	Total Sales	0.06	0.05	35%	Impact of Sales mix and product price increase during the year
Return on Capital Employed	Earnings before Interest and tax	Capital employed = Tangible Networth (Total Equity less OCI) + Total Debt + Deferred Tax Liability / (Deferred Tax Asset)	0.21	0.15	38%	Impact of increase in PAT by 55%, Dividend payout during the year ₹ 13,593 million
Return on Investment	Earnings before Interest and tax	Closing total assets	0.12	0.09	40%	Impact of increase in profit with the existing models

Total Sales = Sales of Products & Services

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

46 DETAILS ON RELATIONSHIPS WITH STRUCK OFF COMPANIES

Name of the struck off company	Nature of transactions with struck off company	31-Mar-22		31-Mar-21	
		Balance outstanding	Relationship with struck off company	Balance outstanding	Relationship with struck off company
Sonebhadra Automobiles Pvt. Ltd.	Payables	9.79	External vendor	5.70	External vendor
Kamla Landmarc Cars Pvt. Ltd.	Payables	1.97	External vendor	1.97	External vendor
Miheer'S Motor Pvt. Ltd.	Payables	1.00	External vendor	0.61	External vendor
Dhoot Motors (Jalgaon) Pvt. Ltd.	Payables	0.01	External vendor	0.01	External vendor
Scanstar Inspection Technology Pvt. Ltd.	Payables	-	External vendor	0.01	External vendor
Concord Automotives Pvt. Ltd.	Payables	0.72	External vendor	0.90	External vendor

47 OTHER STATUTORY INFORMATION

Regulatory information	Particulars
Details of benami property held	The Company does not hold any benami property.
Borrowing secured against current assets	The Company has not been sanctioned any working capital limits from banks and financial institutions on the basis of security of current assets at any point of time of the year.
Wilful defaulter	The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
Registration of charges or satisfaction with RoC	There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
Compliance with number of layers of companies	The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017
Compliance with approved scheme(s) of arrangements	The Company does not have any transaction / scheme of arrangements which requires approval from the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
Utilisation of borrowed funds and share premium	The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the same shall be (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provided as any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries Further, the Company has not received any funds from any person(s) or entity(ies), including foreign entities (funding party) with the understanding that the Company shall be (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or (ii) provided as any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
Undisclosed income	The Company does not have any transaction not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
Loans or advances to specified persons	The Company has not provided any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are: (a) repayable on demand or (b) without specifying any terms or period of repayment
Details of crypto currency or virtual currency	The Company has not traded or invested in crypto currency or virtual currency during the financial year.
Valuation of PP&E, intangible asset and investment property	The Company has not revalued any of its property, plant and equipment (including right-of-use assets), intangible asset and investment property during the year.
Utilisation of borrowings taken from banks and financial institutions for specific purpose	The Company has the bills discounting facillities for the purpose of mitigating exchange risk which has been classified under the head 'Borrowings'.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

48 CORPORATE SOCIAL RESPONSIBILITY ('CSR')

During the year, the Company incurred an aggregate amount of ₹141.94 million (for the year ended March 31, 2021 - ₹417.30 million) towards corporate social responsibility in line with Section 135 of the Companies Act, 2013 read with relevant schedules and rules made thereunder. The details of amount spent towards CSR are given below:

(a) Gross amount required to be spent by the Company during the year amounts to ₹645.54 million (Previous year - ₹694.78 million)

(b) Amount spent by the Company during the year ₹141.94 million

(c) Amount unspent by the Company for the year 2021-22 amounting to ₹503.60 million have been transferred to a separate bank account within 30 days from the end of the financial year as required by the Act.

Details of Corporate Social Responsibility expenditure

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Amount required to be spent by the company during the year	645.54	694.78
Amount of expenditure incurred on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purposes other than (i) above	141.94	417.30
Shortfall at the end of the year	503.60	277.48
Total of previous years shortfall	514.38	-

Reason for shortfall:

The Company has an approved plan for ongoing projects which requires spending of amounts under CSR activities over multiple years and these would be utilized accordingly.

Nature of CSR activities:

Education, skilling, health, environmental sustainability, rural development, covid-19 relief activities

Movements in provision for Corporate Social Responsibility (Refer note 27)

Particulars	March 31, 2022	March 31, 2021
Balance at the beginning of the year	277.48	-
Add: Provision during the year	645.54	694.78
Less: Amount utilised during the year (including ₹ 266.70 million of previous year)	408.64	417.30
Advance towards CSR activities	(26.84)	-
Balance at the end of the year	**541.22**	**277.48**

49 Previous period figures have been re-grouped / re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the Schedule III to the Companies Act 2013 effective from April 1, 2021

As per our report of even date attached.

for B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: July 05, 2022

for and on behalf of the Board of Directors of
Hyundai Motor India Limited
CIN: U29309TN1996PLC035377

Unsoo Kim
Managing Director
DIN: 09470874

Choon Hang Park
Executive Director and CFO
DIN: 08234169

M V Vidya
Company Secretary
Membership Number: 7296

Place: Gurgaon
Date: July 05, 2022

Independent Auditor's Report

To the Members of Hyundai Motor India Limited

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Hyundai Motor India Limited (hereinafter referred to as the "Holding Company" and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

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

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

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

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

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

- Obtain an understanding of internal 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 the Management and Board of Directors.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

2 A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and its subsidiary companies, none of the directors of the Group companies is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to one of the subsidiaries of the Holding Company, the adequacy of the internal financial controls with reference to financial statements is not applicable. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its another subsidiary and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

2 B. 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, in our opinion and to the best of our information and according to the explanations given to us:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group. Refer Note 36 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022.

Corporate Overview

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c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiaries during the year ended 31 March 2022.

d (i) The management of the Holding Company and its subsidiary companies whose financial statements have been audited under the Act represented that, to the best of its knowledge and belief, as disclosed in the Note 47 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of its subsidiary companies to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of its subsidiary companies ("Ultimate Beneficiaries") or

- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company and its subsidiary companies whose financial statements have been audited under the Act represented that, to the best of its knowledge and belief, as disclosed in the Note 47 to the consolidated financial statements, no funds have been received by the Holding Company or any of its subsidiary companies from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiary companies shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or

- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed, nothing has come to our or other auditors notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.

e. The final dividend paid by the Holding Company during the year, which was declared in the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 18 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

C. In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

S Sethuraman
Partner

Place: Chennai
Date: 05 July 2022

Membership No.: 203491
ICAI UDIN:22203491AMGOUR6564

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Hyundai Motor India Limited for the year ended 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

S Sethuraman
Partner

Place: Chennai
Date: 05 July 2022

Membership No.: 203491
ICAI UDIN:22203491AMGOUR6564

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Hyundai Motor India Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

In conjunction with our audit of the consolidated financial statements of Hyundai Motor India Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, as of that date.

In our opinion, the Holding Company and its subsidiary company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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 consolidated 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 consolidated 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 consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
ICAI UDIN:22203491AMGOUR6564

Place: Chennai
Date: 05 July 2022

Consolidated Balance Sheet

as at March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	4	62,290.52	67,316.45
Capital work-in-progress		5,291.25	8,172.32
Intangible assets	5	3,758.62	5,151.38
Intangible assets under development			2.82
Right-of-use assets	6	662.96	410.63
Financial assets			
Other financial assets	7	493.98	482.02
Non-current tax assets (net)	8	2,081.53	5,116.63
Deferred tax assets (net)	44.4	6,156.74	4,494.11
Other non-current assets	9	2,046.57	2,092.05
Total non-current assets		**82,782.17**	**93,238.41**
Current assets			
Inventories	10	28,811.20	25,633.20
Financial assets			
Trade receivables	11	21,824.07	24,649.45
Cash and cash equivalents	12	140,314.33	114,652.31
Bank balances other than cash and cash equivalents	13	1,074.09	1,024.00
Loans	14	154.94	254.85
Other financial assets	15	3,005.15	2,900.90
Other current assets	16	5,614.63	4,952.54
Total current assets		**200,798.41**	**174,067.25**
Total assets		**283,580.58**	**267,305.66**
Equity and liabilities			
Equity			
Equity share capital	17	8,125.41	8,125.41
Other equity	18	160,437.14	144,988.02
Total equity		**168,562.55**	**153,113.43**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	7,667.10	8,158.46
Lease liabilities	20	307.47	46.86
Provisions	21	7,743.02	7,916.09
Other non-current liabilities	22	7,378.07	6,648.64
Total non-current liabilities		**23,095.66**	**22,770.05**
Current liabilities			
Financial liabilities			
Borrowings	23	3,733.23	5,259.06
Lease liabilities	24	68.95	74.98
Trade payables			
Total outstanding dues of micro and small enterprises	25	1,274.98	1,395.46
Total outstanding dues other than micro and small enterprises		52,779.30	59,258.19
Other financial liabilities	26	4,263.43	3,994.69
Provisions	27	4,572.84	4,132.42
Current tax liabilities (net)	28	1,985.94	2,672.16
Other current liabilities	29	23,243.70	14,635.22
Total current liabilities		**91,922.37**	**91,422.18**
Total liabilities		**115,018.03**	**114,192.23**
Total equity and liabilities		**283,580.58**	**267,305.66**

Significant accounting policies 2

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date attached.

for B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

for and on behalf of the Board of Directors of
Hyundai Motor India Limited
CIN: U29309TN1996PLC035377

S Sethuraman
Partner
Membership Number: 203491

Unsoo Kim
Managing Director
DIN: 09470874

Choon Hang Park
Executive Director and CFO
DIN: 08234169

Place: Chennai
Date: July 05, 2022

M V Vidya
Company Secretary
Membership Number: 7296

Place: Gurgaon
Date: July 05, 2022

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	30	473,784.32	409,722.51
Other income	31	5,876.16	4,323.99
Total income		**479,660.48**	**414,046.50**
Expenses			
Cost of materials consumed	32(a)	352,308.08	304,696.79
Purchases of stock-in-trade	32(b)	6,564.05	7,553.02
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32(c)	(621.20)	1,048.06
Employee benefits expense	33	16,476.38	14,648.58
Finance costs	34	1,319.13	1,646.47
Depreciation and amortisation expense	6.1	21,695.86	19,731.64
Other expenses	35	44,397.74	39,556.26
Cost of vehicles for own use		(201.61)	(236.81)
Total expenses		**441,938.42**	**388,644.01**
Profit before tax		**37,722.06**	**25,402.49**
Tax expense			
Current tax	44	10,377.87	8,359.03
Deferred tax (net)	44	(1,671.72)	(1,768.11)
Total tax expense		**8,706.15**	**6,590.92**
Profit for the year		**29,015.91**	**18,811.57**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurements of net defined benefit liability/(asset)	37.2	36.11	10.92
Income tax relating to the above	44.3	(9.09)	(2.75)
Total other comprehensive income / (loss) for the year		**27.02**	**8.17**
Total comprehensive income for the year		**29,042.93**	**18,819.74**
Earnings per equity share (₹ 1000 paid up)	41		
- Basic		3,571.01	2,315.15
- Diluted		3,571.01	2,315.15

Significant accounting policies 2

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date attached.

for B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

for and on behalf of the Board of Directors of
Hyundai Motor India Limited
CIN: U29309TN1996PLC035377

S Sethuraman
Partner
Membership Number: 203491

Unsoo Kim
Managing Director
DIN: 09470874

Choon Hang Park
Executive Director and CFO
DIN: 08234169

Place: Chennai
Date: July 05, 2022

M V Vidya
Company Secretary
Membership Number: 7296

Place: Gurgaon
Date: July 05, 2022

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities		
Profit for the year	29,015.91	18,811.57
Adjustments for		
Tax expense	8,706.15	6,590.92
Depreciation and amortisation expense	21,602.76	19,621.96
Depreciation on right of use assets	93.10	109.68
Finance costs	1,319.13	1,646.47
Loss on PPE sold / scrapped / written off (net)	48.89	25.05
Donations	-	5.07
Interest income from bank deposits	(3,934.02)	(3,094.16)
Interest income on refund of income tax	(359.83)	143.95
Income from government grant	(691.66)	(713.46)
Unrealised exchange (gain)/loss (net)	(51.96)	182.18
Operating profit before working capital/other changes	**55,748.47**	**43,329.23**
Working capital adjustments		
(Increase)/decrease in inventories	(3,178.00)	2,066.64
(Increase)/decrease in trade receivables	2,858.09	(9,689.97)
(Increase)/decrease in loans (current)	99.91	68.06
(Increase)/decrease in other financial assets (current and non-current)	334.08	3,016.04
(Increase)/decrease in other assets (current and non-current)	(480.76)	3,361.68
Increase/(decrease) in trade payables	(6,563.50)	14,398.12
Increase/(decrease) in other financial liabilities (current)	292.52	499.62
Increase/(decrease) in other liabilities (current and non-current)	10,038.26	6,418.28
Increase/(decrease) in provisions (current and non-current)	(97.24)	(9.19)
Cash generated from operating activities	**59,051.82**	**63,458.51**
Income taxes paid (net of refunds)	(7,667.73)	(9,233.27)
Net cash generated from operating activities (A)	**51,384.09**	**54,225.24**
Cash flows from investing activities		
Investment in Term Deposits	(50.09)	(280.56)
Capital expenditure (including capital advances, net of payables on purchase of property, plant and equipment and Intangible assets)	(12,649.79)	(25,828.88)
Proceeds from sale of property, plant and equipment	114.43	44.15
Interest received on bank deposits	3,482.43	3,816.67
Net cash used in investing activities (B)	**(9,103.02)**	**(22,248.62)**
Cash flows from financing activities (refer note below)		
Proceeds from central sales tax soft loan	-	181.92
Repayment of sales tax / VAT deferral loan	(1,087.00)	(1,141.76)
Repayment of lease liabilities	(91.16)	(117.14)
Proceeds from short term borrowings	10,462.86	14,403.51
Repayment of short term borrowings	(12,083.48)	(11,451.25)
Finance costs paid	(227.81)	(440.80)
Dividend paid (including withholding Tax)	(13,593.81)	-
Net cash flows (used in) / from financing activities (C)	**(16,620.40)**	**1,434.48**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**25,660.67**	**33,411.10**
Cash and cash equivalents at the beginning of the year	114,652.31	81,229.07
Effect of exchange rate fluctuations on cash and cash equivalents held	1.35	12.14
Cash and cash equivalents at the end of the year	**140,314.33**	**114,652.31**
Cash and cash equivalents as per note 12	**140,314.33**	**114,652.31**

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

Notes:

a) The above Statement of Cash Flows has been prepared using indirect method as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

b) Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities including both changes arising from cash flows and non-cash changes

For the year ended March 31, 2022

Particulars	As at March 31, 2021	Cash flow changes (net)	Non-cash changes	As at March 31, 2022
VAT/CST deferral loan (unsecured) [refer note 19]	6,716.26	(1,087.00)	489.61	6,118.87
CST soft loan (secured) (refer note 19)	2,529.20	-	196.01	2,725.21
Export receivables discounted on a "With recourse" basis (refer note 23)	4,172.06	(1,620.62)	4.81	2,556.25
Lease Liabilities (refer note 20)	121.84	(91.15)	345.74	376.43

For the year ended March 31, 2021

Particulars	As at March 31, 2020	Cash flow changes (net)	Non-cash changes	As at March 31, 2021
VAT/CST deferral loan (unsecured) [refer note 19]	7,147.23	(959.84)	528.87	6,716.26
CST soft loan (secured) (refer note 19)	2,347.28	-	181.92	2,529.20
Export receivables discounted on a "With recourse" basis (refer note 23)	1,275.53	2,952.26	(55.73)	4,172.06
Lease Liabilities (refer note 20)	213.40	(117.14)	25.58	121.84

Significant accounting policies - Refer note 2

The accompanying notes are an integral part of these consolidated financial statements.
As per our report of even date attached.

for B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: July 05, 2022

for and on behalf of the Board of Directors of
Hyundai Motor India Limited
CIN: U29309TN1996PLC035377

Unsoo Kim
Managing Director
DIN: 09470874

Choon Hang Park
Executive Director and CFO
DIN: 08234169

M V Vidya
Company Secretary
Membership Number: 7296

Place: Gurgaon
Date: July 05, 2022

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022
(All amounts are in Indian ₹ million except share data and as stated)

A. EQUITY SHARE CAPITAL (Refer note 17)

	No. of shares	₹ in million
Balance as at April 1, 2020	8,125,411	8,125.41
Changes in equity share capital during the year	-	-
Balance as at March 31, 2021	**8,125,411**	**8,125.41**
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	**8,125,411**	**8,125.41**

B. OTHER EQUITY

Particulars	Reserves and surplus		Total
	General Reserve	Retained earnings	
Balance as at April 1, 2020	4,963.91	121,204.37	126,168.28
a) Profit for the year ended March 31, 2021	-	18,811.57	18,811.57
b) Other comprehensive income/ (loss) (net of tax)	-	8.17	8.17
Total comprehensive income/(loss) for the year ended March 31, 2021	**-**	**18,819.74**	**18,819.74**
Balance as at March 31, 2021	**4,963.91**	**140,024.11**	**144,988.02**
Balance as at April 1, 2021	**4,963.91**	**140,024.11**	**144,988.02**
a) Profit for the year ended March 31, 2022	-	29,015.91	29,015.91
b) Other comprehensive income/ (loss) (net of tax)	-	27.02	27.02
c) Dividend paid for the FY 20-21 (including withholding tax thereon)		(13,593.81)	(13,593.81)
Total comprehensive income/(loss) for the year ended March 31, 2022	**-**	**15,449.12**	**15,449.12**
Balance as at March 31, 2022	**4,963.91**	**155,473.23**	**160,437.14**

Significant accounting policies - Refer note 2

The accompanying notes are an integral part of these consolidated financial statements.
As per our report of even date attached.

for B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: July 05, 2022

for and on behalf of the Board of Directors of
Hyundai Motor India Limited
CIN: U29309TN1996PLC035377

Unsoo Kim
Managing Director
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Executive Director and CFO
DIN: 08234169

M V Vidya
Company Secretary
Membership Number: 7296

Place: Gurgaon
Date: July 05, 2022

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts are in Indian ₹ million except share data and as stated)

1. CORPORATE INFORMATION

Hyundai Motor India Limited (HMIL or the Group) is a wholly owned subsidiary of Hyundai Motor Company (HMC or the parent company), South Korea, and is the second largest car manufacturer in India having its manufacturing facility based in Irrungattukottai, Sriperumbudur (Tamil Nadu).

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance and basis of preparation

The consolidated financial statements of the Group have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises of Indian Accounting Standards (Ind AS) as specified in Sec 133 of the Companies Act, 2013 ('the Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter, pronouncements of regulatory bodies applicable to the Group and other provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements are presented in Indian ₹ (INR), the functional currency of the Group. Items included in the consolidated financial statements of the Group are recorded using the currency of the primary economic environment in which the Group operates (the 'functional currency').

Transactions and balances with values below the rounding off norm adopted by the Group have been reflected as "0 / -" in the relevant notes in these consolidated financial statements.

The consolidated financial statements of the Group for the year ended March 31, 2022 were approved and authorised for issue in accordance with the resolution of the Board of Directors on July 05, 2022.

2.2 Basis of measurement

These consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments and defined benefit obligation which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

(ii) Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if revision affects both current and future periods.

The following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies:

- Useful lives of Property, plant and equipment and intangible assets (Refer Note 2.8 and Note 2.9)
- Measurement of defined benefit obligation (Refer Note 2.15)
- Provision for taxation (Refer Note 2.18)
- Provision for warranty (Refer Note 2.21)
- Provision for disputed matters (Refer Note 2.21)
- Fair value of financial assets and financial liabilities (Refer Notes 2.13 and 2.14)
- Measurement of Lease liabilities and Right of Use Asset (Refer Note 2.16)

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, intangible assets, trade receivables and other assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Group has used internal and external sources of information. The Group has reviewed the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

2.4 Inventories

Inventories are valued at the lower of cost and net realisable value.

The cost of raw materials, components, consumable stores and spare parts and stock in trade are determined on a weighted average basis. Cost includes freight, taxes and duties and other charges incurred for bringing the goods to the present location and condition and is net of credit under the CENVAT scheme, VAT and GST where applicable.

The valuation of manufactured finished goods and work-in-progress includes the combined cost of material, labour and manufacturing overheads incurred in bringing the goods to the present location and condition.

Due allowance is estimated and made by the management for slow moving/ non-moving items of inventory, wherever necessary, based on the past experience and such allowances are adjusted against the carrying inventory value.

2.5 Cash and cash equivalents

The Group's cash and cash equivalents consist of cash on hand and in banks and deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, in banks and deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Group's cash management system.

2.6 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) after tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

2.7 Revenue recognition

The Group has adopted 'Ind AS 115 - Revenue from contracts with customers' with effect from April 1, 2018 using the retrospective approach.

Revenue from sale of products are measured at fair value of the consideration received or receivable after deduction of discounts / rebates, sales incentives and any taxes or duties collected on behalf of the government. Revenues are recognized on unconditional appropriation of goods from factory / stockyard and delivery of goods from port for domestic and export sales respectively which is when the control of goods is transferred to the customer including risks and rewards and title of ownership as per the terms of sale / understanding with the customers.

When the Group sells products that are bundled with additional service or extended period of warranty, such services are treated as a separate performance obligation only if the service or warranty is optional to the customer or includes an additional service component. In such cases, the transaction price allocated towards such additional service or extended period of warranty is recognised as a contract liability until the service obligation has been met.

Revenue is recognised when recovery of consideration is probable.

The consideration received in respect of transport arrangements made for delivery of vehicles to the dealers are shown as revenue and the corresponding cost is shown separately as part of expenses.

Sale of raw materials are considered as a recovery of cost of materials and adjusted against cost of materials consumed.

Income from service activities are recognized on satisfaction of performance obligation towards rendering of such services in accordance with the terms of arrangement.

Interest income is recognized using the effective interest rate method.

Dividend income on investments is recognised when the right to receive dividend is established.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

2.8 Property, plant and equipment ('PPE')

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at cost and is not depreciated.

Cost includes purchase price, taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use and for qualifying assets, borrowing costs are capitalised in accordance with the Group's accounting policy.

Any part or components of PPE which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalised separately, based on the technical assessment of the management.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

Internally manufactured vehicles are capitalized at cost including an appropriate share of relevant overheads.

Capital work-in-progress:

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss.

Depreciation:

Depreciation on property, plant and equipment is provided using the straight-line method, pro-rata from the month of capitalisation over the useful lives of the assets, assessed as below:

Particulars	Useful lives
Buildings	5 ~ 30 years
Plant and equipment	
- Moulds and dies	4 years
- Others	4 ~ 20 years
Furniture and fittings	3 ~ 5 years
Office and other equipment	3 ~ 5 years
Data processing equipment	3 ~ 5 years
Test vehicles	3 years
Other vehicles	5 years
Leasehold improvements	Amortised over the lease period or 5 years, whichever is less

Individual PPE costing less than ₹ 5,000 each are depreciated in the year of purchase considering the type and usage pattern of these assets.

The useful lives mentioned above are different from the useful lives specified for these assets as per Schedule II of the Companies Act, 2013, where applicable. The useful lives followed in respect of these assets are based on management's assessment, based on technical advice, taking into account factors such as the nature of the assets, the estimated usage pattern of the assets, the operating conditions, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support etc.

Depreciation is accelerated on PPE, based on their condition, usability, etc. as per the technical estimates of the management, wherever necessary.

Derecognition of property, plant and equipment:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

2.9 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use.

The intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date, the asset is available to the Group for its use. The amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the change.

The useful lives considered for the intangible assets are as under:

Particulars	Useful lives
Computer software	3 ~ 5 years
Technical knowhow	Amortised over the agreement period or 10 years, whichever is less

An intangible asset is derecognised on disposal or when no future economic benefits are expected to arise from continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net proceeds from disposal and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

2.10 Foreign currencies

Transactions in foreign currencies are initially recognised in the consolidated financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise, except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

2.11 Government grants and export benefits

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to the statement of profit and loss on a systematic and rational basis.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in the statement of profit and loss in the period in which they became receivable.

The benefit of a government loan at a below-market rate interest is treated as a government grant, measured as the difference between the proceeds received and the fair value of the loan based on prevailing market interest rates.

Export benefits in the nature of duty drawback are recognised in the statement of profit and loss in the year of exports based on eligibility/expected eligibility duly considering the entitlements as per the policy, industry specific developments, interpretations arising out of judicial/regulatory proceedings where applicable, management assessment etc. and when there is no uncertainty in receiving the same.

Export benefits in the nature of RoDTEP & Merchandise Exports from India Scheme (MEIS) under Foreign Trade Policy are recognised in the statement of profit and loss when there is no uncertainty in receiving / utilizing the same, taking into consideration the prevailing regulations.

Adjustments, if any, to the amounts recognised in accordance with the accounting policy, based on final determination by the authorities, are dealt with appropriately in the year of final determination and acceptance.

2.12 Financial instruments

Classification, initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets other than equity instruments are classified into categories: financial assets at fair value through profit and loss and at amortised cost. Financial assets that are equity instruments are classified as fair value through profit and loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit and loss and other financial liabilities.

Financial instruments are recognised on the balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit and loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Determination of fair value:

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Group determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

2.13 Financial assets and Liabilities - Classfication

Financial assets at amortised cost:

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortised cost using the effective interest method less any impairment losses.

Financial assets at fair value through profit and loss:

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in profit and loss.

Financial liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

2.14 Derecognition of financial assets and financial liabilities

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities are decrecognised when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

Impairment of financial assets:

The Group recognises a loss allowance for expected credit losses on a financial asset that is at amortised cost. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.15 Employee benefits

Employee benefits include provident fund, superannuation, gratuity, NPS and compensated absences.

Defined contribution plans:

Provident fund:

Contributions towards Employees' Provident Fund are made to the Employees' Provident Fund Scheme maintained by the Central Government and the Group's contribution to the fund are recognized as an expense in the year in which the services are rendered by the employees.

Superannuation fund:

The Group contributes a specified percentage of eligible employees' salary to a superannuation fund administered by trustees and managed by the insurer. The Group has no liability for future superannuation benefits other than its annual contribution and recognizes such contributions as an expense in the year in which the services are rendered by the employees.

National Pension Scheme:

The Group contributes a specified percentage of the eligible employees salary to the National Pension Scheme of the Central Government. The Group has no liability for future pension benefits and the Group's contribution to the scheme are recognized as an expense in the year in which the services are rendered by the employees.

Defined benefit plans:

Gratuity:

The Group contributes to a gratuity fund administered by trustees and managed by the Insurer. The Group accounts its liability for future gratuity benefits based on actuarial valuation, as at the balance sheet date, determined every year by an independent actuarian using the projected unit credit method. Obligation under the defined benefit plan is measured at the present value of the estimated future cash flows using a discount rate that is determined by reference to the prevailing market yields at the balance sheet date on government bonds.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Notes
Forming part of the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts are in Indian ₹ million except share data and as stated)

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Compensated absences:

The Group accounts for its liability towards compensated absences based on actuarial valuation done as at the balance sheet date by an independent actuary using the Projected Unit Credit Method. The liability includes the long term component accounted for on a discounted basis and the short term component which is accounted for on an undiscounted basis.

2.16 Leases

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and this may require significant judgment. The Group also uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend or terminate the lease if the Group is reasonably certain based on relevant facts and circumstances that the option to extend will be exercised / the option to terminate will not be exercised. If there is a change in facts and circumstances, the expected lease term is revised accordingly.

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

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.17 Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

2.18 Taxation

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities

Offsetting:

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Current and deferred tax for the year:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.19 Research and development expenditure

Expenditure on research activities are recognised as expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible assets so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to reliably measure the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated asset can be recognised, development expenditure is recognised in the statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.20 Impairment of 'PPE' and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its PPE and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of

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the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.21 Provisions and contingencies

Provisions are recognised when the Group has a present obligation (legal/constructive) as a result of past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognsied as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Product warranty cost:

Expected recoveries towards warranty cost from the vendors are estimated and accounted for as receivable by the management in the year in which the related provision for warranty is created and when it is certain that such recoveries will be received if the Group incurs the warranty cost. The estimates used for accounting of warranty liability/recoveries are reviewed periodically and revisions are made as required.

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically upto three years.

Contingent liability:

Contingent liability is disclosed for:

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

Contingent assets:

Contingent assets are not recognized in the consolidated financial statements since this may result in the recognition of income that may never be realized.

2.22 Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to effect those returns through its power over the entity.

The financial statement of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on

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which control ceases. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

The Consolidated financial statement includes Hyundai Motor India Limited ('the Company'/ 'holding company'), its wholly owned subsidiaries namely, Hyundai Motor India Engineering Private Limited ('subsidiary company') and Hyundai India Insurance Broking Private Limited ('Other subsidiary').

(ii) Transactions eliminated on consolidation

Intra group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.23 Segment reporting

Operating segments reflect the Group's management structure and the way the financial information is regularly reviewed by the Managing Director (the Group's Chief Operating Decision Maker (CODM)). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities.

2.24 Insurance claims

Insurance claims are accrued for on the basis of claims admitted / expected to be admitted and to the extent there is no uncertainty in receiving the claims.

2.25 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.26 Operating cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3. RECENT ACCOUNTING PRONOUNCEMENTS - STANDARDS ISSUED BUT NOT YET EFFECTIVE:

Recent accounting developments

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Group is preparing the asset for its intended use. Instead, an entity will recognise such sale proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

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Ind AS 37 – Onerous Contracts

Costs of Fulfilling a Contract-The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fee an entity should include when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

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4 PROPERTY, PLANT AND EQUIPMENT
(See accounting policy in note 2.8)

Particulars	Freehold land	Buildings	Moulds and dies	Other plant and equipments	Furniture and Fixtures	Office and other equipments	Data processing equipment	Test vehicles	Other vehicles	Leasehold improvements	Total
Cost											
Balance at April 1, 2020	5,309.24	12,341.47	61,271.54	49,039.66	914.22	1,023.20	1,489.63	731.88	875.76	500.98	133,497.58
Additions	-	3,318.40	11,769.35	3,897.31	749.32	153.43	373.30	168.59	204.34	1.45	20,635.50
Disposals	-	-	7.28	193.91	3.11	6.27	5.52	91.02	75.93	1.30	384.34
Balance at March 31, 2021	**5,309.24**	**15,659.87**	**73,033.61**	**52,743.06**	**1,660.43**	**1,170.36**	**1,857.42**	**809.45**	**1,004.17**	**501.13**	**153,748.74**
Balance at April 1, 2021	5,309.24	15,659.87	73,033.61	52,743.06	1,660.43	1,170.36	1,857.42	809.45	1,004.17	501.13	153,748.74
Additions	0.05	497.34	6,465.78	6,718.60	801.25	205.46	137.32	90.55	283.41	13.06	15,212.83
Disposals	0.05	9.74	0.58	185.80	49.87	34.32	22.47	184.67	100.72	37.32	625.54
Balance at March 31, 2022	**5,309.24**	**16,147.47**	**79,498.82**	**59,275.86**	**2,411.82**	**1,341.50**	**1,972.27**	**715.33**	**1,186.86**	**476.87**	**168,336.03**
Accumulated depreciation											
Balance at April 1, 2020	-	3,118.21	34,097.60	28,548.52	575.11	583.42	784.87	364.30	511.45	223.90	68,807.38
Depreciation for the year	-	707.03	10,729.16	5,537.42	169.39	167.04	271.19	186.00	163.00	9.81	17,940.03
Disposals	-	-	7.28	175.07	2.89	5.44	5.47	53.27	65.13	0.57	315.13
Balance at March 31, 2021	**-**	**3,825.24**	**44,819.48**	**33,910.87**	**741.61**	**745.02**	**1,050.59**	**497.03**	**609.31**	**233.14**	**86,432.29**
Balance at April 1, 2021	-	3,825.24	44,819.48	33,910.87	741.61	745.02	1,050.59	497.03	609.31	233.14	86,432.29
Depreciation for the year	-	822.31	12,131.85	6,048.52	282.83	161.38	319.12	162.28	183.80	0.43	20,112.52
Disposals	-	2.30	0.58	174.40	33.36	23.00	20.35	138.26	88.71	18.34	499.30
Balance at March 31, 2022	**-**	**4,645.26**	**56,950.75**	**39,784.98**	**991.08**	**883.40**	**1,349.37**	**521.05**	**704.40**	**215.23**	**106,045.51**
Carrying amount (net)											
As at March 31, 2021	**5,309.24**	**11,834.63**	**28,214.13**	**18,832.19**	**918.82**	**425.34**	**806.83**	**312.42**	**394.86**	**267.99**	**67,316.45**
As at March 31, 2022	**5,309.24**	**11,502.21**	**22,548.07**	**19,490.88**	**1,420.74**	**458.10**	**622.90**	**194.28**	**482.46**	**261.64**	**62,290.52**

Notes:

(i) Gross block as at March 31, 2022 includes ₹67,956.55 million (March 31, 2021 - ₹62,032.18 million) of assets situated at third party locations.

(ii) Includes assets whose gross block is ₹ 4,850.76 million as at March 31, 2022 (₹ 4,511.82 million as at March 31, 2021), hypothecated in favour of SIPCOT in respect of the soft loan taken by the Company. Also refer note 19(ii).

(iii) Depreciation expense for the year includes depreciation on research and development assets amounting to ₹ 89.94 million (March 31, 2021 - ₹ 105.35 million).

(iv) The title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed above are held in the name of the Group.

(v) CWIP ageing schedule is not given as it is not material to the group i.e. more than 10% of the respective balance sheet item in CFS.

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5 INTANGIBLE ASSETS

(See accounting policy in note 2.9)

Particulars	Computer software	Technical knowhow	Total
Cost			
Balance at April 1, 2020	1,764.90	8,796.92	10,561.82
Additions	138.45	1,315.35	1,453.80
Disposals	0.05	-	0.05
Balance at March 31, 2021	**1,903.30**	**10,112.27**	**12,015.57**
Balance at April 1, 2021	**1903.30**	**10,112.27**	**12,015.67**
Additions	134.57	-	134.57
Disposals	65.50	-	65.50
Balance at March 31, 2022	**1,972.37**	**10,112.27**	**12,084.64**
Accumulated amortisation			
Balance at April 1, 2020	1,249.81	3,932.51	5,182.32
Amortisation for the year	197.14	1,484.78	1,681.92
Disposals	0.05	-	0.05
Balance at March 31, 2021	**1,446.90**	**5,417.29**	**6,864.19**
Balance at April 1, 2021	**1,446.90**	**5,417.29**	**6,864.19**
Amortisation for the year	186.75	1,303.50	1,490.25
Disposals	28.42	-	28.42
Balance at March 31, 2022	**1,605.22**	**6,720.79**	**8,326.02**
Carrying amount (net)			
As at March 31, 2021	456.40	4,694.98	5,151.38
As at March 31, 2022	**367.15**	**3,391.48**	**3,758.62**

6 RIGHT-OF-USE ASSETS

(See accounting policy in note 2.16)

Particulars	Land	Building	Total
Cost			
Balance at April 1, 2020	143.00	444.94	587.94
Additions	157.71	11.79	169.50
Disposals	-	-	-
Balance at March 31, 2021	**300.71**	**456.73**	**757.44**
Balance at April 1, 2021	**300.71**	**456.73**	**757.44**
Additions	-	345.43	345.43
Disposals	-	-	-
Balance at March 31, 2022	**300.71**	**802.16**	**1,102.87**
Accumulated Depreciation			
Balance as at April 1, 2020	2.07	235.06	237.13
Depreciation for the year	3.14	106.54	109.68
Disposals	-	-	-
Balance as at March 31, 2021	**5.21**	**341.60**	**346.81**
Balance as at April 1, 2021	**5.21**	**341.60**	**346.81**
Depreciation for the year	3.53	89.57	93.10
Disposals	-	-	-
Balance as at March 31, 2022	**8.74**	**431.17**	**439.91**
Carrying amount (net)			
Net carrying amount as at March 31, 2021	295.50	115.13	410.63
Net carrying amount as at March 31, 2022	**291.97**	**370.99**	**662.96**

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6.1 Depreciation and amortisation expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Depreciation of property, plant and equipment (refer note 4)	20,112.52	17,940.03
b) Amortisation of intangible assets (refer note 5)	1,490.24	1,681.92
c) Depreciation of right-of-use assets (refer note 6)	93.10	109.68
	21,695.86	**19,731.64**

7 OTHER FINANCIAL ASSETS - NON-CURRENT (UNSECURED, CONSIDERED GOOD)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Security deposits - measured at amortised cost	493.98	481.80
b) Others	-	0.22
	493.98	**482.02**

8 NON-CURRENT TAX ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
a) Advance income tax / tax deducted at source (net of provisions of respective assessment years)	927.94	1,109.68
b) Income tax paid under protest	1,153.59	4,006.95
	2,081.53	**5,116.63**

9 OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
a) Capital advances	570.89	435.04
b) Balance receivable from government authorities		
- Extra duty deposit receivable (refer note (i) below)	1,087.07	1,087.07
- Service tax /GST refund claims	-	53.51
c) Contractually reimbursable expenses-warranty recoveries (refer note 21 (ii))	383.79	514.44
d) Prepaid expenses	4.82	1.99
	2,046.57	**2,092.05**

Note:

(i) Extra Duty Deposit (EDD) receivable represents amount of duty paid by the Company in connection with the import of materials/ goods during the period from June 2011 to August 2013 pending receipt of the order from the Special Valuation Bench (SVB) towards valuation of such imports. The Company is in the process of obtaining the final order and the refund of EDD.

10 INVENTORIES

(See accounting policy in note 2.4)

Particulars	As at March 31, 2022	As at March 31, 2021
a) (i) Raw materials and components	14,001.93	10,497.39
(ii) Materials in transit	3,603.48	4,619.48
b) Work in progress - Motor vehicles, engines, transmission and parts	9,668.22	6,349.89
c) Finished goods (other than those acquired for trading)		
(i) Motor vehicles	468.52	3,131.89
(ii) Engines, transmission and parts	25.36	53.45
d) Stock in trade - service parts (acquired for trading)	16.45	22.12
e) Stores and spare parts	1,027.24	958.98
	28,811.20	**25,633.20**

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10 INVENTORIES (contd...)

Notes:

(i) The cost of inventories (including cost of traded goods) recognised as expense during the year is ₹ 397,328.36 million (March 31, 2021 - ₹ 345,452.26 million)

(ii) The cost of inventories recognised as expense includes adjustments towards reversal of write down of inventories to the extent of ₹ 7.63 million (March 31, 2021 - ₹ 62.84 million write down).

11 TRADE RECEIVABLES - FINANCIAL ASSETS (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Secured, considered good	8,023.16	11,203.42
b) Unsecured, considered good	13,800.91	13,446.03
c) Which have significant increase in credit risk	-	-
d) Credit impaired	-	-
	21,824.07	**24,649.45**

Also refer note 38.2 for trade receivables from related parties.

Notes:

(i) Transferred trade receivables that are not derecognized

During the year, the Company has discounted trade receivables on a "With recourse" basis and in respect of which the risks continue to remain with the Company. As at the Balance Sheet date, the carrying amount of the trade receivables that have been transferred but have not been derecognised amounts to ₹ 2,556.25 million (As at March 31, 2021 ₹4,172.06 million) (refer note 23).

(ii) No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Also no trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or member.

(iii) Expected credit loss (Refer note 2.14 Impairment of financial assets)

The Group has assessed the trade receivables for impairment on a collective basis based on the historical credit loss experience adjusted for forward-looking information. Based on the analysis of objective evidences, the Group expects that the evidences do not warrant any expected credit loss to be provided for.

Ageing of trade receivables:

Balance as at March 31, 2022	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1- 2 years	2- 3 years	More than 3 years	
Undisputed Trade Receivables considered good	21,379.84	434.33	0.07	9.83	-	-	21,824.07

Balance as at March 31, 2021	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1- 2 years	2- 3 years	More than 3 years	
Undisputed Trade Receivables considered good	20,655.88	3,993.44	0.12	-	-	-	24,649.45

Notes

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12 CASH AND CASH EQUIVALENTS - FINANCIAL ASSETS (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Cash on hand	0.08	0.21
b) Balances with banks		
(i) In current accounts	1,722.63	1,278.73
(ii) In EEFC accounts	4,860.32	3,651.23
(iii) In deposit accounts	133,731.30	109,722.14
	140,314.33	**114,652.31**
Cash and cash equivalents as per the statement of Cash Flows	**140,314.33**	**114,652.31**

Note: Balance in current accounts as on 31st March 2022 includes ₹ 11.98 million pertaining to unspent amount towards CSR

Details of bank deposits

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits with original maturity of 3 months or less	53,452.50	37,972.14
Deposits due to mature within 12 months of the reporting date	80,278.80	71,750.00
Deposits due to mature after 12 months of the reporting date	-	-
Total balances with banks in deposit accounts	**1,33,731.30**	**109,722.14**

Note: The deposits maintained by the Group with banks and financial institutions comprise time deposits, which can be withdrawn by the Group at any point without prior notice or penalty on the principal.

13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Balances with banks -		
(i) in deposit accounts with original maturity more than three months	1,074.09	1,024.00
	1,074.09	**1,024.00**

14 LOANS - FINANCIAL ASSETS (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
- Advances to employees, unsecured, considered good	154.94	254.85
	154.94	**254.85**

15 OTHER FINANCIAL ASSETS (CURRENT) (UNSECURED, CONSIDERED GOOD)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Deposits	123.79	204.29
b) MoU benefit receivable from GOTN	1,961.67	2,219.87
c) Interest accrued but not due on fixed deposits with Banks	864.54	412.99
d) Other receivables	2.45	4.49
e) Unbilled revenue	52.70	59.26
	3,005.15	**2,900.90**

Notes

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(All amounts are in Indian ₹ million except share data and as stated)

16 OTHER CURRENT ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
a) Receivable from government authorities (unsecured, considered good)		
(i) GST credit receivable	1,120.65	792.84
(ii) CENVAT/GST refund receivable	203.14	267.06
(iii) Balance receivable from customs authorities	308.17	351.54
(iv) VAT credit/ refund receivable	0.62	0.62
(v) Deposits with government authorities	1,209.02	613.39
(vi) Others - Export benefit receivables (refer note below)	1,085.43	371.83
	3,927.03	**2,397.28**
b) Advance to suppliers - unsecured, considered good	352.91	480.81
Advance - Duty portion	716.86	1,372.91
c) Prepaid expenses - considered good	478.44	496.19
d) Other loans and advances		
- Secured, considered good	-	-
- Unsecured, considered good	41.93	54.21
- Which have significant increase in credit risk	-	-
- Credit impaired	298.00	298.00
	339.93	**352.21**
- Less: Provision for doubtful other loans and advances	(298.00)	(298.00)
	41.93	**54.21**
e) Contractually reimbursable expenses - warranty recoveries (refer note 21(ii))	97.46	151.14
	5,614.63	**4,952.54**

Note:

The Group has estimated and accrued as income an amount of ₹ 970.69 million under Remissions of Duties and Taxes on Exported Products (RoDTEP) Scheme as export benefits for the current year ended March 31, 2022 (Previous year - ₹ 331.13 million under Merchandise Exports from India Scheme (MEIS)). Based on professional advice, the Group has excluded the aforesaid amount for computation of taxable income for the current financial year but has created a deferred tax liability in respect of amounts outstanding as at the year end, pending application / receipt of the related license.

17 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2022	As at March 31, 2021
a) Authorised	14,000.00	14,000.00
14,000,000 (March 31, 2021: 14,000,000) equity shares of ₹ 1,000 each		
b) Issued, subscribed and fully paid up	8,125.41	8,125.41
8,125,411 (March 31, 2021: 8,125,411) equity shares of ₹ 1,000 each		
	8,125.41	**8,125.41**

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹ in million	No. of shares	₹ in million
Balance outstanding as at the beginning & end of the year	8,125,411	8,125.41	8,125,411	8,125.41

(ii) Details of shares held by parent company

Particulars	As at March 31, 2022	As at March 31, 2021
Hyundai Motor Company, South Korea and its nominees	8,125,411	8,125,411

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17 EQUITY SHARE CAPITAL (contd...)

(iii) Particulars of shareholders holding more than 5% shares in the Company:

Class of shares/ Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹ in million	No. of shares	₹ in million
Equity shares				
Hyundai Motor Company, South Korea and its nominees	8,125,411	100%	8,125,411	100%

(iv) The Company has only one class of equity shares having a par value of ₹ 1,000 each. Each holder is entitled to one vote per equity share. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

(v) Details of shareholding of promoters:

As at March 31, 2022

Name of the promoter	Number of equity shares	% of total number of share	% of change during the year
Hyundai Motor Company, South Korea and its nominees	8,125,411	100%	-
Total	**8,125,411**	**100%**	**-**

As at March 31, 2021

Name of the promoter	Number of equity shares	% of total number of share	% of change during the year
Hyundai Motor Company, South Korea and its nominees	8,125,411	100%	-
Total	**8,125,411**	**100%**	**-**

18 OTHER EQUITY

a) General reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	4,963.91	4,963.91
Add: Transferred from surplus in statement of profit and loss	-	-
Closing balance	**4,963.91**	**4,963.91**

Note: The general reserve is used from time to time to transfer profits from retained earnings for appropriate purposes.

b) Retained earnings

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Surplus in the statement of profit and loss		
Opening balance	140,267.29	121,455.72
Add: Profit for the year	29,015.91	18,811.57
Less: Appropriations		
Dividend paid	(13,593.81)	0.00
Closing balance	**155,689.39**	**140,267.29**

Notes

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(All amounts are in Indian ₹ million except share data and as stated)

18 OTHER EQUITY (contd...)

Particulars	As at March 31, 2022	As at March 31, 2021
(ii) Other comprehensive income		
Remeasurement of net defined benefit liability/(asset)		
Opening balance	(243.18)	(251.35)
Add: Additions during the year	27.02	8.17
	(216.16)	**(243.18)**
Total retained earnings	**155,473.23**	**140,024.11**
Total equity (a+b)	**160,437.14**	**144,988.02**

Note:

The Board of Directors recommended a final dividend of ₹ 1,673 per share (nominal value of ₹ 1,000 per share) for the FY 2020-21. The Dividend is approved by the shareholders at the AGM (FY 2020-21) and has been paid during the year 2021-22. The total cash flow to the Company is ₹ 11,554.74 million after deducting Withholding tax of ₹2,039.07 million.

The Board of Directors have proposed a final dividend of ₹ 1,838 per share (nominal value of ₹ 1,000 per share) for the FY 2021-22. The Dividend is subject to the approval of shareholders at the annual general meeting and has not been accounted as liability in this financial statement. The total expected cash outflow is ₹ 14,934.51 million (including withholding tax of ₹2,240.18 million).

19 FINANCIAL LIABILITIES - NON-CURRENT

Particulars	As at March 31, 2022	As at March 31, 2021
Long-term borrowings - measured at amortised cost		
a) Deferred payment liabilities		
- VAT/CST deferral loan (unsecured) (refer note below)	4,941.89	5,629.26
b) Term loans		
- CST soft loan (secured) (refer note below)	2,725.21	2,529.20
	7,667.10	**8,158.46**

Notes:

(i) VAT/CST deferral loan (unsecured)

As per the Memorandum of Understanding ('the MoU'), dated July 18, 1996, between the Company and the Government of Tamil Nadu (GoTN) read along with the deed of agreement dated September 23, 2005, the Company is eligible for and has opted for sales tax (including VAT and CST) deferral on sale of vehicles. The loan is an interest free loan and is repayable in equal quarterly installments over a period of 5 years after the deferment period of 14 years. The number of installments outstanding as at March 31, 2022 are 32 (as at March 31, 2021 - 36). Refer table below for gross amount outstanding.

(ii) CST soft loan (secured)

As per the MOU dated January 22, 2008 entered into between the Company and the GoTN, the Company is eligible for infrastructure, labour and other support in the form of fiscal incentives on meeting certain specified milestones. The amounts of such incentives have been determined and accounted for by the management based on the terms specified in the MoU. The loan carries 0.1% interest and is repayable in equal quarterly installments over a period of 5 years after 14 years. The number of installments outstanding as at March 31, 2022 are 56 (as at March 31, 2021 - 56). As per the terms of MOU with the GoTN, the repayment of principal will commence from the year 2024 onwards, though interest is paid on a quarterly basis. Refer table below for gross amount outstanding.

The loan is secured by a charge against specified fixed assets of the Company to the extent of ₹ 6,000 million (₹ 6,000 million, as at March 31, 2021). Also refer note 4(ii).

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19 FINANCIAL LIABILITIES - NON-CURRENT (contd..)

(iii)

Particulars	Deferral loan	Soft loan
As at March 31, 2022		
Gross amount outstanding	7,694.63	5,936.68
Less: Present value discounts (treated as Government grant - deferred revenue)	1,575.76	3,211.47
Fair value of borrowing measured at amortised cost	**6,118.87**	**2,725.21**
Less: Current maturities (refer note 23(b))	1,176.98	-
Financial liabilities - non-current	**4,941.89**	**2,725.21**
Government grant - deferred revenue	**1,575.76**	**3,211.47**
(i) Government grant - current (refer note 29(b)(iv))	439.86	211.20
(ii) Government grant - non-current (refer note 22(b))	1,135.90	3,000.27
As at March 31, 2021		
Gross amount outstanding	8,781.73	5,936.68
Less: Present value discounts (treated as government grant (deferred revenue))	2,065.47	3,407.48
Fair value of borrowing measured at amortised cost	**6,716.26**	**2,529.20**
Less: Current maturities (refer note 23(b))	1,087.00	-
Financial liabilities - non-current	**5,629.26**	**2,529.20**
Government grant - deferred revenue	**2,065.47**	**3,407.48**
(i) Government grant - current (refer note 29(b)(iv))	489.71	196.01
(ii) Government grant - non-current(refer note 22(b))	1,575.76	3,211.47

20 LEASE LIABILITIES - NON-CURRENT

(See accounting policy in note 2.16)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Long-term lease liabilities	307.47	46.86
	307.47	**46.86**

21 PROVISIONS - NON-CURRENT

Particulars	As at March 31, 2022	As at March 31, 2021
a) Provision for warranty (see below for movement) (refer note 2.21 & note (i) & (ii) below)	6,928.55	7,087.83
b) Provision for employee benefits - gratuity (refer note 2.15 & 37)	672.82	686.77
c) Provision for Compensated Absences	107.92	53.52
d) Provision for disputed matters (refer note iii below)	33.73	87.97
	7,743.02	**7,916.09**

Notes:

(i) The Company has made provision for contractual warranty obligations based on the assessment of the amount it expects to incur to meet such obligations. The details of the same are given below:

Particulars	Provision for warranty	
	As at March 31, 2022	As at March 31, 2021
Beginning of the year	**9,127.72**	**9,124.97**
Provision made during the year	2,231.12	2,482.75
Discounting impact on account of time value of money	(313.49)	(493.68)
Utilisation/reversal	(2,273.86)	(1,901.43)
Unwinding of discount	398.35	492.21
Others (movement in vendor recovery receivable amount)	(184.44)	(577.10)
End of the year	**8,985.40**	**9,127.72**
Less: Current portion (refer note 27(a))	2,056.85	2,039.89
Non-current portion	**6,928.55**	**7,087.83**

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21 PROVISIONS - NON-CURRENT (contd...)

(ii) As against the provision for warranty, the Company also carries an amount of ₹ 481.13 million (Previous year - ₹ 665.58 million) as recoverable from vendors based on the terms of arrangement/understanding with the vendors. Out of ₹ 481.13 million (Previous year - ₹ 665.58 million), ₹ 97.46 million (Previous year - ₹ 151.14million) is current portion disclosed under "Other current assets" (refer note 16(e)) and balance ₹ 383.79 million (Previous year - ₹ 514.44 million) is non-current portion disclosed under "Other non-current assets" (refer note 10(c)) based on management's assessment.

(iii) Provision for disputed matters

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance	87.97	87.97
Provision made during the year	-	-
Reversals during the year	54.24	-
Closing balance	33.73	87.97

22 OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
a) Income received in advance (refer note below)	3,241.90	1,861.41
b) Deferred revenue - government grant (refer note 19 (iii))	4,136.17	4,787.23
	7,378.07	**6,648.64**

Note:

Income received in advance represents the amount collected / apportioned towards additional services to be provided to customers that are satisfied over a period of time in line with requirements under Ind AS 115. These amounts are recognized on a straight line basis over the respective contractual period. The related expenses are charged off to the statement of profit and loss on an actual basis.

As at March 31, 2022 the Company carries ₹ 4344.26 million (Previous year - ₹ 2703.52 million as Income received in Advance). Refer note 29(a)(i) for current portion of Income received in Advance.

23 BORROWINGS - FINANCIAL LIABILITIES (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Export receivables discounted on a ""with recourse"" basis- unsecured (refer note (i) below)	2,556.25	4,172.06
b) Current maturities of long-term borrowings (refer note 19 (iii))	1,176.98	1,087.00
	3,733.23	**5,259.06**

Notes:

(i) The Company has obtained bill discounting facilities from various banks. These credit facilities are unsecured. The tenor of the loan for bills discounted is up to a maximum of 180 days.

24 LEASE LIABILITIES - CURRENT

Particulars	As at March 31, 2022	As at March 31, 2021
a) Current maturities of lease liabilities	68.95	74.98
	68.95	**74.98**

25 TRADE PAYABLES - FINANCIAL LIABILITIES (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro and small enterprises (refer note below)	1,274.98	1,395.46
Total outstanding dues of creditors other than micro and small enterprises	52,779.30	59,258.19
	54,054.28	**60,653.65**

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25 TRADE PAYABLES - FINANCIAL LIABILITIES (CURRENT) (contd...)

Ageing of trade payables:

Balance as at March 31, 2022	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 -2 years	2- 3 years	More than 3 years	
(i) MSME	-	1,099.27	175.71	-	-	-	1,274.98
(ii) Others	4,081.59	39,144.92	5,249.97	431.90	464.01	3,406.91	52,779.30
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**4,081.59**	**40,244.20**	**5,425.68**	**431.90**	**464.01**	**3,406.91**	**54,054.28**

Balance as at March 31, 2021	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 -2 years	2- 3 years	More than 3 years	
(i) MSME	-	1,219.92	175.54	-	-	-	1,395.46
(ii) Others	4,440.12	34,874.79	16,700.57	412.57	903.44	1,926.70	59,258.19
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**4,440.12**	**36,094.71**	**16,876.11**	**412.57**	**903.44**	**1,926.70**	**60,653.65**

26 OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Payable on purchase of fixed assets	1,229.92	1,248.54
b) Deposits received from customers	1,130.49	1,028.24
c) Others	1,903.02	1,717.91
	4,263.43	**3,994.69**

27 PROVISIONS - CURRENT

Particulars	As at March 31, 2022	As at March 31, 2021
a) Provision for warranty (refer note 21 (i))	2,056.85	2,039.89
b) Provision for employee benefits: (refer note 37)		
- Provision for compensated absences	1,191.03	1,031.04
- Provision for gratuity	109.45	112.46
c) Provision - Others		
- Provision for disputed matters (refer note below)	670.00	670.00
- Provision for Corporate Social Responsibility	545.51	279.03
	4,572.84	**4,132.42**

Note:

The Group carries provision for disputed matters towards certain claims against the Group not acknowledged as debts (refer note 36.1). Whilst the provision is considered as short term in nature, the actual outflow with regard to said matters depends on the exhaustion of remedies available under the law based on various developments. No recoveries are expected against the provision. The details of the same are given below:

Particulars	As at March 31, 2022	As at March 31, 2021
Beginning of the year	670.00	757.97
Provision made during the year	-	-
Utilisation/reversal	-	(87.97)
End of the year	**670.00**	**670.00**

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28 CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Provision for Tax (net of advance tax paid for respective assessment years)	1,985.94	2,672.16
	1,985.94	**2,672.16**

29 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
a) Income received in advance (refer note 22a)	1,102.36	842.11
b) Usance interest received in advance	54.93	41.39
c) Other liabilities		
(i) Advance from customers	16,263.02	10,762.49
(ii) Statutory dues	974.99	1,211.61
(iii) GST Payable (including compensation cess)	4,197.33	1,091.90
(iv) Deferred revenue - government grant (refer note 19 (iii))	651.07	685.72
	23,243.70	**14,635.22**

30 REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Sale of products (refer note (i) below)	442,611.70	386,443.41
b) Sale of services (refer note (ii) below)	21,996.90	17,199.13
c) Other operating revenues (refer note (iii) below)	9,175.72	6,079.97
	473,784.32	**409,722.51**

Note:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Sale of products		
- Vehicles	408,876.52	357,577.34
- Parts	33,735.18	28,866.07
Total	**442,611.70**	**386,443.41**
(ii) Sale of services		
- Income from engineering services - Domestic	248.83	75.54
- Income from engineering services - Export	3,258.78	2,906.85
- Transportation Income	17,606.17	13,380.00
- Others	1,034.34	836.74
Total	**22,148.12**	**17,199.13**
(iii) Other operating revenues		
Sale of scrap	2,188.61	1,498.76
Duty drawback (refer note 2.11)	3,474.36	2,364.84
RoDTEP/Merchandise Exports from India Scheme income (refer note 16(a) (vi) and 2.11)	970.69	331.13
Other incentives from government	2,542.06	1,885.24
Total - Other operating revenues	**9,175.72**	**6,079.97**

Notes:

Other incentives from government includes Capital Subsidy of ₹ 22.50 Millions during the current year from the State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT) under Structured Package of Assistance -Phase III (Expansion Scheme of Phase II).

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31 OTHER INCOME

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Interest income (refer note (i) below)	4,459.00	3,599.65
b) Royalty income	552.33	413.63
c) Profit on sale of fixed assets (net)	4.23	3.91
d) Gain on foreign currency transactions and translation (net)	413.50	3.05
e) Other non-operating income	447.10	303.75
	5,876.16	**4,323.99**

Note:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Interest income earned on financial assets that are not designated as at FVTPL		
- from banks - fixed deposits	3,933.76	3,093.86
- on refund of taxes	359.83	143.95
- others	165.41	361.84
	4,459.00	**3,599.65**

32 (a) COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Opening stock	15,116.87	16,082.28
b) Add: Purchases	377,230.48	320,674.94
	392,347.35	**336,757.22**
c) Less: Sale of raw materials	22,433.86	16,943.56
d) Less: Closing stock (refer note 11(a))	17,605.41	15,116.87
Total - Cost of material consumed	**352,308.08**	**304,696.79**

32 (b) PURCHASES OF STOCK-IN-TRADE

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Parts	6,564.05	7,553.02
Total	**6,564.05**	**7,553.02**

32(c) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE (REFER NOTE 11)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Inventories at the end of the year:		
Finished goods	493.88	3,185.34
Work-in-progress	9,668.22	6,349.89
Stock-in-trade	16.45	22.12
	10,178.55	**9,557.35**
b) Inventories at the beginning of the year:		
Finished goods	3,185.34	7,740.76
Work-in-progress	6,349.89	2,838.00
Stock-in-trade	22.12	26.65
	9,557.35	**10,605.41**
Net (increase)/ decrease	**(621.20)**	**1,048.06**

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33 EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Salaries, wages and bonus	13,390.80	11,997.82
b) Contributions to provident and other funds (refer note 37)	858.56	762.82
c) Staff welfare expenses	2,227.02	1,887.94
	16,476.38	**14,648.58**

Note:

(i) Employee cost / benefits expense includes research and development expenses amounting to ₹ 0.33 million (Previous Year - ₹ 0.05 million), as identified by the management.

(ii) The remeasurement of the net defined benefit liability amounting to - ₹ 34.93 million (Net defined benefit asset for the period ended March 31, 2021 - ₹ 41.64 million) is included in other comprehensive income.

34 FINANCE COSTS

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Interest expense on:		
(i) Working capital facilities from banks	10.64	30.60
(ii) VAT/CST deferral & soft loan (refer note below)	691.66	713.46
(iii) Sincerity deposits/ dealer down payments	193.54	216.84
(iv) Others	7.55	179.08
b) Unwinding of discounts on warranty provisions (refer note 21(i))	398.35	492.21
c) Interest on lease liabilities	17.39	14.28
	1,319.13	**1,646.47**

Note:

Interest on VAT/CST deferral & soft loan include actual interest paid of ₹ 5.94 million (Previous year - ₹5.94 million) at 0.1% interest rate and notional interest cost of ₹ 685.72 million (Previous year - ₹ 707.52 million)

35 OTHER EXPENSES (refer note (i) below)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Consumption of stores and spare parts	1,016.00	916.65
b) Clearing and forwarding charges	369.09	359.64
c) Power and fuel	2,650.78	2,220.29
d) Rent including lease rentals	317.32	378.06
e) Repairs and maintenance		
(i) Buildings	139.56	114.30
(ii) Machineries	873.42	622.25
(iii) Others	1,864.74	1,015.44
f) Service contract expenses	1,368.96	1,454.58
g) Insurance	98.16	84.29
h) Freight	15,178.67	12,950.00
i) Rates and taxes	33.95	50.78
j) Communication	51.23	55.07
k) Travelling and conveyance	110.87	58.60
l) Printing and stationery	67.01	89.67
m) Royalty	11,008.13	10,225.86

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35 OTHER EXPENSES (Refer note (i) below) (contd...)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
n) Advertisement and sales promotion expenses	4,918.91	4,640.70
o) Expenditure on corporate social responsibility	654.85	658.18
p) Donations- Other than CSR	8.50	-
q) Legal and professional charges	93.73	71.62
r) Payments to auditors	18.65	23.20
s) Loss on PPE sold / scrapped / written off (net)	53.12	28.96
t) Technical assistance fee/training	51.13	48.47
u) Loss on foreign currency transactions and translation (net)	-	84.12
v) Provision for warranty (net)	1,917.63	1,989.07
w) Extended warranty expense	374.97	269.88
x) Training expenses	7.04	0.18
y) Testing expenses	207.65	157.66
z) Software subscription	507.53	505.34
aa) Miscellaneous expenses	436.14	483.40
	44,397.74	**39,556.26**

Notes:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Expenses towards research and development included in the above amounts	257.91	390.11

36.1 CONTINGENT LIABILITIES (TO THE EXTENT NOT SPECIFICALLY PROVIDED FOR) (REFER NOTE I BELOW)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Claims against the Company not acknowledged as debt		
(i) Customs duty (paid under protest: As at March 31, 2022 - ₹ 608.63 million and as at March 31, 2021 - ₹ 12.99 million) (refer note A below)	6,656.70	6,061.07
(ii) Anti dumping duty (refer note B below)	154.74	154.74
(iii) Excise duty and service tax (Paid under protest: As at March 31, 2022 - ₹ 199.41 million and as at March 31, 2021 - ₹ 98.15million) (refer note D below)	7,613.48	344.97
(iv) Maharashtra VAT (Paid under protest: As at March 31, 2022 - ₹ 0.13 million and as at March 31, 2021 - ₹ 0.13 million)	0.21	0.21
(v) Tamil Nadu VAT (Paid under protest as at March 31, 2022 - ₹ 280.21 million and as at March 31, 2021 - ₹ 613.34 million) (refer note E below)	280.21	613.34
(vi) GST (Paid under protest as at March 31, 2022 - ₹ 2.70 million and as at March 31, 2021 - ₹ nil) (refer note D below)	27.01	0.00
(vii) Income tax (Paid under protest: As at March 31, 2022 - ₹ 1,153.58 million and as at March 31, 2021 - ₹ 4,006.95 million)	4,975.10	6,428.39
(viii) Penalty levied by Competition Commission of India (refer note F below) (Paid under protest as at March 31, 2022 - Nil and as at March 31, 2021 - Nil)	4,202.61	4,202.61
(xi) Others	2,308.53	789.28
(b) Decided in favour of the Company against which department has gone on appeal		
(i) Customs (Paid under protest: As at March 31, 2022 - ₹ 29.33 million and as at March 31, 2021 - ₹ 29.33 million) (refer note A below)	29.33	29.33
(ii) Income Tax (Paid under protest: As at March 31, 2022 - ₹ 32.77 million and as at March 31, 2021 - ₹ 32.77 million)	4,070.40	305.67
(c) Guarantees	Refer note H below	

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Notes:

A Customs duty

(i) The Directorate of Revenue Intelligence (DRI) had initiated certain inspections/inquiries in connection with customs compliances. During the year ended March 31, 2012, the Company had received a notice from the DRI alleging mis-declaration of the transaction value of goods imported by the Company. The Company had challenged the said notice and also the inquiries/investigations and filed writ petitions before the Honourable High Court of Madras seeking a stay on the proceedings, which had been granted. Subsequently the stay was vacated. The Company received a demand of ₹ 5,777.77 million (including penalties of ₹ 3,018.89 million) during the year ended March 31, 2016, (of which ₹ 88.62 Million was appropriated by the Customs Authorities and charged off to the Statement of Profit and Loss during the year ended March 31, 2012). The department had also mentioned that the goods which are a subject matter of the demand of customs duty, is also liable for confiscation under Section 111 of the Customs Act, 1962. The Company had filed stay of operation of order and appeal against the order with the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) which is pending disposal as at March 31, 2022. Based on professional advice, the Company expects favourable outcome.

During the year ended March 31, 2022, the Company paid an amount of ₹ 595 million under protest to Directorate of Revenue Intelligence towards investigation proceedings commenced against the Company for incorrect classification of Electronic Control Unit for certain goods imported during the period (March 4, 2020 - March 11, 2022). Based on professional advice, the Company expects favorable outcome.

(ii) During the year ended March 31, 2021, the Company had received an order rejecting the classification of "Cover Assembly Front door Quadrant" imported by the Company and reclassifying the same under different heading of the customs tariff. The said order has imposed an additional duty of ₹ 64.94 Mn and a Penalty amount ₹ 65.59 Mn for the imports made during the period from June 2016 to Mar 2018. The Company has filed appeals with Customs, Excise and Service Tax Appellate Tribunal (CESTAT) challenging the Appellate Order and the hearings at CESTAT is pending disposal as at March 31, 2022. The Company expects a favourable outcome in respect of these matters.

(iii) During the year ended March 31, 2021, the Company received an Order stating that the Company has not fulfiled Export Obligation for Capital items valuing ₹ 479.52 Mn imported during the period from Nov 2010 to Feb 2011. The said order has imposed an additional duty ₹ 126.09 Mn and a penalty of ₹ 11 Mn. Futher it has also levied interest in terms of Notification No 102/2009 dated 11.09.2009. The Company has filed appeals with Customs, Excise and Service Tax Appellate Tribunal (CESTAT) challenging the Appellate Order and the hearings at CESTAT is pending disposal as at March 31, 2022. The Company expects a favourable outcome in respect of the above matter.

(iv) Further, during the year ended March 31, 2013, the Company received a demand notice for recovery of Extra Duty Deposit refunded by the department during the prior years amounting to ₹ 91.31 million from the Deputy Commissioner of Customs on account of issue of the above notice by DRI. The Company challenged the demand and obtained stay of demand filing a writ petition before the Honourable High Court of Madras which is pending disposal.

(v) In addition to the above, the outstanding demand under dispute towards various other Customs cases in respect of which the hearings are in progress at various levels at Customs Authorities / Appeals as at March 31, 2021 amounts to ₹ 42.32 million (including ₹ 29.33 million decided in favour of the Company against which department has gone on appeal).

(vi) During the year ended March 31, 2016, the Company also received certain other adjudication orders rejecting the classification of certain goods imported by the Company and reclassifying the same under different heading of the customs tariff. The Company had filed appeals against these orders with Commissioner of Customs (Appeals). Subsequently, the Commissioner of Customs (Appeals) upheld the adjudication order classifying the goods imported by the Company under a different heading of the customs tariff. The Company has paid the differential duty under protest and filed appeals with Customs, Excise and Service Tax Appellate Tribunal (CESTAT) challenging the Appellate Order and the hearings at CESTAT is pending disposal as at March 31, 2022. The Company expects a favourable outcome in respect of these matters.

B Anti-dumping duty

During the year ended March 31, 2015, the Directorate General of Anti-Dumping and Allied Duties initiated an investigation on import of cast and aluminium alloy wheels exported from China, Korea and Thailand and levied anti dumping duty on cast aluminium alloy wheels which have been imported into India allegedly at less than its normal value and passed a provisional order for a period of six months from April 11, 2014. The Company had filed four writ petitions before the Honourable High Court of Madras in this connection challenging the provisional order passed by the department and paid ₹ 165.66 million under protest, as against the Anti Dumping Duty payable of ₹ 320.40 million and charged to the Statement of Profit and Loss Account. Consequent to the legal suit filed, the Company also carries the amount paid as receivable and on grounds of prudence, provided for the same. However, in December 2014, the Honourable High Court of Madras had dismissed the writ petitions. The Company had filed writ appeal with the division bench of the Honourable High Court of Madras against the said order of the single member bench. During the year ended March 31, 2016, the Company received a transfer petition transferring the appeal to the Honourable Supreme Court of India and the Company has filed required counter petitions with the Honourable Supreme Court of India and the same is pending disposal as at March 31, 2022. The Company believes that it has a good case to obtain a favourable judgement in respect of this matter and there is no additional financial exposure in respect of the same.

In the meanwhile, the Directorate General of Anti-Dumping and Allied Duties had issued final order on May 22, 2015 levying Anti-Dumping duty for a period of five years commencing April 11, 2014. The Company is of the opinion that Anti-Dumping Duty shall not be levied with retrospective effect, based on the precedent judgement of the Honourable Supreme Court of India in a similar case and has not provided for / paid Anti-Dumping duty for the period from October 2014 to May 2015.

Further, the Company has paid Anti-dumping duty commencing from the period May 22, 2015 (date of notification of Final Order) till March 31, 2022 under protest amounting to ₹ 6,967.78 million which has been charged off to the Statement of Profit and Loss Account. Consequent to the legal suit filed, the Company also carries the amount paid as receivable and on grounds of prudence, provided for the same.

C Duty drawback

During the year ended March 31, 2011, the Company had received a demand of ₹ 797.34 Million from the Additional Commissioner, Large Taxpayer Unit, Chennai relating to excess drawback paid by the Department for the period from September 24, 2007 to August 4, 2009. Out of the above, the Company had voluntarily foregone and repaid duty drawback claim of ₹ 109.44 million and the balance of ₹ 687.90 million was disputed by the Company.

The Company had filed an appeal before the Commissioner of Customs (Appeals), Customs House, Chennai, LTU which was adjudicated against the Company and had filed a revision application before the Joint Secretary, Ministry of Finance which was partly allowed and remanded back to the original authority for reassessment. During the FY 2019-20, the Company received a refund of ₹ 426.58 million based on such reassessment. The remaining disputed amount which is pending for disposal at the Honourable High Court of Madras based on a writ petition filed by the Company has been fully provided for and hence not included as contingent liability as at March 31, 2022.

D Excise duty, Service tax and GST

During October 2021, the Company has received order from the Additional Director General demanding payment of Central excise duty amounting to ₹ 3,574 million and penalty amounting to ₹ 3,574 million. The company has filed a writ petition with the Honorable Madras High court to grant the stay of the operation and all further proceeding pursuant to the demand order received by the company. The Company has received order from Honorable Madras High court granting interim stay of recovery proceedings pending disposal of Writ petition subject to the company depositing minimum amount required under section 35F of the Central excise Act, 1944. The company has paid ₹ 100 million pre-deposit as at March 31, 2022. Apart from the above, there are pending litigations for various other matters relating to Excise Duty, Service Tax and GST involving demands, for which the Company has filed appeals against the orders received which are pending at various forums as at March 31, 2022.

E Tamil Nadu VAT

The Company had received sales tax demands (including interest) for various assessment years amounting to ₹ 613.31 million towards arbitrary demand of sales tax on royalty income received by the company and denied availment of input tax credits on goods on various submissions made in respective assessment years. The Company paid such demand amount under protest and filed appeals against all the orders with the Sales tax appellate tribunal.

During the reporting period, the Company received an order in favor of the company from the Sales tax appellate tribunal amounting to ₹ 331.12 million with respect to such royalty income by excluding the same from its assessed tax demand. However, the Tribunal confirmed the department's demand for the disputed input credits of the company amounting to ₹ 231 million. The Company has further contested against the said order with the Honorable Madras High court and expects a favorable outcome.

F Investigation by the Competition Commission of India

(i) In 2012, the Directorate General of the Competition Commission of India (CCI) had submitted its final investigation report to the CCI regarding violations of the provisions of Competition Act, 2002.

In the meanwhile, the Company filed a writ petition before the Honourable High Court of Madras challenging the jurisdiction of the CCI to expand the investigation in respect of the above matter and requesting for a stay which was granted initially. During the year ended March 31, 2015, the Honourable High Court of Madras dismissed the

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Company's petition challenging the jurisdiction of the CCI stating that CCI has powers to expand the investigation. The Company had filed a writ appeal before the Divisional Bench of the Honourable High Court of Madras, and obtained Interim order that CCI should not pass final order till disposal of writ appeal. Meanwhile, CCI had issued final order imposing a penalty of ₹ 4,202.61 million violating Division Bench Order. However CCI has clarified that the order shall be enforceable based on and subject to the direction of the Honourable High Court of Madras in connection with the writ appeal filed by the Company.

The writ appeal was subsequently dismissed by the High Court of Judicature at Madras on July 23, 2018. The Company filed an appeal before the National Company Law Appellate Tribunal (NCLAT) against the CCI Order. On October 29, 2018, the NCLAT heard the matter for admission and directed the Company to deposit 10% of ₹ 4,202.61 million within three weeks. The Company filed an appeal before the Supreme Court of India (SC) against the NCLAT Interim Order. On November 16, 2018, the SC granted a interim stay on the operation of the CCI Order. Further on January 20, 2020, the Supreme Court granted Permanent Stay on NCLAT order for deposit of ₹ 420 million and directed NCLAT to decide HMIL's Appeal on Merits.

Consequently, the company is not required to deposit 10% of ₹ 4,202.61 million with the NCLAT till the SC Order is operational. The pleadings in the NCLAT appeal are complete and the appeal was listed on March 25, 2020 for final arguments. However, due to the COVID-19 pandemic, the matter was adjourned and is yet to be listed for hearing before NCLAT. Based on the legal opinion, the Company expects a favourable outcome in the above appeal also.

(ii) Further, CCI had directed the Director General for an investigation to be made in respect of the complaints made by two terminated dealers against the Company. The Company received notices seeking certain information for the purpose of investigation and the Company had furnished the required details. During the year ended March 31, 2018, CCI passed an order imposing a penalty of ₹ 870.00 million on the Company. The Company filed an appeal before NCLAT against the order and received an order in favour of the Company during the year ended March 31, 2019 by setting aside the CCI Order. CCI has further filed an appeal before Supreme Court in November 2018 against our favourable order. This case is now pending before Supreme Court and it is yet to be listed for hearing. Based on the legal opinion, the Company expects a favourable outcome in the above appeal also.

G Show cause notices/draft assessment orders

The details of the show cause notices/draft assessment orders received by the Company from various government agencies pending formal orders / demand notices, which are not considered as claims against the Company not acknowledged as debts, are given below:

Particulars	As at March 31, 2022	As at March 31, 2021
Customs duty (refer note (i) below)	1,194.76	1,194.76
Duty drawback	9.12	9.12
Excise duty	82.48	3,727.49
Service tax	190.24	476.83
GST	2,868.64	-
Income tax draft assessment orders received and pending disposal with Dispute Resolution Panel (DRP)	4,471.94	5,738.33

Note:

(i) The Company had received show cause notices from the DRI demanding an amount of ₹ 1,194.76 million in connection with various matters. The department has also mentioned that the goods which are a subject matter of the demand of customs duty, is also liable for confiscation under Section 111 of the Customs Act, 1962. The Company has filed / is in the process of filing replies for the same and expects a favorable outcome in respect of the same.

H Guarantees

The Company has executed a Deed of Corporate Guarantee in favour of SIPCOT for CST Soft Loan of ₹ 6,000.00 million

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Contingent liabilities (to the extent not specifically provided for) (Subsidiary Company)

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax (refer note (i), (ii) and (iii) below)	294.23	305.43
	294.23	**305.43**

Notes:

(i) During FY 2017-18, the Assessing Officer has issued final assessment order relating to AY 2013-14 with a total tax demand of ₹ 16.52 million based on directions of DRP. The subsidiary company has filed an appeal before Income Tax Appellate Tribunal (ITAT) and received a rectification order to revise the total tax demand to ₹ 24.33 million. As at reporting date, the subsidiary company is yet to receive the giving effect order from the Assessing Officer.

(ii) During FY 2019-20, the subsidiary company has received draft assessment order relating to the AY 2014-15 with transfer pricing adjustment amounting to ₹ 154.27 million. An amount of ₹ 5 million was paid under protest against the demand. The subsidiary company has filed an appeal before ITAT against the final assessment order and is yet to receive a consequential giving effect order from Assessing Officer with a total demand of ₹ 18.02 million.

(iii) During FY 2020-21, the subsidiary company received a revised order from Commissioner of Income Tax (Appeals) revising the tax demand relating to a transfer pricing adjustment of AY 2015-16 from ₹ 118.40 million to ₹ 85.08 million. The subsidiary company paid an amount of ₹ 24 million under protest to the CIT (Appeals). As at reporting date, the subsidiary company has filed an appeal before CIT (Appeals) and ITAT which were pending for disposal.

(iv) During the current year, the subsidiary company has received draft assessment order relating to the AY 2018-19 with a total tax demand of ₹ 65.72 million mainly relating to transfer pricing adjustment. As at reporting date, the subsidiary company has filed an appeal before DRP and it is pending for disposal.

(v) Supreme Court vide their judgement dated February 28, 2019 clarified that Provident fund deduction is to be made on basic salary and on other salary components which are universally made available to all employees. The subsidiary company based on internal evaluation, believes that there are interpretative challenges and significant uncertainties surrounding the determination of liability including the period of assessment, application for present and past employees, subsidiary company's liability towards employees' contribution and assessment of interest and penalties. The amount of obligation, therefore, cannot be measured with sufficient reliability for past periods, and hence, disclosed as contingent liability.

I Management's assessment

The amounts shown under contingent liabilities and disputed claims represent the best possible estimates arrived at on the basis of the available information. Further, various government authorities raise issues/clarifications in the normal course of business and the Group has provided its responses to the same and no formal demands/claims has been made by the authorities in respect of the same other than those pending before various judicial/regulatory forums as disclosed above. The uncertainties and possible reimbursement in respect of the above are dependent on the outcome of the various legal proceedings which have been initiated by the Group or the claimants, as the case may be and, therefore, cannot be predicted accurately. The Group expects a favorable decision with respect to the above disputed demands / claims based on professional advice and, hence, no specific provision for the same has been made. Also refer note 27(c).

36.2 COMMITMENTS

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	3,719.48	5,602.54
(b) Other Commitments for service contracts	140.11	104.61

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36.2 COMMITMENTS (contd...)

(c) Commitment arising from Memorandum of Understanding (MoU) with GoTN

(i) The Company has entered into fourth MoU dated January 24, 2019 with the GoTN being the third expansion of existing plant to increase the capacity from 0.7 million cars p.a. to 0.8 million cars p.a. As per the said MOU, the Company is entitled to certain fiscal benefits in the form of clean energy vehicle subsidy, capital subsidy, electricity tax exemption and also certain other concessions/benefits subject to the Company achieving specified conditions viz. investment of ₹ 70,000 million in fixed assets, creation of 500 direct employment, production of electric / clean energy vehicles of 200,000 nos. in 20 years (FY 2019-20 to 2038-39) etc. The period of investment as contemplated in this MOU is from April 1, 2018 to March 31, 2025 and the investment will be made for production of new models, electric and other clean energy vehicles (existing and new models) in Tamil Nadu.

37 EMPLOYEE BENEFIT PLANS

37.1 Defined contribution plan

Group's (employer's) contribution to defined contribution plans recognised as expenses in the statement of profit and loss are:

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Employer's contribution to Provident fund	435.15	394.54
(b) Employer's contribution to National pension fund	46.43	33.41
(c) Employer's contribution to Superannuation fund	185.29	154.11
	666.87	**582.06**

Note:

The expenses are included in note 33 - Employee benefit expenses under "Contribution to provident and other funds"

37.2 Defined benefit plan

(i) Refer note 2.15 for the accounting policy of the defined benefit plan

(ii) The defined benefit plan typically exposes the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in government securities, debt instruments, short term debt instruments, equity instruments and asset backed, trust structured securities as per notification of Ministry of Finance.

Interest risk

Decrease in the Interest rate will increase the cost of providing the above benefit and thus increase in the value of liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

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37 EMPLOYEE BENEFIT PLANS (contd...)

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(iii) The principal assumptions used for the purpose of the actuarial valuations were as follows.

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	7% - 7.50%	6.18% - 7.12%
Future salary increase	6.5% - 16.00%	6.5% - 13.00%
Expected rate of return on plan assets	7% - 7.50%	6.18% - 7.12%
Attrition rate	2.00%	2.00%
Mortality - Indian Assured Lives Mortality	2012-14	2006-08

(iv) Amounts recognised in the Statement of Profit and Loss in respect of the defined benefit plan are as follows.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Components of defined benefit cost recognised in the Statement of Profit and Loss		
Current service cost	139.93	130.78
Interest cost	154.40	134.33
Interest income on plan assets	(102.64)	(84.35)
Total (Refer note below)	**191.69**	**180.76**
Components of defined benefit cost recognised in the Other Comprehensive Income		
Actuarial (gains)/losses		
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	(77.60)	31.33
- Experience variance	29.06	(52.19)
Return on plan assets (excluding amount included in net interest expense)	12.41	9.95
	(36.11)	**(10.91)**

Note:

The expenses are included in Note 33 - Employee benefit expenses under "Contribution to provident and other funds"

(v) The amount included in the Balance Sheet arising from the entity's obligation in respect of the its defined benefit plan is as follows.

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation as at the end of the year	2,316.13	2,128.04
Fair value of plan assets as at the end of the year	(1,533.86)	(1,328.80)
Net liability recognised in the balance sheet	**782.27**	**799.24**
Current liability	109.45	112.46
Non-current liability	672.82	686.78

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37 EMPLOYEE BENEFIT PLANS (contd...)

(vi) Movements in the present value of the defined benefit obligation and fair value of plan assets are as follows.

Particulars	As at March 31, 2022	As at March 31, 2021
Change in defined benefit obligation during the year		
Present value of defined benefit obligation as at the beginning of the year	2128.04	1,908.39
Current service cost	139.93	130.78
Interest cost	154.40	134.33
Benefits paid	(57.71)	(24.60)
Actuarial loss/(gain)	(48.53)	(20.86)
Present value of defined benefit obligation at the end of the year	**2,316.13**	**2,128.04**
Change in fair value of assets during the year		
Fair value of plan assets at beginning of the year	1,328.80	1,123.06
Expected return on plan assets	102.64	84.35
Employer's contribution	172.54	155.78
Benefits paid	(57.71)	(24.60)
Actuarial gains/(loss)	(12.41)	(9.79)
Fair value of plan assets at the end of the year	**1,533.86**	**1,328.80**
Net liability	**782.27**	**799.24**

(vii) The entire plan assets are managed by the insurer. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity.

(viii) Maturity profile of defined benefit obligation

Particulars	As at March 31, 2022	As at March 31, 2021
Time Periods		
Within 1 year	59.64	59.76
2 to 5 years	329.83	271.61
6 to 10 years	634.98	528.53
More than 10 years	4,672.89	4,390.92

(ix) The Group expects to contribute ₹109.45 million to its gratuity fund during the year ending March 31, 2023 (March 31, 2022- 149.08 Mn)

(x) The Average future service for the defined benefit obligation is 19.14 years as on March 31, 2022 (As on March 31, 2021- 19.93 years)

(xi) Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate:		
Decrease in defined benefit obligation if discount rate increases by 1%	247.81	241.98
Increase in defined benefit obligation if discount rate decreases by 1%	233.98	285.73
Attrition rate:		
Increase in defined benefit obligation if salary increases by 1%	10.68	1.80
Decrease in defined benefit obligation if salary decreases by 1%	11.31	1.33
Expected rate of salary increase:		
Increase in defined benefit obligation if salary increases by 1%	191.42	215.29
Decrease in defined benefit obligation if salary decreases by 1%	220.26	222.73

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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37.3 Compensated absences

The key assumptions used in the computation of provision for compensated absences as per the actuarial valuation done by an independent actuary are as given below:

Particulars	As at March 31, 2022	As at March 31, 2021
Assumptions		
Discount rate	7.50%	7.12%
Future salary increase	6.50%	6.50%
Attrition rate	2.00%	2.00%

38 DISCLOSURE IN RESPECT OF RELATED PARTIES PURSUANT TO INDIAN ACCOUNTING STANDARD 24

38.1 Names of Related Parties and Nature of Relationship

Description of Relationship	Name of Related Party
Parent Company	Hyundai Motor Company, South Korea
Fellow Subsidiaries	Hyundai Motor Deutschland GmbH
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.
	Hyundai Motor Poland Sp. Zo.O
	Hyundai Motor UK Limited
	Hyundai Motor Company Australia Pty Limited
	Hyundai Motor Europe GmbH
	Hyundai Motor Company Italy S.R.L,
	Hyundai Motor Czech s.r.o.
	Hyundai Motor CIS LLC Russia
	Hyundai Motor Espana S.L.U
	Hyundai Motor Netherlands B.V.
	Hyundai Motor France SAS
	Hyundai Capital India Private Limited
	Hyundai Motor De Mexico S DE RL DE CV
	Hyundai Rotem Company
	Hyundai KEFICO Corporation
	Hyundai Motor Manufacturing Czech s.r.o.
	Hyundai Motor America
	Hyundai Thanh Cong Viet Nam Auto Manufacturing Corporation
	Hyundai Motor Japan Co. Ltd.
	Hyundai Motor Sport GmbH
	Hyundai Motor Brasil Montadora de Automoveis LTDA
	Hyundai Motor Manufacturing Rus LLC
	PT Hyundai Motors Indonesia
Associate of Parent Company (in respect of which the Company has had transactions during the year)	Hyundai Autoever Corp
	Hyundai Motor Group (China) Ltd.
	Hyundai Wia Corporation
	Kia Corporation
	Primemover Mobility Technologies Private Limited
	Hyundai Engineering & Construction co., Ltd
	Hyundai Wia Automotive Engine (shandong) Company
	Haevichi Resort Company Ltd
Entities with significant influence over the Parent Company	Hyundai Mobis Company Limited
Subsidiary of entities with significant influence over the Parent Company	Mobis India Ltd.
	Mobis India Module Private Ltd.

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38.1Names of Related Parties and Nature of Relationship (contd...)

Description of Relationship	Name of Related Party
Entities which are Subsidiary of Associate of Parent Company (in respect of which the Company has had transactions during the year)	Hyundai Autoever India Private limited
	Hyundai Wia India Pvt ltd.
	Hyundai Engineering India Pvt Ltd.
	Kia Motors Slovakia s.r.o.
	Hyundai Transys Lear Automotive India Private Limited
	Hyundai Transys India Private Ltd.
	Kia India Private Limited
	HEC India LLP
Post Retirement Benefit Plans	Hyundai Motor India Limited Group Gratuity Scheme
	Hyundai Motor India Limited Executive Superannuation Scheme
Key Management Personnel	**Hyundai Motor India Limited**
	Mr Unsoo Kim - Managing Director (w.e.f. January 25, 2022)
	Mr Seonseob Kim - Managing Director (Upto December 31, 2021)
	Mr. Choon Hang Park - Whole Time Director cum CFO
	Mr. Jong Hoon Lee - Whole Time Director
	Mr. Woong Sik Oh - Whole Time Director (Upto August 08, 2021)
	Mr. Dosik Kim - Whole Time Director (w.e.f. September 28, 2021)
	Mr. S Ganesh Mani - Whole Time Director
	Mr. Tarun Garg - Whole Time Director
	Mr. Young Min Jung - Alternate Director (Upto January 01, 2021)
	Mr. Stephen Sudhakar John - Whole Time Director (Upto June 30, 2020)
	Hyundai Motor India Engineering Private Limited
	Mr. Yi Kuen Han - Managing Director (w.e.f January 27, 2021)
	Mr. Jihong Baek - Managing Director (up to December 31, 2020)
	Mr. Junghwan Lee - Chief Financial Officer and Wholetime Director

Note:

Related Party relationships are as identified by the Management and relied upon by the Auditors.

38.2 Transactions with the related parties

Particulars	Name of the Related party	Year Ended March 31, 2022	Year Ended March 31, 2021
Income			
Sale of Motor Vehicles, Parts and Raw Materials	Hyundai Motor De Mexico S DE RL DE CV	13,879.66	11,496.76
	Hyundai Thanh Cong Viet Nam Auto Manufacturing Corporation	-	27.93
	Hyundai Motor Company, South Korea	104.99	35.89
	Kia India Private Limited	18,593.35	13,128.59
	Mobis India Ltd.	1,614.26	1,179.68
	Hyundai Transys Lear Automotive India Private Limited	1,110.09	784.77
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	2,854.34	2,413.87
Sale of Services (refer note vi)	Hyundai Motor Company, South Korea	1,896.92	1,691.47
	Kia Corporation	1,312.40	1,161.17
	Kia India Private Limited	95.98	70.48
Interest Income	Hyundai Motor De Mexico S DE RL DE CV	160.44	146.39
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	7.61	6.44

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38.2 Transactions with the related parties (contd...)

Particulars	Name of the Related party	Year Ended March 31, 2022	Year Ended March 31, 2021
Other Income	Hyundai Motor Company, South Korea	3.35	2.49
	Kia India Private Limited	133.79	36.68
	Hyundai Engineering India Pvt Ltd.	3.78	-
Scrap Sales	Hyundai Wia India Pvt ltd.	3.77	0.50
	Hyundai Engineering India Pvt Ltd.	2,096.29	1,442.74
Expenses (gross of withholding tax wherever applicable)			
Purchase of Raw Materials, Components and Spare Parts	Hyundai Motor Company, South Korea	33,354.79	30,499.13
	Hyundai Motor Group (China) Ltd.	3,443.85	2,185.31
	Hyundai KEFICO Corporation	825.73	788.19
	Hyundai Transys Lear Automotive India Private Limited	10,333.14	10,894.32
	Hyundai Transys India Private Ltd.	1,792.99	564.91
	Hyundai Wia India Pvt ltd.	305.12	311.56
	Hyundai Wia Automotive Engine (shandong) Company	2,023.38	112.48
	Kia India Private Limited	13,206.04	14,149.91
	Mobis India Ltd.	63,154.03	56,114.90
	Mobis India Module Private Ltd.	0.03	0.39
	Kia Motors Slovakia s.r.o.	8.19	1.37
Royalty	Hyundai Motor Company, South Korea	10,973.36	10,211.06
Technical Assistance Fee (refer note i)	Hyundai Motor Company, South Korea	77.35	201.38
Advertisement and Sales Promotion Expenses	Hyundai Capital India Private Limited	95.02	64.64
	Hyundai Autoever India Private Limited	98.68	15.87
	Hyundai Motor Brasil Montadora de Automoveis LTDA	205.91	-
	Primemover Mobility Technologies Private Limited	-	2.07
Warranty Expenses	Hyundai Motor Deutschland GmbH	8.53	1.83
	Hyundai Motor Company Italy S.R.L,	5.55	0.29
	Hyundai Motor Poland Sp. Zo.O	0.03	0.31
	Hyundai Motor Czech s.r.o.	0.02	0.01
	Hyundai Motor UK Limited	2.64	3.38
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	6.64	7.91
	Hyundai Motor France SAS	0.10	0.31
	Hyundai Motor Espana S.L.U	0.22	0.36
	Hyundai Motor Company Australia Pty Limited	0.32	25.38
	Hyundai Motor Netherlands B.V.	0.46	0.51
	Hyundai Motor De Mexico S DE RL DE CV	110.34	104.93
	Hyundai Thanh Cong Viet Nam Auto Manufacturing Corporation	0.09	2.83
	Hyundai Motor CIS LLC Russia	0.00	-
	Kia India Private Limited	1.91	-
	PT Hyundai Motors Indonesia	0.06	-
Testing Expenses	Hyundai Transys India Private Ltd.	-	0.05
	Haevichi Hotel & Resort Co Ltd, South Korea	0.17	-
	Hyundai Wia India Pvt ltd.	0.22	-
Rent	Hyundai Autoever Corp	67.54	77.93
	Hyundai Autoever India Private Limited	136.07	194.86
Maintenance Charges	Hyundai Autoever India Private Limited	311.94	288.05
	Hyundai Engineering India Pvt Ltd.	516.08	400.79
	Mobis India Ltd.	1.80	1.54

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38.2 Transactions with the related parties (contd...)

Particulars	Name of the Related party	Year Ended March 31, 2022	Year Ended March 31, 2021
Other Expenses	Hyundai Motor Company, South Korea	68.25	74.34
	Hyundai Rotem Company	1.67	0.81
	Hyundai Engineering India Pvt Ltd.	5.05	26.92
	Mobis India Ltd.	178.41	66.26
	Hyundai Transys Lear Automotive India Private Limited	9.04	9.94
	Hyundai Autoever Corp	61.17	49.94
	Hyundai Autoever India Private Limited	61.83	45.91
Salaries, Bonus, Perquisites and Contribution to Funds	Mr. Unsoo Kim	9.42	-
	Mr. Seonseob Kim	41.05	44.37
	Mr Stephen Sudhakar John	-	3.53
	Mr. Choon Hang Park	32.35	26.43
	Mr. Dosik Kim	20.80	-
	Mr. Jong Hoon Lee	37.29	36.58
	Mr. Woong Sik Oh	11.05	33.50
	Mr. Young Min Jung	-	2.88
	Mr. S Ganesh Mani	24.33	11.48
	Mr. Tarun Garg	33.33	16.99
	Mr. Yi Kuen Han	31.92	6.51
	Mr. Jihong Baek	-	23.12
	Mr. Junghwan Lee	14.04	12.39
Others			
Purchase of Capital Goods	Hyundai Motor Company, South Korea	1,022.17	1,816.81
	Hyundai Rotem Company	3.61	3.58
	Hyundai Transys Lear Automotive India Private Limited	550.94	600.30
	Hyundai Autoever Corp	45.36	141.48
	Mobis India Ltd.	100.40	1,062.83
	Hyundai Wia Corporation	264.75	48.02
	Hyundai Autoever India Private Limited	289.16	303.83
	HEC India LLP	1,751.45	2,333.45
	Hyundai Engineering & Construction co., ltd	-	7.99
	Kia Corporation	-	1,196.38
	Kia India Private Limited	9.85	208.73
	Hyundai Transys India Private Ltd.	0.03	6.17
	Hyundai Engineering India Pvt Ltd.	149.83	191.37
Technical Knowhow	Hyundai Motor Company, South Korea	-	1,315.35
Transportation Income	Hyundai Motor De Mexico S DE RL DE CV	1,025.50	825.16
Rental Income	Hyundai Capital India Private Limited	5.18	-
Insurance Reimbursement	Hyundai Motor De Mexico S DE RL DE CV	44.32	36.64
Reimbursement of expenses	Hyundai Motor Company, South Korea	4.34	7.90
Warranty Claim Recovered	Hyundai Motor Company, South Korea	174.35	24.55
	Hyundai Wia India Pvt ltd.	0.00	0.01
	Mobis India Ltd.	84.48	76.60
	Kia India Private Limited	3.14	16.30
	Hyundai Transys Lear Automotive India Private Limited	0.83	1.03
Dealer Reimbursement	Hyundai Autoever India Private limited	3.91	5.77
Maintenance Charges recovered	Hyundai Transys Lear Automotive India Private Limited	14.22	15.92
	Mobis India Ltd.	90.43	14.85
Discount Received	Mobis India Ltd.	1.32	1.75
Dividend Paid	Hyundai Motor Company, South Korea	13,593.81	-

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38.3 Related Party balances as at the year end

Particulars	Related party	As at March 31, 2022	As at March 31, 2021
Receivables as at Year End			
Receivables (including contractually reimbursable expenses)	Hyundai Motor Company, South Korea	186.07	142.95
	Kia Corporation	131.37	93.56
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	753.42	573.75
	Hyundai Motor De Mexico S DE RL DE CV	9,602.52	9,382.79
	Hyundai Transys Lear Automotive India Private Limited	157.02	104.50
	Kia India Private Limited	2,905.38	2,888.94
	Mobis India Ltd.	137.66	75.63
	Hyundai Wia India Pvt ltd.	0.09	0.06
	Hyundai Capital India Private Limited	0.52	-
Liabilities as at Year End			
Payables (net of TDS wherever applicable)	Hyundai Motor Company, South Korea	1,229.25	1,617.21
	Hyundai Motor Company Italy S.R.L,	0.03	0.07
	Hyundai Motor Company Australia Pty Limited	0.25	1.35
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	0.77	-
	Hyundai Thanh Cong Viet Nam Auto Manufacturing Corporation	0.32	0.31
	Hyundai Motor Espana S.L.U	0.03	0.07
	Hyundai Motor Deutschland GmbH	1.69	0.02
	Hyundai Motor De Mexico S DE RL DE CV	20.06	4.28
	Hyundai Motor Netherlands B.V.	0.03	-
	Hyundai Motor Poland Sp. Zo.O	0.00	-
	Hyundai Motor UK Limited	0.14	0.03
	Hyundai KEFICO Corporation	55.96	42.32
	Hyundai Autoever Corp	0.36	0.68
	Hyundai Wia Corporation	257.93	50.73
	Haevichi Resort Company Ltd	0.12	-
	Hyundai Motor Group (China) Ltd.	-	609.26
	Hyundai Autoever India Private Limited	11.87	83.11
	Hyundai Transys Lear Automotive India Private Limited	1,690.32	1,643.28
	Hyundai Capital India Private Limited	4.74	-
	Hyundai Motor Brasil Montadora de Automoveis LTDA	48.31	-
	Hyundai Motor CIS LLC Russia	0.00	-
	Hyundai Motor Czech s.r.o.	0.01	-
	Hyundai Motor France SAS	0.01	-
	PT Hyundai Motors Indonesia	0.06	-
	Hyundai Engineering India Pvt Ltd.	81.06	91.57
	Hyundai Transys India Private Ltd.	362.59	164.28
	Hyundai Wia India Pvt ltd.	34.08	47.45
	Kia India Private Limited	1,338.75	2,323.22
	Mobis India Ltd.	9,443.41	10,437.95
	HEC India LLP	-	61.35
	Kia Corporation	-	166.79
	Kia Motors Slovakia s.r.o.	4.68	1.17
	Mobis India Module Private Ltd.	-	0.46
Advances to suppliers	Hyundai Capital India Private Limited	-	22.80
	HEC India LLP	242.24	-
Royalty Payable (net of Tax deducted at source)	Hyundai Motor Company, South Korea	4,999.88	5,955.59

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38.3 Related Party balances as at the year end (contd...)

Particulars	Related party	As at March 31, 2022	As at March 31, 2021
Salary Payable (refer note v)	Mr. Unsoo Kim	4.81	-
	Mr. Seonseob Kim	-	3.91
	Mr. Choon Hang Park	3.05	2.46
	Mr. Dosik Kim	3.67	-
	Mr. Jong Hoon Lee	3.32	3.25
	Mr. Woong Sik Oh	-	2.99
	Mr. S Ganesh Mani	1.61	1.32
	Mr. Tarun Garg	2.53	1.88

Notes:

(i) The amount disclosed above includes Technical Assistance Fee capitalised amounting to ₹ 63.80 million (March 31, 2021 ₹ 193.95 million)

(ii) The parent Company / certain other Group Companies (together referred to as "Group Companies"), incur certain common costs on behalf of the Company / other entities in the Group. These costs primarily relate to certain world-wide marketing, infrastructure and other costs incurred at an overall Group Level. Such costs have been accounted for in the financial statements of the Company based on and to the extent of actual debits received from the Group Companies. The Group Companies have confirmed to the Management that, as at 31 March 2022, there are no further amounts payable to them by the Company, on this account other than the amounts disclosed in these financial statements.

(iii) The Company incurs certain costs on behalf of other Companies in the Group. These costs have been allocated / recovered from the Group Companies on a basis mutually agreed to with the Group Companies.

(iv) Refer note 37 for information on transactions with post employment benefit plans.

(v) Amount attributable to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

(vi) Unbilled revenue of ₹ 52.70 million (as at March 31, 2021 ₹ 59.26 million) is excluded for the above disclosures.

39 SEGMENT REPORTING

(a) The Group has a single operating segment, namely "manufacture and sale of motor vehicles, engine, transmission and other parts, related after-sales activities and related engineering services" and the information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of performance focuses on this operating segment. Accordingly, the amounts appearing in these consolidated financial statements relate to this operating segment.

(b) The details in respect of the key geographical areas in which the Group has operations determined based on the location of the customers are given below:

Particulars	As at March 31, 2022	As at March 31, 2021
India	373,320.21	332,748.27
Europe	26,740.16	28,249.67
Africa	29,736.27	21,001.48
America	36,886.42	23,973.33
Others	7,101.25	3,749.76
	473,784.32	**409,722.51**

Note: Information about product revenue are as given in Note 30

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39 SEGMENT REPORTING (contd...)

(c) Non-current assets by geographic market (excludes financial assets and deferred tax asset)

Particulars	As at March 31, 2022	As at March 31, 2021
India	74,049.92	83,145.65
Unallocated	2,081.53	5,116.63
	76,131.45	**88,262.28**

(d) There were no customers who contributed individually more than 10% to the group's revenue for the years ended March 31, 2022 and March 31, 2021.

40 LEASES

The Group as a lessee

The Group has entered into various lease agreements in respect of land/certain offices/showroom spaces at various places. These arrangements are non-cancellable in nature and the lease period varies from 1 year to 88 years.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) **Lease Liabilities:**		
Opening Balance	121.84	213.40
Recognised during the year	328.35	11.30
Interest expenses	17.39	14.28
Lease payments	(91.15)	(117.14)
Closing Balance	**376.42**	**121.84**
Current	68.95	74.98
Non-Current	307.47	46.86
(ii) Weighted average incremental borrowing rate (% p.a.)	8.75%	8.75%
(iii) The future expected minimum lease payments under leases (undiscounted) are as follows:		
Payable in less than one year	97.92	81.91
Payable between one and five years	223.38	49.33
Payable after five years	195.11	-
	516.41	**131.24**
Amounts recognised in statement of Profit and Loss		
(i) Amortisation expense of right to use assets		
Land	3.53	3.14
Buildings	89.57	106.54
	93.10	**109.68**
(ii) Expenses recognized in relation to leases:		
Interest on lease liabilities	17.39	14.28
Expenses relating to short-term leases	118.72	186.19
Expense relating to leases of low-value assets	2.69	2.69
Variable lease payments not included in the measurement of lease liabilities		
a) Included in Rent including lease rentals	224.99	81.99
b) Included in various expenses	218.68	129.77
Income from sub-leasing right-of-use asset	(36.41)	(34.37)

41 EARNINGS PER SHARE

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit after tax - ₹ in million	29,015.91	18,811.57
Weighted average number of equity shares	8,125,411	8,125,411
Earnings per share		
- Basic in ₹	3,571.01	2,315.15
- Diluted in ₹	3,571.01	2,315.15
Face value per share - in ₹	1,000.00	1,000.00

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42 FINANCIAL INSTRUMENTS (FINANCIAL ASSETS (FA)/FINANCIAL LIABILITIES (FL))

42.1 Capital management

The Group manages its capital to ensure that it is able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the debt and equity balance. The Group determines the amount of capital required on the basis of annual budgeting exercise, future capital projects outlay etc. The funding requirements are met through equity, internal accruals and borrowings (short term/long term).

42.2 Financial instruments by category

The carrying value and fair value of financial instruments by each category as at March 31, 2022 were as follows:

Particulars	Amortised cost	FVTPL	Total carrying value	Total fair value
Assets (refer note 8 and 11 to 15)				
Trade receivables	21,824.07	-	21,824.07	21,824.07
Cash and cash equivalents	140,314.33	-	140,314.33	140,314.33
Bank balances other than cash and cash equivalents	1,074.09	-	1,074.09	1,074.09
Loans	154.94	-	154.94	154.94
Deposits	617.77	-	617.77	617.77
MOU benefit receivable from GOTN	1,961.67	-	1,961.67	1,961.67
Interest accrued but not due on fixed deposits with banks	864.54	-	864.54	864.54
Unbilled revenue	52.70	-	52.70	52.70
Other receivables	2.45	-	2.45	2.45
Liabilities (refer note 19, 23 to 26)				
VAT/CST deferral loan and CST soft loan	8,844.08	-	8,844.08	8,844.08
Export receivables discounted on a "with recourse" basis-unsecured	2,556.25	-	2,556.25	2,556.25
Trade payables	54,054.28	-	54,054.28	54,054.28
Lease liabilities	376.42	-	376.42	376.42
Payable on purchase of PPE	1,229.92	-	1,229.92	1,229.92
Deposits received from customers	1,130.49	-	1,130.49	1,130.49
Others	1,903.02	-	1,903.02	1,903.02

The carrying value and fair value of financial instruments by each category as at March 31, 2021 were as follows:

Particulars	Ammortised cost	FVTPL	Total carrying value	Total fair value
Assets (refer note 8 and 11 to 15)				
Trade receivables	24,649.45	-	24,649.45	24,649.45
Cash and cash equivalents	114,652.31	-	114,652.31	114,652.31
Bank balances other than cash and cash equivalents	1,024.00		1,024.00	1,024.00
Loans	254.85	-	254.85	254.85
Deposits	686.09	-	686.09	686.09
MOU benefit receivable from GOTN	2,219.87	-	2,219.87	2,219.87
Interest accrued but not due on fixed deposits with banks	412.99	-	412.99	412.99
Unbilled revenue	59.26		59.26	59.26
Other receivables	4.49	-	4.49	4.49
Liabilities (refer note 19, 23 to 26)				
VAT/CST deferral loan and CST soft loan	9,245.46	-	9,245.46	9,245.46
Export receivables discounted on a "with recourse" basis-unsecured	4,172.06	-	4,172.06	4,172.06
Trade payables	60,653.65	-	60,653.65	60,653.65
Lease liabilities	121.84	-	121.84	121.84
Payable on purchase of PPE	1,248.54	-	1,248.54	1,248.54
Deposits received from customers	1,028.24	-	1,028.24	1,028.24
Others	1,717.91	-	1,717.91	1,717.91

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42.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Group's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse the exposure by degree and magnitude of risks. The treasury function reports periodically to the Board of Directors of the Group. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Group's activities.

Credit risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's trade receivables, treasury operations and Government receivables.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management considers that the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. The Group is not exposed to concentration of credit risk to any one single customer since the products are sold to and services are provided to customers who are spread over a vast spectrum and hence, the concentration of risk with respect to trade receivables is low.

The credit worthiness of the customers are assessed through a strong credit risk assessment policy of the Group. The Group's domestic sales operates primarily on a cash and carry/advance model and do not carry significant credit risk. The Group's credit period on export sales varies on case to case basis based on market conditions and are normally backed by a letter of credit to cover the risk.

Cash and cash equivalents and other investments

In the area of treasury operations, the Group is presently exposed to counter-party risks relating to liquid funds and short term and medium term deposits placed with public / private sector banks and to investments made in mutual fund. The credit risk is limited considering that the counterparties are banks with high credit ratings and repute.

Government receivables

The credit risk on receivables from government agencies/ authorities is nil considering the sovereign nature of the receivables.

Liquidity risk:

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations. In addition, the Group has concluded arrangements with well reputed banks, and has unused lines of credit that could be drawn upon, should there be a need. The Group invests its surplus funds in bank fixed deposits.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts are gross and undiscounted, and include contractual interest payments. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in Indian ₹ million except share data and as stated)

42.3 Financial risk management (contd...)

As at March 31, 2022	Undiscounted contractual cash flows	Less than 1 year	1-3 years	3-5 years	> 5 years
Non-interest bearing					
VAT/CST deferral loan	7,694.63	1,176.98	2,607.02	2,368.94	1,541.69
Lease Liabilities	516.41	97.92	120.88	102.50	195.11
Trade payables	54,054.28	54,054.28	-	-	-
Other financial liabilities	1,955.96	1,955.96	-	-	-
Variable interest rate instruments					
Deposits received from customers	1,130.49	1,130.49	-	-	-
Fixed interest rate instruments					
CST soft loan	6,002.78	5.94	108.41	280.01	5,608.42
Export receivables discounted with banks	2,557.02	2,557.02	-	-	-

As at March 31, 2021	Undiscounted contractual cash flows	Less than 1 year	1-3 years	3-5 years	> 5 years
Non-interest bearing					
VAT/CST deferral loan	8,781.73	1,087.00	2,429.36	2,673.11	2,592.26
Lease Liabilities	131.24	81.91	49.33	-	-
Trade payables	60,653.65	60,653.65	-	-	-
Other financial liabilities	1,879.45	1,879.45	-	-	-
Variable interest rate instruments					
Deposits received from customers	1,028.24	1,028.24	-	-	-
Fixed interest rate instruments					
CST soft loan	6,008.72	5.94	11.87	204.86	5,786.05
Export receivables discounted with banks	4,174.43	4,174.43	-	-	-

Market risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Group is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Currency risk - Exposure to foreign currency

The Group's exposure in USD, Korean Won and other foreign currency denominated transactions mainly on import of components, royalty payments and export of vehicles gives rise to exchange rate fluctuation risk. The Group adopts natural hedge strategy and discounting of export bills to minimize currency fluctuation risk. The appropriateness / adequacy of the natural hedging principle is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Group.

The Group's exposure to foreign currency risk as at March 31, 2022 was as follows:

All amounts in respective currencies as mentioned (in million)

As at March 31, 2022	Borrowing	Cash and cash equivalents	Trade receivables	Trade payables	Capital goods payables	Net Balance Sheet exposure	Net Balance Sheet exposure (In INR)
USD	(33.75)	62.50	234.95	(103.09)	(12.76)	147.86	11,200.42
EUR	-	1.35	8.92	(2.40)	(0.86)	7.00	592.03
KRW	-	-	-	(19,196.24)	(498.02)	(19,694.27)	(1,231.88)
JPY	-	-	-	(20.55)	(136.69)	(157.24)	(97.38)
GBP	-	-	-	-	(0.00)	(0.00)	(0.44)
CHF	-	-	-	(0.01)	(0.09)	(0.09)	(7.65)

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(All amounts are in Indian ₹ million except share data and as stated)

42.3 Financial risk management (contd...)

The Group's exposure to foreign currency risk as at March 31, 2021 was as follows:

All amounts in respective currencies as mentioned (in million)

Particulars	Borrowing	Cash and cash equivalents	Trade receivables	Trade payables	Capital goods payables	Net Balance Sheet exposure	Net Balance Sheet exposure (In INR)
USD	(56.70)	47.65	275.72	(126.47)	(12.28)	127.91	9,411.32
EUR	-	1.69	6.72	(3.05)	(1.21)	4.17	358.82
KRW	-	-	-	(12,838.26)	(89.53)	(12,927.78)	(839.92)
JPY	-	-	-	(3.58)	(65.99)	(69.57)	(46.16)
GBP	-	-	-	-	(0.00)	(0.00)	(0.44)
CHF	-	-	-	(0.01)	-	(0.01)	(0.43)

Currency risk - Sensitivity analysis

The Group is mainly exposed to the currencies of USD, EUR, KRW and JPY.

The following table details the Group's sensitivity to a 5% increase in the INR against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR increases 5% against the relevant currency.

This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2022.

Particulars	As at March 31, 2022		As at March 31, 2021	
	Profit or loss	Other comprehensive income	Profit or loss	Other comprehensive income
USD	589.16	-	328.84	-
EUR	22.14	-	13.39	-
KRW	(46.09)	-	(31.43)	-
JPY	(3.64)	-	(1.73)	-

A 5% decrease in the rupee against the above currencies as at March 31, 2022 and 2021 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Group.

Profile

At the reporting date the interest rate profile of the Group's interest bearing financial instruments were as follows:

Particulars	Carrying amount	
	March 31, 2022	March 31, 2021
Fixed rate instruments		
Financial assets		
- Fixed deposits with banks	133,731.30	109,722.14
Financial liabilities		
- Borrowing from others (CST Soft loan @ 0.01%)	2,725.21	2,529.20
- Export receivables discounted on a "With recourse" basis	2,556.25	4,172.06

Fair value sensitivity for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

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(All amounts are in Indian ₹ million except share data and as stated)

43 FAIR VALUE MEASUREMENT

Financial assets and financial liabilities that are not measured at fair value

The management considers that the carrying amount of all the financial asset and financial liabilities that are not measured at fair value in the standalone financial statements approximate the fair values and, accordingly, no disclosures of the fair value hierarchy is required to be made in respect of these assets/liabilities.

44 INCOME TAXES

44.1 Income tax recognised in the statement of profit and loss

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
- In respect of current year	11,331.52	8,376.02
- In respect of previous years	(953.65)	(16.99)
Deferred tax		
- In respect of current year	(1,671.72)	(1,768.11)
Total income tax expense recognised in the current year	**8,706.15**	**6,590.92**

44.2 Income tax expense for the year reconciled to the accounting profit

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Gross amount	Tax amount	Gross amount	Tax amount
Profit before tax	**37,722.06**		**25,402.49**	
Income tax rate		25.168%		25.168%
Income tax expense		9,493.89		6,393.30
Tax effect of:				
(a) Effect of expenses that are not deductible in determining taxable profit	844.72	212.60	843.07	212.18
(b) Effect of net additional / (reversal) of provision in respect of prior years	-	(953.65)	-	(16.99)
(c) Others	(185.51)	(46.69)	9.66	2.43
Income tax expense recognised in the statement of profit and loss		**8,706.15**		**6,590.92**

44.3 Income tax recognised in other comprehensive income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Deferred tax assets / (liabilities)		
Arising on income and expenses recognised in other comprehensive income		
- Remeasurement of defined benefit obligation	(9.09)	(2.75)
	(9.09)	**(2.75)**

44.4 Following is the analysis of the deferred tax asset/(liabilities) presented in the balance sheet

As at March 31, 2022	Opening balance	Recognised in profit and loss (net)	Recognised in OCI (net)	Closing balance
Tax effect of items constituting deferred tax liabilities:				
Export benefits	76.80	161.17	-	237.97
Provision for warranty	235.08	(21.36)	-	213.72
Deferred tax liabilities	**311.88**	**139.81**	**-**	**451.69**
Tax effect of items constituting deferred tax assets:				
Difference between depreciation as per Books of Account and Income Tax Act, 1961	3,999.18	1,747.65	-	5,746.83
Provision for doubtful assets	81.89	-	-	81.89

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(All amounts are in Indian ₹ million except share data and as stated)

44.4 Following is the analysis of the deferred tax asset/(liabilities) presented in the balance sheet (contd...)

As at March 31, 2022	Opening balance	Recognised in profit and loss (net)	Recognised in OCI (net)	Closing balance
Employee benefits	482.11	59.08	(9.09)	532.10
Provision for disputed matters	190.74	(13.65)	-	177.09
Sec.43A Disallowance	39.40	2.44	-	41.84
Loss Operations	-	3.18	-	3.18
Others	12.67	12.82	-	25.49
Deferred tax assets	**4,805.99**	**1,811.52**	**(9.09)**	**6,608.42**
Net deferred tax liabilities/ (assets)	**(4,494.11)**	**(1,671.71)**	**9.09**	**(6,156.73)**

As at March 31,2021	Opening balance	Recognised in profit and loss	Recognised in OCI	Closing balance
Tax effect of items constituting deferred tax liabilities:				
Export benefits	476.53	(399.73)	-	76.80
Provision for warranty	234.71	0.37	-	235.08
Others			-	-
Deferred tax liabilities	**711.24**	**(399.36)**	**-**	**311.88**
Tax effect of items constituting deferred tax assets:				
Difference between depreciation as per Books of Account and Income Tax Act, 1961	2,681.00	1,318.18	-	3,999.18
Provision for doubtful assets	81.89	-	-	81.89
Employee benefits	419.58	65.28	(2.75)	482.11
Provision for disputed matters	190.74	0.00	-	190.74
Sec.43A Disallowance	63.57	(24.17)	-	39.40
Others	3.21	9.46	-	12.67
Deferred tax assets	**3,439.99**	**1,368.75**	**(2.75)**	**4,805.99**
Net deferred tax liabilities/ (assets)	**(2,728.75)**	**(1,768.11)**	**2.75**	**(4,494.11)**

44.5 Transfer pricing - International transactions

The Group has entered into international transactions with associated enterprises. For the financial year ended March 31, 2021, the Group has obtained the Accountant's report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act, 1961 and has filed the same with the tax authorities. For the year ended March 31, 2022, the Group maintains documents as prescribed by the Income-tax Act to prove that these transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expense and that of provision for taxation.

45 INFORMATION AS REQUIRED BY PART III OF GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013

Name of the Entity	Net assets (i.e. total assets minus total liabilities)	Share in profit and loss	Share in other comprehensive income	Share in total comprehensive income
A Holding Company				
As at March 31, 2022				
As a % of consolidated	98.69%	98.63%	96.74%	98.63%
Amount	166,351.43	28,617.63	26.14	28,643.77
As at March 31, 2021				
As a % of consolidated	98.82%	98.21%	381.40%	98.33%
Amount	151,301.47	18,471.62	31.16	18,502.78

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45 INFORMATION AS REQUIRED BY PART III OF GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013 (contd...)

	Name of the Entity	Net assets (i.e. total assets minus total liabilities)	Share in profit and loss	Share in other comprehensive income	Share in total comprehensive income
B	**Subsidiary - Indian**				
	Hyundai Motor India Engineering Private Limited				
	As at March 31, 2022				
	As a % of consolidated	2.13%	1.40%	3.26%	1.40%
	Amount	3,589.79	406.94	0.88	407.82
	As at March 31, 2021				
	As a % of consolidated	2.08%	1.80%	(281.40%)	1.68%
	Amount	3,181.97	338.50	(22.99)	315.51
C	**Subsidiary - Indian**				
	Hyundai India Insurance Broking Private Limited				
	As at March 31, 2022				
	As a % of consolidated	0.02%	(0.03%)	0.00%	(0.03%)
	Amount	30.45	(9.55)	-	(9.55)
	As at March 31, 2021				
	As a % of consolidated	0.00%	0.00%	0.00%	0.00%
	Amount	-	-	-	-
D	**Inter-company eliminations**				
	At March 31, 2022				
	As a % of consolidated	0.84%	0.00%	0.00%	0.00%
	Inter-company eliminations	1,409.11	(0.89)	-	(0.89)
	At March 31, 2021				
	As a % of consolidated	0.89%	0.01%	0.00%	0.01%
	Inter-company eliminations	1,370.00	1.46	-	1.46
E	**Total - as at March 31, 2022**				
	As a % of consolidated	100%	100%	100%	100%
	Amount	168,562.55	29,015.91	27.02	29,042.93
	Total - as at March 31, 2021				
	As a % of consolidated	100%	100%	100%	100%
	Amount	153,113.44	18,808.66	8.17	18,816.83

46 DETAILS ON RELATIONSHIPS WITH STRUCK OFF COMPANIES

Name of the Group entity that has a relationship with struck off company	Name of the struck off company	Nature of transactions with struck off company	31-Mar-22		31-Mar-21	
			Balance outstanding	Relationship with struck off company	Balance outstanding	Relationship with struck off company
Hyundai Motor India Limited	Sonebhadra Automobiles Pvt. Ltd.	Payables	9.79	External vendor	5.70	External vendor
Hyundai Motor India Limited	Kamla Landmarc Cars Pvt. Ltd.	Payables	1.97	External vendor	1.97	External vendor
Hyundai Motor India Limited	Miheer'S Motor Pvt. Ltd.	Payables	1.00	External vendor	0.61	External vendor
Hyundai Motor India Limited	Dhoot Motors (Jalgaon) Pvt. Ltd.	Payables	0.01	External vendor	0.01	External vendor

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(All amounts are in Indian ₹ million except share data and as stated)

Name of the Group entity that has a relationship with struck off company	Name of the struck off company	Nature of transactions with struck off company	31-Mar-22		31-Mar-21	
			Balance outstanding	Relationship with struck off company	Balance outstanding	Relationship with struck off company
Hyundai Motor India Limited	Scanstar Inspection Technology Pvt. Ltd.	Payables	-	External vendor	0.01	External vendor
Hyundai Motor India Limited	Concord Automotives Pvt. Ltd.	Payables	0.72	External vendor	0.90	External vendor
Hyundai Motor India Engineering Pvt. Ltd.	Oxy Tree Ltd.	Rental Deposit	-	External vendor	0.37	External vendor

47 OTHER STATUTORY INFORMATION

Regulatory information	Particulars
Details of benami property held	The Group does not hold any benami property
Wilful defaulter	The Group has not been declared a wilful defaulter by any bank or financial institution or other lender.
Compliance with number of layers of companies	The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017
Undisclosed income	The Group does not have any transaction not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
Loans or advances to specified persons	The Group has not provided any loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are: (a) repayable on demand or (b) without specifying any terms or period of repayment.
Valuation of PP&E, intangible asset and investment property	The Group has not revalued any of its property, plant and equipment (including right-of-use assets), intangible asset and investment property during the year.

48 Previous period figures have been re-grouped/ re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the Schedule III to the Companies Act 2013 effective from April 1, 2021.

As per our report of even date attached.

for B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: July 05, 2022

for and on behalf of the Board of Directors of
Hyundai Motor India Limited
CIN: U29309TN1996PLC035377

Unsoo Kim
Managing Director
DIN: 09470874

Choon Hang Park
Executive Director and CFO
DIN: 08234169

M V Vidya
Company Secretary
Membership Number: 7296

Place: Gurgaon
Date: July 05, 2022

Notes

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