S N Dhawan & CO LLP
Chartered Accountants

51-52, Sector 18, Phase-IV, Udyog Vihar,
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INDEPENDENT AUDITORS' REPORT

To,
The Members of
Hella India Lighting Limited

Report on the Audit of the Financial Statements

Qualified Opinion

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

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

Basis for Qualified Opinion

As detailed in Note 4.51 of the accompanying financial statements regarding a whistle blower complaint received by the Company in the previous year and the subsequent fact-finding review cum investigation conducted by the Company, pursuant to which certain financial irregularities were identified. As disclosed in the said Note, the Management has ascertained the financial adjustments arising therefrom, to the extent ascertainable, amounting to Rs. 588.84 lakhs which have been recognized as recoverable from the concerned employees/vendors. The Company has initiated legal and other proceedings in connection with the matter, and the recovery process is ongoing as at the date of this report. In view of the ongoing legal proceedings and recovery process, and considering the uncertainties associated with the outcome thereof, we are unable to comment on the appropriateness of quantification of such claim, its recoverability and consequential impact thereof, if any, on the accompanying financial statements.

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

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board's report including annexures to Board's report, but does not include the financial statements and our Auditor's Report thereon.

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

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

The Board's report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not

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detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 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. As required by Section 143(3) of the Act, we report to the extent applicable that:

   a. We have sought, and except for the matter described in the 'Basis of Qualified Opinion' paragraph above, have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. Except for the possible effects of the matter described in the 'Basis for Qualified Opinion' paragraph above, 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 Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

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d. Except for the possible effects of the matter described in the 'Basis for Qualified Opinion' paragraph above, In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e. The matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, may have an adverse effect on the functioning of the Company

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

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

h. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 4.36 to the financial statements.

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

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company - Refer Note 4.35 to the financial statements.

   iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

v. As stated in Note 4.49(m) to the 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 of the Company. The amount of dividend proposed is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **S N Dhawan & CO LLP**
Chartered Accountants
Firm's Registration No. 000050N/ N500045

Rahul Singhal
Partner
Membership No. 096570
UDIN: 26096570HFNFVE8435

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Place: Gurugram
Date: 11 September 2026

Annexure A to the Independent Auditor's Report of even date of Financial Statements of Hella India Lighting Limited

(Referred to in paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date)

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

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

(a) (B) The Company has maintained proper records showing full particulars of Intangible assets recognised in the financial statements.

(b) The Company has regular programme of physical verification of its Property, Plant and Equipment and Right-of-use assets by which all assets are verified in a phased manner during each 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) 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 financial statements are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or intangible assets or both during the year. (Refer note 4.49 of the financial statements)

(e) There are no proceedings initiated or pending against the Company as at 31 March 2026 for holding any benami property under the Benami Property Transactions Act, 1988 (45 of 1988). Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable. (Refer note 4.49 of the financial statements)

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year (except for goods-in-transit and stocks lying with third parties, where the material amount of goods has been received subsequent to year-end and written confirmations have been obtained by the management respectively). We are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification as compared to the book records.

(b) The Company has not been sanctioned any working capital facility at any point of time during the year from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii)(b) of the Order are not applicable.

(iii) The Company has not made investments in, provided any guarantee or security granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year except that the Company has granted unsecured loans to other parties.

(a) The Company has granted loans, to any other entity, the details of which are as given below. The Company has not granted advances in the nature of loans, provided guarantee or provided security to any other entity(ies) during the year.

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(A) The company does not have any subsidiary, joint venture or associate. Accordingly, the requirement to report on clause 3(iii)(a)(A) of the Order is not applicable.

(B) The Company has provided unsecured loans to parties other than subsidiaries, joint ventures and associates as mentioned below:

(Amount in Rs. lakhs)

Particulars	Loans
Aggregate amount given during the year	
- Others Employees	3.52
Balance outstanding as at balance sheet date	
- Others Employees	2.22

(b) In our opinion, the terms and conditions of grant of all loans during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not made investments and not provided any guarantee or provided security or granted any advances in the nature of loans during the year.

(c) In the case of loans granted by the Company, in our opinion the schedule of repayment of principal and payment of interest has been stipulated and in our opinion the repayments/receipts of the principal amount and the interest are regular.

(d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable.

(f) 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. Accordingly, the provisions of clause 3(iii)(f) of the Order are not applicable.

(iv) The Company has not granted any loans, made investment or provided guarantees or securities. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

(v) The Company has not accepted any deposits and in our opinion, the Company is not holding any amounts which are deemed to be deposits during the year. Further, the Company had no unclaimed deposits at the beginning of the year. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

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

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

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(b) There are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except as mentioned below:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount involved (in Rs. lakhs)	Amount paid under protest (in Rs. lakhs)
Income-tax Act, 1961	Tax deducted at source	CPC-Traces	Various	0.25	-
Income-tax Act, 1961	Income-tax	Remanded back to AO by ITAT	AY 2010-11	17.40	-
Income-tax Act, 1961	Income-tax	Remanded back to AO by ITAT	AY 2013-14	10.32	-
Income-tax Act, 1961	Income-tax	Commissioner of Income-tax (Appeals)	AY 2018-19	0.98	-
Income-tax Act, 1961	Income-tax	Commissioner of Income-tax (Appeals)	AY 2021-22	157.89	31.60
Income-tax Act, 1961	Income-tax	Commissioner of Income-tax (Appeals)	AY 2022-23	260.20	54.81
Goods and Services Tax	GST	Assessing authority, Gurugram	AY 2020-21	144.80	14.46
Goods and Services Tax	GST	Assessing authority, Gurugram	AY 2024-25	12.31	12.31

(viii) There are no such transactions which were not recorded in the books of account earlier and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable. (Refer note 4.49 of the financial statements)

(ix) (a) The Company has not defaulted or delayed in repayment of loans or in the payment of interest thereon to any lender during the year.

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

(c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable.

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

(e) The Company did not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable.

(f) The Company did not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable.

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

(b) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Considering the principles of materiality outlined in the Standards on Auditing, we report that no material fraud by the Company or on material fraud on the Company has been noticed or reported during the year read with note 4.51 to the financial statements.

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

(c) Considering the principles of materiality outlined in the Standards on Auditing, we have taken into consideration the whistle blower complaints received by the Company during the year and up to the date of this report while determining the nature, timing and extent of audit procedures read with note 4.51 to the financial statements.

(xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a)-(c) of the Order are not applicable.

(xiii) All transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

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

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

(xv) During the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, 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, provisions of clause 3 (xvi)(a) of the order are not applicable.

(b) The Company has not conducted any non-banking financial or housing finance activities during the year.

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

(d) The Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC as part of the Group. Accordingly, provisions of clause 3(xvi)(d) of the Order are not applicable.

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

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

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(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, the Company has no unspent amount towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with the second proviso to sub-section (5) of Section 135 of the said Act.

(b) The Company does not have any ongoing projects as on 31 March 2026.

For **S N Dhawan & CO LLP**
Chartered Accountants
Firm's Registration No. 000050N/ N500045

Rahul Singhal
Partner
Membership No. 096570
UDIN: 26096570HFNFVE8435

Place: Gurugram
Date: 11 September 2026

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Annexure B to the Independent Auditor's Report of even date of Financial Statements of Hella India Lighting Limited for the year ended 31 March 2026

Independent Auditor's report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

We have audited the internal financial controls with reference to financial statements of Hella India Lighting Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

The Company's Board of Directors is 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 on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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.

Auditors' 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 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.

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

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

For **S N Dhawan & CO LLP**
Chartered Accountants
Firm's Registration No. 000050N/ N500045

Rahul Singhal
Partner
Membership No. 096570
UDIN: 26096570HFNFVE8435

Place: Gurugram
Date: 11 September 2026

S N DHAWAN & CO LLP * CHARTERED ACCOUNTANTS * GURUGRAM

Hella India Lighting Limited
Statement of Profit and Loss for the year ended 31 March 2026
(All amounts are in Lakh Indian Rupees except number of shares)

Particulars	Note No.	Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	4.27	31,730.15	25,126.13
Other income	4.28	853.34	913.22
Total income		**32,583.49**	**26,039.35**
Expenses			
Cost of materials consumed	4.29	14,479.32	13,376.66
Purchase of traded goods		1,174.85	-
Changes in inventories of finished goods, work-in-progress and traded goods	4.30	(215.23)	(352.21)
Employee benefits expense	4.31	4,240.80	4,095.99
Finance costs	4.32	244.41	309.02
Depreciation and amortisation expenses	4.01 and 4.02	1,371.78	1,369.65
Other expenses	4.33	5,750.63	4,652.89
Total expenses		**27,046.56**	**23,452.00**
Profit before tax and exceptional item		**5,536.93**	**2,587.35**
Exceptional item	4.01	335.91	-
Profit before tax		**5,201.02**	**2,587.35**
Tax expense (net)			
(a) Current tax expense		1,457.98	1,136.31
(b) Prior year tax expense		63.63	(18.25)
(c) Deferred tax (credit)/charge		(131.68)	(290.84)
Total tax expense		**1,389.93**	**827.22**
Profit for the year		**3,811.09**	**1,760.13**
Other comprehensive income			
(a) Remeasurements of the post employment defined benefit plans		(37.40)	(44.27)
(b) Income tax relating to items that will not be reclassified to profit or loss		9.41	11.14
Total other comprehensive income		**(27.99)**	**(33.13)**
Total comprehensive income		**3,783.10**	**1,727.00**
Earning per share (face value Rs.10 each)			
-Basic and diluted earning per share (Rs.)	4.42	**120.17**	**55.50**
See accompanying notes forming part of the financial statements	1 to 4.52		

In terms of our report attached

For S N Dhawan & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

Rahul Singhal
Partner
Membership No. 096570

Place: Gurugram
Date: 11 September 2026

For and on behalf of the Board of Directors
Hella India Lighting Limited

Manoj Singh
Managing Director
DIN- 09839019

Aakritee Khanna
Company Secretary
ACS : 48297

Place: Gurugram
Date: 11 September 2026

Stefan Van Dalen
Director
DIN- 09675112

Amit Kumar Sharma
Chief Financial Officer
ACMA- 61464

Hella India Lighting Limited

Statement of Cash flows for the year ended 31 March 2026

(All amounts are in Lakh Indian Rupees except number of shares)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
A. CASH FROM OPERATING ACTIVITIES:		
Profit before tax	**5,201.02**	**2,587.35**
Adjustments for:		
Depreciation and amortisation expenses	1,371.78	1,369.65
Exceptional items	335.91	-
Interest expense	227.02	286.74
Interest income on fixed deposits	(23.94)	(344.07)
Net unrealised foreign exchange loss / (gain)	(26.39)	(19.77)
Profit on sale of property, plant and equipment	(135.00)	(5.25)
Provision for doubtful receivables	45.67	-
Interest on lease liabilities	17.39	22.28
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**7,013.46**	**3,896.93**
Changes in Working Capital :		
Adjustments for (increase) / decrease in operating assets:		
Decrease/(Increase) in inventories	(881.76)	960.11
Decrease/(Increase) in trade receivables	(1,542.31)	272.22
Decrease/(Increase) in other current assets	(248.56)	133.21
Decrease/(Increase) in other financial assets - non-current	(1.96)	(1.44)
Decrease/(Increase) in Other bank balances	(1,384.44)	-
Decrease/(Increase) in Other non-current assets	4.42	8.85
Decrease/(Increase) in Other financial assets- current	4.28	(88.76)
Adjustments for increase / (decrease) in operating liabilities:		
Increase/(decrease) in non-current provisions	61.76	94.64
Increase/(decrease) in trade payables	1,570.41	(417.36)
Increase/(decrease) in current provisions	(8.30)	37.74
Increase/(decrease) in other liabilities	(685.37)	766.34
CASH GENERATED IN OPERATIONS	**3,901.63**	**5,662.48**
Net income tax paid	(1,576.31)	(685.62)
NET CASH FROM OPERATING ACTIVITIES (A)	**2,325.32**	**4,976.86**
B. CASH FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment, including capital advances	(1,023.19)	(706.47)
Proceeds from sale of property, plant and equipment	135.00	6.27
Interest received on fixed deposits	23.58	385.23
NET CASH (USED IN) INVESTING ACTIVITIES (B)	**(864.61)**	**(314.97)**
C. CASH FROM FINANCING ACTIVITIES		
Payment of equity shares	-	(5,739.47)
Refund by bank from shareholders payments not cleared	1,384.44	-
Proceeds from long-term borrowings (Ind-AS adjustment)	92.29	82.70
Proceeds/(repayment) from/of short-term borrowings	(508.41)	(3,303.62)
Payment of lease rental	(75.63)	(71.11)
Interest paid	(227.02)	(287.12)
NET CASH (USED IN) FINANCING ACTIVITIES (C)	**665.67**	**(9,318.62)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	**2,126.38**	**(4,656.73)**
Cash and cash equivalents at the beginning of the year	**1,113.67**	**6,041.75**
Transfer pursuant to the Scheme (refer note no. 4.50)	-	(271.35)
Cash and cash equivalents at the end of the year (refer note 4.10)	**3,240.05**	**1,113.67**
Cash and cash equivalents comprises :		
(a) Balances with banks		
(i) In current accounts	921.88	859.38
(ii) In EEFC accounts	818.17	254.29
(iii) In short term fixed deposits	1,500.00	-
	3,240.05	**1,113.67**

Note :

The Statement of Cash Flows has been prepared under the Indirect method as set out in Indian Accounting Standard (Ind AS)-7

In terms of our report attached

For S N Dhawan & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N-500045

Rahul Singhal
Partner
Membership No. 096570

Place: Gurugram
Date: 11 September 2026

For and on behalf of the Board of Directors
Hella India Lighting Limited

Manoj Singh
Managing Director
DIN- 09839019

Aakrihee Khanna
Company Secretary
ACS- 48297

Place: Gurugram
Date: 11 September 2026

Stefan Van Dalen
Director
DIN- 09675142

Amit Kumar Sharma
Chief Financial Officer
ACMA- 61464

Hella India Lighting Limited
Balance Sheet at at 31 March 2026
(All amounts are in Lakh Indian Rupees except number of shares)

Particulars	Note No.	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
a) Property, plant and equipment	4.01 (a)	5,766.44	6,544.64
b) Capital work-in-progress	4.01 (b)	264.83	119.20
c) Other intangible assets	4.02 (a)	14.08	5.25
d) Right-of-use assets	4.02 (b)	118.71	179.44
e) Financial assets			
(i) Investments	4.03	-	-
(ii) Other financial assets	4.04	79.41	77.45
f) Deferred tax assets (net)	4.05	396.50	255.41
g) Non-current tax assets (net)	4.06	144.08	136.75
h) Other non-current assets	4.07	141.33	29.04
Total non-current assets		6,925.38	7,347.18
Current assets			
a) Inventories	4.08	3,885.43	3,003.67
b) Financial assets			
(i) Trade receivables	4.09	7,425.76	5,875.11
(ii) Cash and cash equivalents	4.10	3,240.05	1,113.67
(iii) Other bank balances	4.11	1,384.44	-
(iv) Other financial assets	4.12	591.51	595.43
c) Other current assets	4.13	1,291.31	1,042.75
Total current assets		17,818.50	11,630.63
Total Assets		**24,743.88**	**18,977.81**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	4.14	317.14	317.14
b) Other equity	4.15	15,611.88	11,828.78
Total Equity		15,929.02	12,145.92
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	4.16	410.43	797.37
(ii) Lease liabilities	4.17	75.78	145.43
b) Provisions	4.18	807.82	708.66
c) Other non-current liabilities	4.19	2.45	2.45
Total non-current liabilities		1,296.48	1,653.91
Current liabilities			
a) Financial liabilities			
(i) Borrowings	4.20	479.23	508.41
(ii) Lease liabilities	4.21	69.65	58.24
(iii) Trade payables	4.22		
(A) Total outstanding dues of micro enterprises and small enterprises		1,390.37	979.87
(B) Total outstanding dues of other than micro enterprises and small enterprises		3,048.52	1,860.99
(iv) Other financial liabilities	4.23	1,787.52	306.19
b) Other current liabilities	4.24	442.16	1,107.68
c) Provisions	4.25	81.47	89.77
d) Other current tax liabilities	4.26	219.46	266.83
Total current liabilities		7,518.38	5,177.98
Total Equity and Liabilities		**24,743.88**	**18,977.81**

See accompanying notes forming part of the financial statements 1 to 4.52

In terms of our report attached

For S N Dhawan & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

Rahul Singhal
Partner
Membership No. 096570

Place: Gurugram
Date: 11 September 2026

For and on behalf of the Board of Directors
Hella India Lighting Limited

Manoj Singh
Managing Director
DIN- 09839019

Stefan Van Dalen
Director
DIN- 09675112

Aakritee Khanna
Company Secretary
ACS- 48297

Amit Kumar Sharma
Chief Financial Officer
ICSMA- 61464

Place: Gurugram
Date: 11 September 2026

Hella India Lighting Limited
Statement of Changes in Equity for the year ended 31 March 2026
(All amounts are in Lakh Indian Rupees except number of shares)

a. Fully paid up equity shares (face value of Rs. 10 each)

	No. of shares	Amount
Balance at 1 April 2024	37,23,713	372.37
Changes in equity share capital during the year	(5,52,313)	(55.23)
Balance at 31 March 2025	31,71,400	317.14
Changes in equity share capital during the year (refer note no. 4.50)	-	-
Balance at 31 March 2026	**31,71,400**	**317.14**

b. Other equity

Particulars	Other equity							Total
	General reserve	Securities premium account	Revaluation reserve	Other comprehensive income	Capital redemption reserve	Retained earnings	Equity component of non-cumulative, non-convertible redeemable preference shares (Refer note 4.16)	
Balance at 01 April 2024	**17.56**	**8,343.06**	**24.95**	**(56.88)**	**1.00**	**8,088.75**	**1,017.80**	**17,436.24**
Profit for the year	-	-	-	-	-	1,760.13	-	1,760.13
Other comprehensive income for the year, net of income tax	-	-	-	(33.13)	-	-	-	(33.13)
Utilisation pursuant to capital reduction (refer note no. 4.50)	-	(5,684.24)	-	-	-	-	-	(5,684.24)
Reserves transfer pursuant to the Scheme (refer note no. 4.50)	-	-	-	-	-	(4,142.28)	-	(4,142.28)
Net assets transfer pursuant to the Scheme (refer note no. 4.50)	-	-	-	-	-	2,492.06	-	2,492.06
Transfer from retained earnings on capital reduction	-	-	-	-	55.23	(55.23)	-	-
Balance at 31 March 2025	**17.56**	**2,658.82**	**24.95**	**(90.01)**	**56.23**	**8,143.43**	**1,017.80**	**11,828.78**
Profit for the year	-	-	-	-	-	3,811.09	-	3,811.09
Other comprehensive income for the year, net of income tax	-	-	-	(27.99)	-	-	-	(27.99)
Balance at 31 March 2026	**17.56**	**2,658.82**	**24.95**	**(118.00)**	**56.23**	**11,954.52**	**1,017.80**	**15,611.88**

In terms of our report attached

For S N Dhawan & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

Rahul Singhal
Partner
Membership No. 096570

S N DHAWAN & CO LLP * GURUGRAM * CHARTERED ACCOUNTANTS

Place: Gurugram
Date: 11 September 2026

For and on behalf of the Board of Directors
Hella India Lighting Limited

HELLA INDIA LIGHTING LTD. DERA BASSI

Manoj Singh
Managing Director
DIN- 09839019

Stefan Van Dalen
Director
DIN- 09675112

Aakritee Khanna
Company Secretary
ACS : 48297

Amit Kumar Sharma
Chief Financial Officer
ACMA- 61464

Place: Gurugram
Date: 11 September 2026

1. Corporate Information

Hella India Lighting Limited, ('the Company) was incorporated on 4 September 1959. Its ultimate parent company is Forvia SE (Formerly "Faurecia SE"). The registered office of the Company is located at K-61 B, LGF, Kalkaji, New Delhi – 110019. Its shares were listed on Bombay Stock Exchange and Delhi Stock Exchange. Delhi Stock Exchange allowed delisting of shares in earlier years. On 30 April 2015, the Company got delisted from Bombay Stock Exchange. The Company is primarily engaged in manufacturing automotive lights, switches, blinkers and providing related services.

Delhi bench of NCLT, vide order dated 28 February 2025 approved the Scheme of Arrangement ("The Scheme") between the Company ("Demerged Company") and Hella India Autoparts and Services Private Limited ("HIASPL" "Resulting Company") for demerger of Independent After Market (IAM) Division ("Demerged Undertaking") with effect from Appointed Date i.e. 01 April 2024. The Scheme became effective during the previous year and consequent thereto, the entire business of Demerged Undertaking stand transferred and vested in the Company as a going concern with effect from Appointed Date.

Moreover, as a part of the Scheme, the Company's name shall stand converted from a "public limited company" to a "private limited company" as an integral part of the Scheme. Pursuant to the said order, the Company has commenced compliance with the provisions of the Companies Act, 2013 applicable to a private company, including the exemptions and relaxations available thereunder in respect of, inter alia, composition of the Board of Directors (including the requirement of a woman director and independent directors), constitution of the Audit Committee and Nomination and Remuneration Committee, and other related requirements applicable to a public company. However, the Company is in the process of conversion of Public Company into a Private Company with registrar of companies and consequent updation of the Company's status on the Ministry of Corporate Affairs portal.

2 Material accounting policy information

Statement of compliance

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The financial statements for the year ended 31 March 2026 were authorized and approved by the board of directors on 11 September 2026.

3 Basis of accounting and preparation of financial statements

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

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. Fair value for measurement and/or disclosure purposes is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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 entirety, which are described as follows:
- Level 1 inputs are quoted price (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

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HELLA INDIA LIGHTING LTD. DERA BASSI

- Level 3 inputs are unobservable inputs for the asset or liability.

Considering the size of the Company, the financial statements have been prepared in Lakh Indian rupees upto two decimals.

The principal accounting policies are set out below:

(i) Use of estimates

The preparation of financial statements is in conformity with Indian Accounting Standards (Ind AS), requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported income and expenses during the year. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialise.

(ii) Revenue recognition

Revenue from the sale of products or services is recognized upon transfer of control to customers. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the government). A receivable is recognized upon satisfaction of performance obligations as per the Contracts.

Design and service income is recognized on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.

Interest income is recognised using the time proportion method, based on underlying interest rates.

Other revenues are recognised on accrual basis.

(iii) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all the conditions attached will be complied with. When the grant relates to an income item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

(iv) Property, plant and equipment

Property, plant and equipment held for use in production or supply of goods and services or for administration purposes are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Cost is inclusive of freight, duties, taxes and any other directly attributable costs to bring the assets to their working condition for intended use. Freehold land is measured at cost and is not depreciated.

Depreciation methods: estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a pro-rata basis from the month in which each asset is put to use to allocate their cost, net of their residual values, over their estimated useful lives.

Schedule II to the Companies Act 2013, prescribes useful lives for property, plant and equipment. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported.

The technical team members have evaluated the lives after considering the property, plant and equipment lives against the lives prescribed under schedule II basis:

- Expected usage of the asset.

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HELLA INDIA LIGHTING LTD. DERA BASSI

- Expected physical wear and tear
- Technical and commercial obsolescence
- Understand past practices and general industry experience
- Usage of assets including double and triple shift usage
- Considering nil scrap value

Considering the applicability of Schedule II, management has re-estimated useful lives and residual values of all its property, plant and equipment. Accordingly, the depreciation has been provided on the following rates:

Assets	Useful lives
Factory building	30 Years
Plant and machinery (Injection moulding machine, Metallizer, Drying and Conveying system and other peripheral machines etc.)	8 Years
Plant and equipment (Tools)	5 Years
Plant and equipment (Electric installation)	8 Years
Computers	3 Years
Furniture and fixtures	10 Years
Office equipment	5 Years
Vehicles	5 Years

Any gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to the statement of profit and loss.

The estimated useful life, residual value and depreciation methods are reviewed by the management at the end of each reporting period, with the effect of change in estimate accounted for a prospective basis year.

Management believes that depreciation rates mentioned above fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under schedule II.

Leasehold improvements are amortised over the estimated useful life of the asset as estimated by management of the remining period of the lease, whichever is shorter.

Assets costing up to Rs.0.05 lakhs are fully depreciated in the year of purchase.

(v) Intangible assets

Intangible assets are recognized only if acquired and it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortization and impairment losses, if any.

Amortization methods and useful lives

Intangible assets comprise software. Intangible assets are amortized in the Statement of Profit and Loss over their estimated useful lives, from the date they are available for use based on the expected pattern of consumption of economic benefits of assets. Accordingly, at present software's is being amortized on straight line basis over the useful life of 3 years.

(vi) Capital work-in-progress

Cost of assets not ready for use as at the balance sheet date and property, plant and equipment under construction are disclosed as capital work-in-progress. Capital work-in-progress is disclosed at cost less impairment reserve (if any).

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HELLA INDIA LIGHTING LTD. DERA BASSI

(vii) Financial Instruments

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 and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Classifications of financial instrument are in accordance with the substance of the contractual arrangement and as per the definitions of financial assets, financial liability and an equity instrument.

Initial recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Subsequent measurement:

(a) Financial assets

a. **Carried at amortised cost:** A financial asset is subsequently measured at amortised cost if the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. **Carried at fair value through other comprehensive income (FVTOCI):** A financial asset is subsequently measured at fair value through other comprehensive income if the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. **Carried at fair value through profit or loss (FVTPL):** All other financial assets are subsequently measured at fair value.

(b) Financial liabilities and equity instruments

a. **Financial liabilities at amortised cost:** Financial liabilities includes interest bearing loans and borrowings which are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

b. **Classification as debt or equity:** Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and definitions of a financial liability and an equity instrument.

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

Derecognition of financial assets: The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or the transfer qualified for derecognition under Ind AS 109.

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

Impairment of financial assets: The Company recognises loss allowances using the Expected Credit Loss (ECL) for the financial assets which are not measured at fair value through profit or loss. In relation to loss allowance for financial assets (excluding trade receivables), ECL's are measured at an amount equal to 12- month ECL, unless there has been significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime ECL.

Offsetting of financial instruments

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

Effective interest method: The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of financial instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for financial instruments other than those financial assets classified as FVTPL. Interest income is recognized in profit and loss and is included in the "Other Income" line item.

(viii) Inventories

Inventories are valued as follows:

Raw materials and store and spares
Stores and spares and raw materials held for use in production of finished goods are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished goods will exceed their net realizable value.

Work-in-progress and finished goods
Lower of cost and net realisable value. In determining cost of work in progress and finished goods, fixed production overheads are allocated on the basis of normal capacity of production facilities and variable production overheads are assigned to each unit of production on the basis of actual use of the production facilities.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion necessary to make the sale.

The cost formula applied for inventories is moving weighted average.

Obsolete, defective and unserviceable stocks are duly provided for, wherever required.

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HELLA INDIA LIGHTING LTD. DERA BASSI

(ix) Preference shares

The Company had issued Non-Cumulative Non-Convertible Redeemable Preference Shares (RPS) in multiple tranches. Each Non-Cumulative Non-Convertible Redeemable Preference Share carry non-cumulative preferential dividend @ 0.0000001% p.a. RPS are redeemable at par at any time after five years but prior to the expiry of twenty years from the date of allotment.

RPS that are treated as financial liability in accordance with the requirements of Ind AS 32, are initially recognised at fair value and subsequently measured at amortised cost using Effective Interest Rate method (EIR).

(x) Borrowing cost

Borrowing costs attributable to the acquisition or construction of a qualifying assets are capitalized as a part of the cost the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(xi) Foreign currency transactions and translations

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date. Gains/ (losses) arising on account of realization/ settlement of foreign exchange transactions and on translation of foreign currency assets and liabilities are recognized in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(xii) Employee benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus, etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Post-employment benefits

Defined benefit plans: The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The calculation of the Company's obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit are recognised in profit and loss.

Defined contribution plans: The provident fund and Employee State Insurance Scheme are defined contribution plans; the Company pays fixed contributions to the appropriate government authorities and has no obligation to pay further amounts. Such fixed contributions are recognized in the Statement of Profit and Loss on accrual basis in the financial year to which they relate.

Other long-term employee benefits: Benefits under the Company's leave encashment policy constitutes other long-term employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary at the year-end. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

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(xiii) Goods and Service tax input credit

Goods and Service tax input credit is accounted for in the books in the period in which the underlying goods/service received is accounted and when there is reasonable certainty in availing / utilizing the credits.

(xiv) Impairment

The carrying values of assets are reviewed at each reporting date to determine if there is indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount and is recognized in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

(xv) Leases

The Company's lease asset classes primarily consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (assets of less than Rs.3.50 lakhs in value). The Company recognizes the lease payments associated with these leases as an expense over the lease term.

(xvi) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(xvii) Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity shares to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

Diluted earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by aggregate of weighted average number of equity shares and weighted average number of equity shares which would be issued on the conversion of all the dilutive potential equity shares into equity shares outstanding during the year adjusted for all effects of dilutive potential equity shares. Potential equity shares are treated as dilutive when their conversion to equity shares would decrease net profit per share of the Company.

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(xviii) Provisions, contingent liability and contingent assets

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

The amount recognized 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.

Warranty: 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 one year.

As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support/provision for warranty based on the information available with the Management duly taking into account the current and past technical estimates.

Contingent liability: A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent asset are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

(xix) Taxes on income

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.

Deferred tax: Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the 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 utilized. 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. Current and deferred tax are recognised in the statement of profit and 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.

Minimum alternate tax: Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is considered as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

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(xx) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting of the Company. The respective Chief Operating Decision Maker (CODM) of segments sale of goods (Head of SOE Business) and segment services (Head of Service business) are responsible for allocating resources and assessing performance of their operating segment. The Company has a monthly review and forecasting procedure in place and Managing Director reviews the operations of the Company as a whole.

(xxi) Operating cycle/ Current and Non-current classification

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

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- It is held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(xxii) Recent pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2026, MCA has not notified any new standards or amendments.

(xxiii) Significant management judgement in applying accounting policies and estimation uncertainty

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

Significant management judgements and estimates
The following are significant management judgements and estimates in applying the accounting policies of the Company that have the most significant effect on the financial statements.

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

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

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

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence.

Evaluation of Revenue recognition under Ind AS 115 - Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The management is of the view that its revenue arrangements are in line with the standard requirements.

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Hella India Lighting Limited
Notes to financial statements for the year ended 31 March 2026
(All amounts are in Lakh Indian Rupees except number of shares)

4.01(a) Property, plant and equipment

Particulars	Freehold land	Factory building	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Computers	Leasehold improvements	Total
Gross carrying amount									
As at 01 April 2024	1.18	2,386.61	9,680.82	266.62	103.02	267.51	435.96	176.30	13,318.02
Additions	-	29.72	528.19	0.67	-	14.38	50.93	0.66	624.55
Disposals	-	-	19.71	0.11	7.08	-	-	-	26.90
Net assets transfer pursuant to the Scheme (refer note no. 4.50)	-	-	15.22	48.96	88.14	37.36	68.09	44.28	302.05
As at 31 March 2025	1.18	2,416.33	10,174.08	218.22	7.80	244.53	418.80	132.68	13,613.62
Additions		59.69	766.51	10.98	-	9.93	16.89	-	864.00
Disposals	-	-	463.82	21.81	-	21.28	92.13	-	599.04
Closing gross carrying amount as at 31 March 2026	1.18	2,476.02	10,476.77	207.39	7.80	233.18	343.56	132.68	13,878.58
Accumulated depreciation									
As at 01 April 2024	-	313.10	4,985.26	108.15	73.76	191.75	245.36	28.66	5,946.04
Depreciation charged during the year	-	84.02	1,043.71	20.35	2.44	19.04	96.16	30.43	1,296.15
Disposals	-	-	18.69	0.11	7.08	-	-	-	25.88
Net assets transfer pursuant to the Scheme (refer note no. 4.50)	-	-	8.44	12.23	66.22	12.38	20.89	27.17	147.33
As at 31 March 2025	-	397.12	6,001.84	116.16	2.90	198.41	320.63	31.92	7,068.98
Depreciation charged during the year	-	84.60	1,079.31	20.37	2.44	22.22	66.85	30.50	1,306.29
Impairment loss*	-	-	335.91	-	-	-	-	-	335.91
Disposals	-	-	463.82	21.81	-	21.28	92.13	-	599.04
Closing accumulated depreciation as at 31 March 2026	-	481.72	6,953.24	114.72	5.34	199.35	295.35	62.42	8,112.14
Net carrying amount as at 31 March 2025	1.18	2,019.21	4,172.24	102.06	4.90	46.12	98.17	100.76	6,544.64
Net carrying amount as at 31 March 2026	1.18	1,994.30	3,523.53	92.67	2.46	33.83	48.21	70.26	5,766.44

***Exceptional item**

During the year, the Company recognised an impairment loss of Rs.335.91 lakhs (equivalent to carrying amount) related to certain assets associated with Project Universal Combination Headlamp (UCL). The impairment is resulted from a significant decline in actual volumes compared to expected levels, driven by reduced demand from certain customers. This decline in demand was assessed by management as an indicator of impairment, triggering a recoverability assessment of the carrying value of the related assets in accordance with Ind AS 36. The Company has classified this impairment charge as an exceptional item in the statement of profit or loss, given its nature, size, and infrequency.

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4.01 (b) Capital work-in-progress

	31 March 2026	31 March 2025
Opening balance	119.20	183.40
Add : Additions during the year	829.29	506.51
Less: Assets capitalised during the year	683.66	570.71
Closing balance	**264.83**	**119.20**

Capital work-in-progress ageing schedule-projects in progress

	Amount in capital work-in-progress for a period of				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
As at 31 March 2026	264.83	-	-	-	**264.83**
As at 31 March 2025	119.20	-	-	-	**119.20**

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

4.02 (a) Intangible assets

Particulars	**Computer software**	**Total**
Gross carrying amount		
As at 01 April 2024	**95.83**	**95.83**
Additions	2.31	2.31
Disposals	-	-
Net assets transfer pursuant to the Scheme (refer note no. 4.50)	2.00	2.00
As at 31 March 2025	**96.14**	**96.14**
Additions	13.59	13.59
Disposals	-	-
Closing gross carrying amount as at 31 March 2026	**109.73**	**109.73**
Accumulated amortisation		
As at 01 April 2024	**79.62**	**79.62**
Amortisation expense charged during the year	12.46	12.46
Disposals	-	-
Net assets transfer pursuant to the Scheme (refer note no. 4.50)	1.19	1.19
As at 31 March 2025	**90.89**	**90.89**
Amortisation expense charged during the year	4.76	4.76
Disposals	-	-
Closing accumulated amortisation as at 31 March 2026	**95.65**	**95.65**
Net carrying amount as at 31 March 2025	**5.25**	**5.25**
Net carrying amount as at 31 March 2026	**14.08**	**14.08**

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4.02(b) Right-of-use assets

Particulars	Right-of-use (Buildings)	Total
Gross carrying amount		
As at 01 April 2024	997.42	997.42
Additions	1.95	1.95
Disposals	1.74	1.74
Net assets transfer pursuant to the Scheme (refer note no. 4.50)	697.99	697.99
As at 31 March 2025	299.64	299.64
Additions	-	-
Disposals	-	-
Closing gross carrying amount as at 31 March 2026	299.64	299.64
Accumulated depreciation		
As at 01 April 2024	247.66	247.66
Depreciation charged during the year	61.04	61.04
Disposals	1.74	1.74
Net assets transfer pursuant to the Scheme (refer note no. 4.50)	186.76	186.76
As at 31 March 2025	120.20	120.20
Depreciation expense charged during the year	60.73	60.73
Disposals	-	-
Closing accumulated depreciation as at 31 March 2026	180.93	180.93
Net carrying amount as at 31 March 2025	179.44	179.44
Net carrying amount as at 31 March 2026	118.71	118.71

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Particulars	As at 31 March 2026	As at 31 March 2025
4.03 Investments		
(Valued at cost unless stated otherwise)		
Drive Smart Drive Safe 2,000 (31 March 2025: 2,000) equity shares of face value Rs. 10 each, fully paid up	0.20	0.20
Less: Provision for other than temporary diminution in value of investment	0.20 -	0.20 -
Aggregate amount of unquoted investments	0.20	0.20
Less: Aggregate amount of provision for other than temporary diminution in value of investment	0.20 -	0.20 -

For valuation basis, refer note no. 4.48

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Particulars	As at 31 March 2026	As at 31 March 2025
4.04 Other financial assets - non-current		
(Unsecured, considered good unless stated otherwise)		
Security deposits	75.96	74.22
Balance with banks - held as security against margin money given to Government authorities #	3.45	3.23
	79.41	77.45
For valuation basis, refer note no. 4.48		
# Margin Money Deposit primarily related to earmarked balances with the bank against the bank guarantees issued in the favour of relevant authorities.		
4.05 Deferred tax assets (net)		
(a) Deferred tax liability arising on account of:		
Difference between written down value of Property, plant and equipment and intangible assets as per Income tax Act, 1961 and as per the Companies Act, 2013	61.60	212.87
Right-of-use assets (Ind AS 116)	29.88	45.16
Provision for interest on preference shares	63.92	87.15
	155.40	345.18
Deferred tax assets arising on account of:		
Provision for gratuity	130.10	105.10
Provision for leave encashment	93.73	95.86
Lease liabilities (Ind AS 116)	36.60	51.26
Provision for doubtful receivables	11.56	-
Provision for bonus	55.47	61.74
Provision for slow moving inventory	224.44	286.63
Provision for warranty	-	-
	551.90	600.59
Deferred tax asset/(liability) (net)	396.50	255.41

(b) Reconciliation of tax expenses and accounting profit	Year ended 31 March 2026	Year ended 31 March 2025
Profit before tax from continuing operation	5,536.93	2,587.35
Income tax expenses calculated at current tax rate	1,393.53	651.18
(i) Corporate social responsibility expenditure	17.21	16.68
(ii) Interest on delay in MSMED vendors payment	17.45	1.43
(iii) Tax for earlier years recognised in statement of profit and loss	63.63	(18.25)
(iv) Others	(17.35)	176.18
Income tax expenses recognised in statement of profit & loss (relating to continuing operation)	1,474.47	827.22

4.06 Non-current tax assets (net)		
Income tax refund (net of provision for tax Rs.4,623.91 lakhs (31 March 2025: Rs.3,350.57 lakhs)	57.67	53.10
Income-tax paid under protest (refer note no. 4.36)	86.41	83.65
	144.08	136.75

4.07 Other non-current assets		
Capital advances	136.54	19.83
Prepaid rent	4.79	9.21
	141.33	29.04

4.08 Inventories*		
(Valued at the lower of cost and net realisable value)		
Raw materials and components [includes goods in transit Rs.453.60 lakhs (31 March 2025: Rs.219.08 lakhs)]	2,892.39	2,235.21
Work-in-progress	266.69	100.75
Finished goods (other than those acquired for trading) [includes goods in transit Rs.526.86 lakhs (31 March 2025: Rs.588.69 lakhs)]	701.56	652.27
Stores and spares	24.79	15.44
	3,885.43	3,003.67
*net of provision of Rs.891.69 lakhs (31 March 2025: Rs.1,138.77 lakhs)		

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Particulars	As at 31 March 2026		As at 31 March 2025	
4.39 Trade receivables				
Undisputed				
Considered good		7,425.76		5,875.11
Credit impaired	45.93		0.26	
Less: Provision for doubtful trade receivables	(45.93)	-	(0.26)	-
		7,425.76		5,875.11

Trade receivables includes Rs 2,254.67 lakhs (31 March 2025: Rs.2,378.15 lakhs) due from related parties (refer note no. 4.40).
For valuation basis, refer note no. 4.48

Trade receivables ageing schedule

Particulars	As at 31 March 2026						
	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Year	2-3 Years	More than 3 Years	Total
Undisputed							
Considered good	7,001.29	424.47	-	-	-	-	7,425.76
Credit impaired	-	-	-	45.69	-	0.24	45.93
Disputed							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	7,001.29	424.47	-	45.69	-	0.24	7,471.69
Less: allowance for expected credit loss							(45.93)
Total							7,425.76

Particulars	As at 31 March 2025						
	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Year	2-3 Years	More than 3 Years	Total
Undisputed							
Considered good	5,733.71	141.40	-	-	-	-	5,875.11
Credit impaired	-	-	-	-	0.02	0.24	0.26
Disputed							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	5,733.71	141.40	-	-	0.02	0.24	5,875.37
Less: allowance for expected credit loss							(0.26)
Total							5,875.11

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Particulars	As at 31 March 2026	As at 31 March 2025
4.10 Cash and cash equivalents		
Balances with banks		
In current accounts	921.88	859.38
In EEFC accounts	818.17	254.29
In short term fixed deposits	1,500.00	-
	3,240.05	1,113.67
For valuation basis, refer note no. 4.48		
4.11 Other bank balances		
Balances with banks		
Earmarked balance with banks	1,384.44	-
	1,384.44	-
For valuation basis, refer note no. 4.48		
4.12 Other financial assets- current		
(unsecured and considered good unless otherwise stated)		
Interest accrued on fixed deposit	0.45	0.09
Loans to employees	2.22	6.50
Recoverable from others (refer note 4.51)	588.84	588.84
	591.51	595.43
For valuation basis, refer note no. 4.48		
4.13 Other current assets		
(unsecured, considered good unless otherwise stated)		
Advance to suppliers	254.79	111.22
Balances with government authorities		
- Goods and service tax receivable	541.37	297.23
- GST receivable (paid under protest)	26.79	12.31
- Export incentives receivables	66.66	56.80
- Goods and service tax receivable on export sales	21.61	199.48
- Advance custom duty	24.30	680.73	12.75	578.57
Prepaid expenses	51.55	44.69
Advances to employees	1.84	2.01
Unbilled revenue*	298.59	303.05
Prepaid rent	3.81	3.21
	1,291.31	1,042.75

*Unbilled revenue includes Rs.298.59 lakhs (31 March 2025: Rs.303.05 lakhs) due from related parties (refer note no. 4.40).

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Particulars	As at 31 March 2026	As at 31 March 2025
4.14 Equity share capital		
Authorised		
Equity shares, Rs. 10 each		
4,000,000 (previous year 4,000,000) equity shares	400.00	400.00
Preference shares, Rs. 100 each		
2,150,000 (previous year 2,150,000) non-convertible, non-cumulative, redeemable preference shares	2,150.00	2,150.00
	2,550.00	2,550.00
Issued, subscribed and paid-up		
Equity shares		
3,171,400 (previous year 3,171,400) equity shares of Rs. 10 each fully paid up	317.14	317.14
	317.14	317.14

(Refer note (i) to (vii) below)

i) Rights, preferences and restrictions

Equity shares
The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The paid-up equity shares of the Company rank *pari-passu* in all respects including dividend.

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

ii) The reconciliation of the shares outstanding at the beginning and end of the year

	31 March 2026		31 March 2025	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Balance at the beginning of the year	3,171,400	317.14	3,723,713	372.37
Increase/(decrease) during the year	-	-	(552,313)	(55.23)
Balance at the end of the year	3,171,400	317.14	3,171,400	317.14

iii) Shares held by the holding company and fellow subsidiary company :

	As at 31 March 2026		As at 31 March 2025	
	No. of shares	Amount	No. of shares	Amount
Equity Shares				
Hella Holding International GmbH, Germany, the holding company	2,169,713	216.97	2,169,713	216.97
Hella India Automotive Private Limited, a fellow subsidiary	1,001,687	100.17	1,001,687	100.17
Total	3,171,400	317.14	3,171,400	317.14

The ultimate holding company of the Company is Forvia SE (Formerly "Faurecia SE")

iv) The details of shareholders holding more than 5% shares :

	As at 31 March 2026		As at 31 March 2025	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Hella Holding International GmbH, Germany, the holding company	2,169,713	68.41	2,169,713	68.41
Hella India Automotive Private Limited	1,001,687	31.59	1,001,687	31.59

v) In the period of five years immediately preceding the Balance Sheet date, the Company has not issued any bonus shares or has bought back any shares.

vi) Details of shares issued /redeemed during the previous year

During the previous year, the Company has redeemed 552,313 equity shares of face value Rs.10.00 each at a premium of Rs.1,039.17 each to shareholders of the Company pursuant to the approval of the scheme by the Hon'ble National Company Law Tribunal (NCLT) (refer note no. 4.50)

vii) Shares held by promotors at the end of the year

	Promotor name	As at 31 March 2026		As at 31 March 2025		% Change during the year
	Equity Shares	No. of shares	% of total shares	No. of shares	% of total shares	
1	Hella Holding International GmbH, Germany	2,169,713	68.41	2,169,713	68.41	-
2	Hella India Automotive Private Limited	1,001,687	31.59	1,001,687	31.59	-
		3,171,400	100.00	3,171,400	100.00	-

	Promotor name	As at 31 March 2025		As at 31 March 2024		% Change during the year
	Equity Shares	No. of shares	% of total shares	No. of shares	% of total shares	
1	Hella Holding International GmbH, Germany	2,169,713	68.41	2,169,713	58.27	10.14
2	Hella India Automotive Private Limited	1,001,687	31.59	1,001,687	26.90	4.69
		3,171,400	100.00	3,171,400	85.17	14.83

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Particulars	As at 31 March 2026	As at 31 March 2025
4.15 Other equity		
Retained earnings	11,954.52	8,143.43
Other comprehensive income	(118.00)	(90.01)
General reserve	17.56	17.56
Securities premium account	2,658.82	2,658.82
Revaluation reserve	24.95	24.95
Capital redemption reserve	56.23	56.23
Equity component of non-cumulative, non-convertible redeemable preference shares	1,017.80	1,017.80
Total	**15,611.88**	**11,828.78**

	Year ended 31 March 2026	Year ended 31 March 2025
Retained earnings		
Opening balance	8,143.43	8,088.75
Add: Profit for the year as per Statement of Profit and Loss	3,811.09	1,760.13
Add: Reserves transfer pursuant to the Scheme (refer note no. 4.50)	-	(4,142.28)
Add: Net assets transfer pursuant to the Scheme (refer note no. 4.50)	-	2,492.06
Less: Transfer from retained earnings on capital reduction	-	(55.23)
Closing balance	**11,954.52**	**8,143.43**
Other comprehensive income		
Opening balance	(90.01)	(56.88)
Add: Remeasurements of post-employment benefit obligation (net of tax)	(27.99)	(33.13)
Closing balance	**(118.00)**	**(90.01)**
General reserve		
Opening balance	17.56	17.56
Movement during the year	-	-
Closing balance	**17.56**	**17.56**
Securities premium account		
Opening balance	2,658.82	8,343.06
Movement during the year	-	(5,684.24)
Closing balance	**2,658.82**	**2,658.82**
Revaluation reserve		
Opening balance	24.95	24.95
Movement during the year	-	-
Closing balance	**24.95**	**24.95**
Capital redemption reserve		
Opening balance	56.23	1.00
Movement during the year	-	55.23
Closing balance	**56.23**	**56.23**
Equity component of non-cumulative, non-convertible redeemable preference		
Opening balance	1,017.80	1,017.80
Movement during the year	-	-
Closing balance	**1,017.80**	**1,017.80**

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Particulars	As at 31 March 2026	As at 31 March 2025
4.16 Borrowings		
Unsecured - at amortised cost		
Other loans		
1,143,630 (previous year 1,143,630) 0.0000001% non-convertible, non-cumulative, redeemable preference shares of Rs. 100 each fully paid up from related party (Intermediate holding company) #	889.66	797.37
Less : Current maturities of preference shares (refer note no. 4.20)	(479.23)	-
	410.43	**797.37**

Preference shares issued by the Company are non-convertible, non-cumulative, redeemable and non participating and are not entitled to vote. Preference shareholders have preference over equity shareholders for the payment of dividend and repayment of capital, in the event of liquidation of the Company. The preference shares are redeemable at par at any time after five years but prior to the expiry of twenty years from the date of allotment. Out of these, 500,000 preference shares have been allotted on 31 August 2006, 40,000 preference shares have been allotted on 18 March 2009 and 603,630 preference shares (by conversion of loan from the holding company) have been allotted on 16 March 2010. Preference share capital is recognised at amortized cost as on the date of transition i.e. 1 April 2017. The Company has considered the impact of transition as equity component of preference share capital of Rs.1,017.80 lakhs under other equity (Refer Statement of Changes in Equity). Further, the Company charges the interest on liability component on preference share capital on yearly basis.

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Particulars	As at 31 March 2026	As at 31 March 2025
4.17 Non-current lease liabilities		
Lease liabilities (refer note no. 4.41)	75.78	145.43
	75.78	**145.43**
For valuation basis, refer note no. 4.48		
4.18 Provisions		
Provisions for employee benefits		
- Gratuity (refer note no. 4.37)	478.24	370.55
- Compensated absences	329.58	338.11
	807.82	**708.66**
4.19 Other non-current liabilities		
Security deposit received	2.45	2.45
	2.45	**2.45**
4.20 Borrowings		
Current maturities of long-term borrowings (refer note no. 4.16)	479.23	-
Loans repayable on demand		
- Cash credit facility from bank #	-	508.41
	479.23	**508.41**

For valuation basis, refer note no. 4.48

Cash credit facilities from Deutsche Bank carries an interest rate of TBILL+1.15 Spread where TBILL changes on monthly basis. HSBC Interest Rate is (TBILL+ 3.66 Spread). Hella GMBH & Co. KgaA, Germany, the Intermediate holding company, has given the guarantee for the cash credit facility availed by the Company from Deutsche bank.

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Particulars	As at 31 March 2026	As at 31 March 2025
4.21 Current lease liabilities		
Lease liabilities (refer note no. 4.41)	69.65	58.24
	69.65	58.24

For valuation basis, refer note no. 4.48

4.22 Trade payables

Trade payables for goods and services		
- total outstanding dues of micro and small enterprises (refer note no. 4.38)	1,390.37	979.87
- total outstanding dues of other than micro, small enterprises	3,048.52	1,860.99
	4,438.89	2,840.86

Trade payables includes Rs. 1,131.97 lakhs (31 March 2025: Rs.588.43 lakhs) due to related parties (refer note no. 4.40).

Trade payables ageing schedule as at 31 March 2026

Particulars	Not Due	Outstanding for following periods from document date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	1,036.25	88.31	16.33	28.73	220.75	1,390.37
Others	2,416.44	627.45	-	0.13	4.50	3,048.52
Disputed dues – MSME	-	-	-		-	-
Disputed dues - Others	-	-	-		-	-
TOTAL	3,452.69	715.76	16.33	28.86	225.25	4,438.89

Trade payables ageing schedule as at 31 March 2025

Particulars	Not Due	Outstanding for following periods from document date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	719.27	39.85	-	15.87	204.88	979.87
Others	1,585.40	270.68	0.21	-	4.70	1,860.99
Disputed dues – MSME	-	-	-		-	-
Disputed dues - Others	-	-	-		-	-
TOTAL	2,304.67	310.53	0.21	15.87	209.58	2,840.86

For valuation basis, refer note no. 4.48

4.23 Other financial liabilities

Payable for purchase of property, plant and equipment	163.79	47.05
Payable to employees	231.86	251.71
Payable to shareholders on capital reduction* (refer note no. 4.11)	1,384.44	-
Other financial liabilities (refer note no. 4.40)	7.43	7.43
	1,787.52	306.19

For valuation basis, refer note no. 4.48

* During the year, Rs.1,384.44 lakhs were returned to the Company's bank account as payments made to certain shareholders in previous financial year pursuant to the Scheme of Capital Reduction (refer note 4.50) were not cleared due to various reasons. Consequently, the said amount, which had earlier been paid/remitted to shareholders, has been reinstated as a liability and is disclosed as "Payable to shareholders on capital reduction" pending completion of the process of identifying the correct/updated addresses or bank details of the concerned shareholders and re-remittance thereof.

The Company is in the process of contacting the respective shareholders to obtain correct details for re-issuance of the payment, and the amount will be paid on receipt of the requisite information/confirmation from them. In case such amounts remain unclaimed beyond the statutory period, they shall be dealt with in accordance with the applicable provisions of the Companies Act, 2013.

4.24 Other current liabilities

Statutory remittances	130.78	990.15
Advance from customers	210.84	71.34
Other liabilities	100.54	46.19
	442.16	1,107.68

4.25 Provisions

Provision for employee benefits		
- Gratuity (refer note no. 4.37)	38.66	47.03
- Compensated absences	42.81	42.74
	81.47	89.77

4.26 Other current tax liabilities (net)

Income tax payables	219.46	266.83
[net of advance tax of Rs.1,238.52 lakhs (31 March 2025: Rs. 869.08 lakhs)]		
	219.46	266.83

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Particulars	Year ended 31 March 2026	Year ended 31 March 2025
4.27 Revenue from operations		
(a) Sale of products (refer note (i) below)	27,179.30	21,529.58
(b) Other operating revenues (refer note (ii) below)	4,550.85	3,596.55
	31,730.15	**25,126.13**
(i) Sale of products comprises:*		
Manufactured finished goods	25,706.24	21,529.58
Traded goods	1,473.06	-
	27,179.30	21,529.58
#includes Rs. 7,716.49 lakhs (previous year Rs. 7,659.60 lakhs) from related parties (refer note no. 4.40).		
(ii) Other operating revenues comprises:		
Scrap sales	43.47	40.30
Development income#	4,320.93	3,374.52
Export benefits*	186.45	181.73
	4,550.85	3,596.55
#Development income includes Rs. 3,459.82 lakhs (previous year Rs. 2,876.27 lakhs) from related parties (refer note no. 4.40).		
*Export benefits are in the nature of government grants covering following :		
Merchandise & Service Exports from India Scheme (MEIS, SEIS & RoDTEP)	58.61	60.20
Duty drawbacks	127.84	121.53
	186.45	181.73

4.28 Other income

Interest income				
- on fixed deposits with banks	23.94		344.07	
- Interest on income tax refund	-		63.19	
- other interest	5.77	29.71	2.72	409.98
Net gain on foreign currency transactions		585.22		314.61
Profit on sale of property, plant and equipment		135.00		5.25
Miscellaneous income*		103.41		183.38
		853.34		**913.22**

*Miscellaneous income includes Rs.72.53 lakhs (previous year Rs.39.30 lakhs) from related parties (refer note no. 4.40)

4.29 Cost of material consumed

Raw material and components		
Opening stock	2,235.21	4,444.96
Add: Purchases	15,136.50	12,072.87
Less: Transfer pursuant to scheme (refer note no.4.50)	-	905.96
Less: Closing stock	2,892.39	2,235.21
	14,479.32	**13,376.66**

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

Inventories at the beginning of the year				
Traded goods	-		248.12	
Finished goods	652.27		1,006.49	
Work-in-progress	100.75		90.56	
	753.02		1,345.17	
Less: Transfer pursuant to scheme (refer note no.4.50)				
Traded goods	-		248.12	
Finished goods	-		696.24	
Work-in-progress	-		-	
	-		944.36	
Less: Inventories at the end of the year				
Traded goods	-		-	
Finished goods	701.56		652.27	
Work-in-progress	266.69		100.75	
	968.25	(215.23)	753.02	(352.21)
		(215.23)		**(352.21)**

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Particulars		Year ended 31 March 2026		Year ended 31 March 2025
4.31 Employee benefits expense				
Salaries and wages		3,744.36		3,596.31
Contribution to provident funds (refer note no. 4.37)		241.81		233.38
Gratuity expense (refer note no. 4.37)		105.09		87.93
Staff welfare expenses		149.54		178.37
		4,240.80		**4,095.99**
4.32 Finance cost				
Interest on delayed payment of income-tax		60.56		-
Interest on cash credit limits		4.82		198.37
Interest on lease liabilities		17.39		22.28
Interest on amortized cost of preference shares		92.29		82.70
Others		69.35		5.67
		244.41		**309.02**
4.33 Other expenses				
Consumption of stores and spares		886.59		980.69
Power and fuel *		358.75		318.16
Travelling and conveyance		127.12		58.33
Freight outward *		272.35		213.43
Contractual manpower		700.69		608.41
Legal and professional (refer note no. 4.40) *		320.52		276.32
Payment to auditors				
- Statutory audit fees	29.77		12.00	
- Tax audit fees	2.30		2.00	
- Other matters	2.00		3.92	
- Out of pocket expenses	2.14	36.21	0.65	18.57
Rent (refer note no. 4.41)		41.88		34.53
Rates and taxes		20.12		27.45
Insurance		192.98		143.32
Repairs and maintenance:				
- on buildings	9.32		26.38	
- on plant and machinery	90.70		46.70	
- on others (including IT expenses Rs.1,028.08 lakhs Previous year Rs.861.78 lakhs) (refer note no. 4.40)	1,133.46	1,233.48	967.41	1,040.49
Vehicle running and maintenance		59.51		62.27
Printing and stationery		4.17		6.09
Communication		27.53		31.18
Bank charges		11.36		7.00
Provision for doubtful debts		45.67		8.31
Expenditure on corporate social responsibility (refer note no. 4.45)		68.39		66.29
Cash discount on sales		-		1.18
Royalty (refer note no. 4.40)		339.45		302.89
Development and testing expenses		960.78		384.01
Advertisement and sales promotion		32.24		21.45
Miscellaneous *		10.84		42.52
		5,750.63		**4,652.89**

*Net of recovery of Rs.Nil (previous year Rs.17.29 lakhs) from related parties (refer note no. 4.40).

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Hella India Lighting Limited
Notes to financial statements for the year ended 31 March 2026
(All amounts are in Lakh Indian Rupees except number of shares)

4.34 Commitments

a)

Particulars	As at 31 March 2026	As at 31 March 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	324.60	153.05
EPCG licence	230.87	109.34

b) The Company did not have any long-term commitments/contracts including derivative contracts for which there will be any material foreseeable losses.

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

4.36 Contingent liabilities (to the extent not provided for)

Claims made against the Company not acknowledged as debts:

Particulars	As at 31 March 2026	As at 31 March 2025
Indirect tax matter	157.11	12.31
Income tax matter	447.04	450.55
Total	604.15	462.86

4.37 Employee benefits

a) **Defined Contribution Plans**
The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 241.81 lakhs (previous year Rs.233.38 lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b) **Gratuity Plan (defined benefit plan)**
The Company operates a gratuity plan covering qualifying employees. The benefit payable is as per the Code on Social Security, 2020. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Risk Exposure
Inherent risk: The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience. This may result in an increase in cost of providing these benefits to employees in future.

Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The following table sets forth the status of the Gratuity plan of the Company, and the amounts recognised in the Balance Sheet and Statement of Profit and Loss.

Particulars	31 March 2026	31 March 2025
Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	417.58	462.89
Interest cost	29.37	23.64
Current service cost	70.99	64.29
Transfer pursuant to scheme		(112.66)
Past service cost	4.73	-
Benefits paid	(43.17)	(64.85)
Actuarial loss	37.40	44.27
Present value of defined benefit obligation at the end of the year	516.90	417.58
Changes in the fair value of the Plan assets	-	-
(The Company does not have any Plan assets)		
Net liability recognised in the Balance Sheet		
Present value of defined benefit obligation	516.90	417.58
Fair value of the plan assets	-	-
Funded status (Deficit)	(516.90)	(417.58)
Unrecognised past service cost	-	-
Net liability recognised in the Balance Sheet	(516.90)	(417.58)
Components of employer's expenses		
Interest cost	29.37	23.64
Current service cost	70.99	64.29
Past service cost	4.73	-
	105.09	87.93

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Actuarial assumptions		
Discount rate	7.05%	6.75%
Salary escalation	8.00%	6.50%
Retirement age	58 years	58 years
Mortality table	IALM (2012-14)	IALM (2012-14)
Withdrawal rate (per annum)	8%	10%

Experience Adjustment

Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Present value of DBO at the end of the year	516.90	417.58	462.89	420.57	353.34
Experience adjustments on Plan assets/liabilities (gain) /loss	6.60	44.27	(29.80)	56.17	13.45

Sensitivity Analysis for significant actuarial assumptions

Particulars	Year ended 31 March 2026		Year ended 31 March 2025	
	Decrease	Increase	Decrease	Increase
Defined Benefit Obligation (Base)				
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	564.20 9%	475.89 -8%	447.21 7%	390.59 -6%
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	484.11 -6%	551.16 7%	390.29 -7%	446.99 7%
Attrition Rate (- / + 1%) (% change compared to base due to sensitivity)	518.48 0%	513.27 -1%	416.03 0%	419.12 0%
Mortality Rate (- / + 10% of mortality rates) (% change compared to base due to sensitivity)	516.82 0%	516.96 0%	-	-

The sensitivity analysis has been determined based on possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis present above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related.

c) **Compensated absences**

Actuarial assumptions for long terms compensated absences

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate	7.05%	6.75%
Salary escalation	8.00%	6.50%
Retirement age	58 years	58 years
Mortality table	IAM (2012-14)	IAM (2012-14)
Withdrawal rate (per annum)	8.00%	10.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors. Discount rate is based on market yields prevailing on government securities as at 31 March 2026 for the estimated term of the obligations.

4.38 The Company has obtained relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006 ('the Act') which came into force from 2 October 2006. Based on the information presently available with the management, following are the disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 in respect of micro and small suppliers as defined in the Act:

S. No.	Particulars	As at 31 March 2026	As at 31 March 2025
i)	the principal amount remaining unpaid to supplier as at the end of the year	1,068.33	724.71
ii)	the interest due on the principal remaining outstanding as at the end of the year	4.19	0.45
iii)	the amount of interest paid under the Act beyond the appointed day during the year	-	-
iv)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	62.69	5.22
v)	the amount of interest accrued and remaining unpaid at the end of the year	322.04	255.16
vi)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act	-	-

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4.39 Segment reporting:

(i) Basis of preparation

Primary segment:
The primary segments have been identified in line with the Ind AS 108 'Operating segments', taking into account the risks and return, organisation structure and internal reporting system.

The Company has identified the following business segments as reportable primary segment:
1) Manufacturing and sale of goods manufactured
2) Sales of services

(ii) Segment accounting policies
The accounting principles consistently used in the preparation of the financial statements and consistently applied to record revenue and expenditure in individual segments are as set out in significant accounting policies. The description of segment assets and liabilities and the accounting policies in relation to segment accounting are as under:

(a) Segment assets and liabilities
Segment assets include all operating assets used by a segment and consist principally of property, plant and equipment, intangible assets, right-of-use assets, capital work in progress, current assets and financial assets. Segment liabilities include all operating liabilities in respect of a segment and consist principally of borrowings, creditors, provisions, financial liabilities and other accrued liabilities. Segment liabilities do not include share capital, reserves, provision for tax, deferred tax liability and other liabilities that cannot be reasonably allocated to segments. Segment assets do not include advance taxes, deferred tax, cash and bank balances and other assets that cannot be reasonably allocated to segments.

(b) Segment revenue and expenses
Segment revenue and expenses that are directly attributable to the segment have been allocated to various segments on the basis of specific identification. The remainder of the costs are categorised to the segment on a reasonable basis. Indirect expenses such as administrative expenses which form a significant component of total expenses are not specifically allocable to specific segments. Accordingly, these expenses are separately disclosed as "unallocated" and directly charged against total income.

As the Company exports its products, the secondary segment for the Company is based on the location of its customers. Information on the primary and secondary segments are as follows:

(i) Primary segment reporting by business segments

Particulars	Manufacturing and sales of goods manufactured		Sales of services		Total	
	For the year ended 31 March 2026	For the year ended 31 March 2025	For the year ended 31 March 2026	For the year ended 31 March 2025	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue	27,409.22	21,751.61	4,320.93	3,374.52	31,730.15	25,126.13
(including duty drawback and other export incentives)						
Total revenue from operations					**31,730.15**	**25,126.13**
Segment results	4,474.93	1,840.69	940.79	645.30	5,415.72	2,486.39
Add: Interest Income					29.71	409.98
Less: Interest Expenses					244.41	309.02
Net interest income/ (expense)					**214.70**	**(100.96)**
					5,201.02	**2,587.35**
Less: Other un-allocable (expense)/Income					-	-
(net of un-allocable income/expense)						
Net Profit before tax					**5,201.02**	**2,587.35**
Less: Tax (Current and deferred)					1,389.93	827.22
Net Profit after tax					**3,811.09**	**1,760.13**
Other comprehensive income/(expenses)					(27.99)	(33.13)
Total Comprehensive income					**3,783.10**	**1,727.00**
Other information						
Segment Assets	23,911.65	18,492.11	832.23	485.70	24,743.88	18,977.81
Add: Unallocable assets					-	-
Intersegment assets					-	-
Total Assets					**24,743.88**	**18,977.81**
Capital expenditure	6,092.80	6,848.53	71.26	-	6,164.06	6,848.53
Add: Unallocable Capital expenditure					-	-
Total Capital expenditure					**6,164.06**	**6,848.53**
Segment Liabilities	8,455.79	6,707.29	359.07	124.60	8,814.86	6,831.89
Add: Unallocable liabilities					-	-
Add: Capital employed					15,929.02	12,145.92
Total Liabilities					**24,743.88**	**18,977.81**
Add: Unallocable depreciation and amortisation					1,371.78	1,369.65
Total depreciation and amortization					**1,371.78**	**1,369.65**
Other non cash adjustments						
Provision for slow moving stock					(891.69)	(1,138.77)
Unrealised foreign exchange (loss)/ gain					26.39	19.77

(ii) Secondary segment reporting by geographical segments

Particulars	Domestic	Overseas	Total
	For the year ended 31 March 2026	For the year ended 31 March 2026	For the year ended 31 March 2026
Segment revenue	21,373.76	10,356.39	31,730.15
Non-current assets other than financial assets and deferred tax assets	6,449.47	-	6,449.47

Particulars	Domestic	Overseas	Total
	For the year ended 31 March 2025	For the year ended 31 March 2025	For the year ended 31 March 2025
Segment revenue	15,089.39	10,036.74	25,126.13
Non-Current assets other than financial assets and deferred tax assets	7,014.32	-	7,014.32

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4.40 Related party disclosures

The Company has entered into transactions with affiliated companies and its parent and key management personnel during the normal course of its business. The names of related parties of the Company and their relationship, are as follows:

a) Related parties where control exists:

Nature of the relationship	Name of the company/ Body corporate
Ultimate Holding company	Forvia SE (Formerly "Faurecia SE")
Intermediate Holding company	Hella GmbH & Co. KGaA, Germany
Holding company	Hella Holding International GmbH, Germany

b) Related parties with whom transactions have taken place during the year:

Nature of the relationship	Name of the Company/ Party
i) Fellow subsidiaries (in India)	Hella India Automotive Private Limited
	Hella India Autoparts and Services Private Limited
ii) Fellow subsidiaries (outside India)	Hella Fahrzeugteile Austria GmbH
	Hella Australia Pty. Limited
	Hella Asia Singapore Pte Ltd.
	Hella Automotive Sales, Inc (Formerly "Hella Inc., United States of America")
	Hella Romania SRL
	Hella Saturnus Slovenija d.o.o.
	Hella Innenleuchten-Systeme GmbH
	Hella New Zealand Limited
	Manufacturas y Accesorios Electricos, S.A
	Docter Optics SE
	Hella Automotive South Africa (Pty.) Ltd.
	Hella Middle East FZE
	Hella Slovakia Lighting s.r.o.(Formerly Hella Slovakia Signal-Lighting s.r.o)
	Hella do Brasil Automotive Ltda
	Hella Trading (Shanghai) co. ltd.
	HELLA BHAP(Sanhe)Automotive Lighting Co.,Ltd
	Hella S.A.S. France
	Hella Autotechnik Nova, s.r.o.
	Hella Gutmann Solutions GmbH
	Hella Colombia Autopartes S.A.S
	HELLA Corporate Center Asia
	Hella Automotive Mexico S.A.
	Hella Ltd. UK
	Hella Shanghai Electronics Co., Ltd.
	Hella Vietnam Co., Ltd
3 Key management personnel	Mr. Manoj Singh (Managing Director)
	Mr. Anandhan Venugopal (Director upto 23.07.2025)
	Mr. Stefan Van Dalen (Director)
	Ms. Tatjana Schitz (Director w.e.f 28.10.2025)
	Mr. Ayush Gupta (Chief Financial Officer upto 11.09.2026)
	Mr. Amit Kumar Sharma (Chief Financial Officer w.e.f 11.09.2026)
	Ms. Ankitee Khanna (Company Secretary)

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c) Related party transactions:

Nature of transaction	Year Ended 31 March 2026	Year Ended 31 March 2025
Sale of products		
Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	4,221.16	4,523.59
Fellow subsidiaries		
- Hella India Automotive Private Limited	407.66	460.01
- Hella India Autoparts and Services Private Limited	646.98	829.15
- Hella Fahrzeugteile Austria GmbH	140.59	100.32
- Hella Australia Pty. Limited	27.37	5.20
- Hella Asia Singapore Pte Ltd.	0.38	0.08
- Hella Automotive Sales, Inc (Formerly Hella Inc., United States of America	508.54	402.68
- Hella Automotive South Africa (Pty.) Ltd.	182.15	107.84
- Hella Middle East FZE	1,395.01	954.81
- Hella trading (Shanghai) co. ltd.	7.56	7.68
- Hella Romania SRL	1.09	1.61
- Hella do Brasil Automotive Ltda	129.91	0.64
- Hella Colombia Autopartes S.A.S	41.87	261.75
- Hella New Zealand Limited	5.88	3.69
- Hella Ltd. UK	0.34	0.55
	3,495.33	3,136.01
	7,716.49	7,659.60
Purchase of raw materials		
Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	415.11	329.28
Fellow subsidiaries		
- Hella India Automotive Private Limited	491.00	182.68
- Hella India Autoparts and Services Private Limited	4.04	8.64
- Hella Fahrzeugteile Austria GmbH	83.89	97.79
- Hella Automotive Sales, Inc (Formerly Hella Inc., United States of America	0.13	0.31
- Hella New Zealand Limited	12.08	17.56
- Hella Saturnus Slovenija d.o.o.	4.80	-
- Hella Autotechnik Nova, s.r.o.	2.98	21.35
- Docter Optics SE	0.04	0.04
- Hella Shanghai Electronics Co., Ltd.	4.16	2.55
- Hella Australia Pty. Limited	4.32	5.66
- Hella Slovakia Lighting s.r.o.(Formerly Hella Slovakia Signal-Lighting s.r.o)	6.72	0.27
- Hella Innenleuchten-Systeme GmbH	0.44	0.11
- HELLA BHAP Electronics(Jiangsu) Co., Ltd.	3.28	-
- Hella Automotive Mexico S.A.	-	4.01
- Hella Electronics Corp	2.47	
- HELLA BHAP(Sanhe)Automotive Lighting Co.,Ltd	0.22	7.52
- Hella Romania SRL	76.46	91.87
	697.03	440.36
	1,112.14	769.64
Other operating revenue - development income		
Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	3,348.94	2648.67
Fellow subsidiaries		
- Hella Fahrzeugteile Austria GmbH	49.62	17.61
- Hella Automotive Sales, Inc (Formerly "Hella Inc., United States of America")	-	0.65
- Hella Romania SRL	0.30	0
- Hella Gutmann Solutions GmbH	-	-
- Hella Autoteclnik Nova, s.r.o.	1.48	-
- Jiaxing Hella Lighting Co. Ltd	7.77	-
- Hella Slovakia Signal Lighting S.R.O.	26.47	-
- Hella Australia Pty. Limited	0.26	-
- Hella New Zealand Limited	24.98	209.33
	110.88	227.59
	3,459.82	2,876.26

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Nature of transaction	Year Ended 31 March 2026	Year Ended 31 March 2025
Other income		
Ultimate holding company		
- Hella GmbH & Co. KGaA, Germany	13.27	0.45
Fellow subsidiaries		
- Hella Romania SRL	-	19.99
- Hella New Zealand Limited	1.15	6.95
- Hella Middle East FZE	-	-
- Hella India Automotive Private Limited	14.19	11.91
- Hella India Autoparts and Services Private Limited	34.29	-
- Hella Fahrzeugteile Austria GmbH	9.63	-
	72.53	39.30
Legal and professional		
Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	33.46	33.46
(Guarantee fee for guarantee given against the cash credit facility availed by the Company)		
- Hella GmbH & Co. KGaA, Germany	38.73	81.54
(Service specific contract for Purchase services and misc. training)		
	72.19	115.00
Fellow subsidiaries		
- Hella India Automotive Private Limited	31.24	16.14
- Hella Australia PTY LTD	1.27	-
	32.51	16.14
	104.70	131.14
Other operating expenses		
Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	161.26	35.11
Fellow subsidiaries		
- Hella Fahrzeugteile Austria GmbH	2.81	-
- Hella Trading (Shanghai) Co. Ltd.	4.04	5.47
- Hella Automotive Mexico	1.90	-
- Hella India Automotive Private Limited	13.80	86.00
- Hella India Autoparts and Services Private Limited	27.93	-
	50.48	91.47
	211.74	126.58
Repair and maintenance – others (IT expenses)		
Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	1,028.08	861.78
Royalty expenses		
Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	339.45	302.89
Reimbursement of expenses		
To fellow subsidiaries		
- Hella India Automotive Private Limited	-	2.32
Reimbursement of expenses		
From Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	-	10.36
From fellow subsidiaries		
- Hella Middle East FZE	-	0.57
- Hella New Zealand Limited	-	4.61
- Hella Vietnam Co., Ltd	-	1.75
	-	6.93
	-	17.29

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Nature of transaction	Year Ended 31 March 2026	Year Ended 31 March 2025
Managerial remuneration*		
Key management personnel		
- Manoj Singh	125.38	116.81
- Ankritee Khanna	17.63	12.22
	143.01	129.03

* Does not include post-employment benefit based on actuarial valuation as this is done for the Company as a whole.

d) Particulars of balances in respect of related party transactions:

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables		
Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	1,325.15	1,621.01
Fellow subsidiaries		
- Hella India Automotive Private Limited	86.77	115.40
- Hella Fahrzeugteile Austria GmbH	41.10	7.49
- Hella Australia Pty. Limited	0.23	1.58
- Hella Automotive Sales, Inc (Formerly "Hella Inc., United States of America")	206.44	151.68
- Hella Automotive South Africa (Pty.) Ltd.	79.93	30.64
- Hella Middle East FZE	192.11	301.27
- Hella Trading (Shanghai) co. ltd.	3.24	1.74
- Hella Colombia Autopartes S.A.S	0.77	107.53
- Hella Romania SRL	0.36	-
- Hella do Brasil Automotive Ltda	127.30	-
- Hella New Zealand Limited	1.60	39.27
- Hella Ltd. UK	0.34	0.54
- Hella India Autoparts and Services Private Limited	189.33	-
	929.52	757.14
	2,254.67	2,378.15
Property,Plant & Equipment		
Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	6.27	-
	6.27	-
Other assets - unbilled revenue		
Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	247.48	227.01
Fellow subsidiaries		
- Hella Fahrzeugteile Austria GmbH	44.56	2.23
- Hella India Automotive Private Limited	6.55	-
- Hella India Autoparts and Services Private Limited	-	71.75
- Hella Romania SRL	-	-
- Hella New Zealand Limited	-	2.06
	51.11	76.04
	298.59	303.05
Borrowings		
Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	889.66	797.37
(Non-convertible, non-cumulative, redeemable preference shares of Rs. 100 each fully paid up)		
	889.66	797.37

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Particulars	As at 31 March 2026	As at 31 March 2025
Trade payables		
Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	651.35	410.42
Fellow subsidiaries		
- Hella India Automotive Private Limited	307.50	110.20
- Hella Fahrzeugteile Austria GmbH	22.57	14.56
- Hella Saturnus Slovenija d.o.o.	3.05	-
- Hella Innenleuchten-Systeme GmbH	0.31	-
- Hella Electronics Corporation	2.14	-
- Hella New Zealand Limited	3.01	3.52
- Hella Australia Pty. Limited	0.83	4.98
- Hella Shanghai Electronics Co., Ltd.	0.68	1.36
- Hella Romania SRL	27.25	32.33
- HELLA BHAP(Sanhe)Automotive Lighting Co.,Ltd	-	7.50
- Hella Automotive Mexico S.A.	0.04	3.56
- Hella Automotive Sales, Inc	0.06	-
- Hella Trading (Shanghai) Co. Ltd.	3.44	-
- Hella India Autoparts And Services Private Limited	109.47	-
- Hella Autotechnik Nova, s.r.o.	0.27	-
	480.62	178.01
	1,131.97	588.43
Other financial liabilities		
Intermediate holding company		
- Hella GmbH & Co. KGaA, Germany	7.43	7.43
Bank guarantee		
- Hella GmbH & Co. KGaA, Germany	3,300.00	3,300.00
(Bank guarantee given by Intermediate holding company against the cash credit facility availed by the Company)		

4.41 Leases

The Company as a lessee

The Company's leases primarily consists of leases for buildings. Generally the contracts are made for fixed period and does not have a purchase option at the end of lease term. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company applies the 'short-term lease' recognition exemptions for these leases with lease terms of 12 months or less than asset value Rs.3.50 lakhs.

(i) Amount recognised in the Balance sheet

The balance sheet shows the following amounts relating to the leases:

Particulars	As at 31 March 2026	As at 31 March 2025
Right-of-use assets		
Building	118.71	179.44
Total	118.71	179.44

Particulars	As at 31 March 2026	As at 31 March 2025
Lease liabilities		
Current	69.65	58.24
Non-current	75.78	145.43
Total	145.43	203.67

Maturity analysis of lease liabilities (on discounted basis)

Particulars	As at 31 March 2026	As at 31 March 2025
Within one year	69.65	58.24
Later than one year but less than five years	75.78	145.43
Later than five years	-	-
Total	145.43	203.67

(ii) The amount recognised in the statement of profit and loss

The statement of profit and loss shows the following amounts relating to the leases:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation charge of right-of-use of assets		
Building	60.73	61.04
Total	60.73	61.04

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Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense on lease liabilities (included in finance cost)	17.39	22.28
Expenses relating to short term and low value leases (included in other expenses)	41.88	34.53
The total cash outflow for leases for the year ended	75.63	71.11

(iii) **Extension and termination option**

Extension and termination options are included in various leases executed by the Company. These are used to maximise operational feasibility in terms of managing the assets used in company's operations. Generally, these options are exercisable mutually by both the lessor and lessee.

(iv) The Company do not have any operating leases under non-cancellable arrangement.

4.42 Earnings per share

Particulars	31 March 2026	31 March 2025
Profit after tax	3,811.09	1,760.13
Weighted average number of equity shares outstanding during the year	3,171,400	3,171,400
Basic and diluted earnings per share in rupees (face value – Rs. 10 per share)	120.17	55.50

The Company has not issued any potential equity shares and accordingly the basic earnings per share and diluted earnings per share is the same.

4.43 The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The management is of the opinion that its international transactions are at arms length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of income tax expense and that of provision for taxation.

4.44 The Company has used an accounting software for maintaining its books of account for the financial year ended 31 March 2026, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

4.45 Under Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years on Corporate Social Responsibility (CSR), pursuant to its policy in this regard. The Act requires such companies to constitute a Corporate Social Responsibility Committee which shall formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the CSR activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013.

	Particulars of amount paid during the year	For the year ended 31 March 2026	For the year ended 31 March 2025
a)	Amount required to be spent during the year	68.39	66.29
b)	Amount of expenditure incurred	68.39	66.29
c)	Shortfall/(excess) at the end of the year	-	-
d)	Total of previous years shortfall	-	-
e)	Reason for shortfall	NA	NA

f) Nature of CSR activities: Donation to CSR registered foundations

4.46 Capital management:

The Company's objective for managing capital is to ensure as under:
i) To ensure the company's ability to continue as a going concern.
ii) Maintaining a strong credit rating and healthy debt equity ratio in order to support business and maximize the shareholders' value.
iii) Maintain an optimal capital structure.
iv) Compliance financial covenants under the borrowing facilities.
For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company.
The Company manages its capital structure keeping in view of:
i) Compliance of financial covenants of borrowing facilities.
ii) Changes in economic conditions.

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings. There have been no breach in the financial covenants of any borrowing facilities in the current period. There is no change in the objectives, policies or processes for managing capital over previous year. To maintain the capital structure, the Company may vary the dividend payment to shareholders.

4.47 Financial risk management:

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks under appropriate policies and procedures.
(i) Market risk: Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include future commercial transactions, recognised financial assets and liabilities not denominated in Indian rupee.
(a) Foreign exchange risk:
The Company is exposed to foreign exchange risk through its sales and purchases from overseas in foreign currencies mainly in USD, EURO, AUD, JPY and CNY. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations may get adversely affected as the rupee appreciates/ depreciates against these currencies.

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The Company's foreign currency exposure not hedged is as follows:

Particulars	As at 31 March 2026		As at 31 March 2025	
	(in original currency in lakhs)	(in Rupees lakhs)	(in original currency in lakhs)	(in Rupees lakhs)
Trade receivable				
- EURO	14.73	1,561.81	21.48	1,946.78
- USD	14.55	1,349.03	5.81	491.01
Unbilled revenue				
- EURO	2.37	247.48	2.53	229.24
- USD	0.48	44.56	0.02	2.06
Cash in hand and at bank				
- EURO	6.35	672.74	1.77	160.72
- USD	1.57	145.43	1.11	93.57
Trade payables				
- EURO	8.36	920.44	6.03	567.38
- USD	2.31	218.95	1.05	90.92
- AUD	0.01	0.83	0.09	4.98
- JPY	7.07	4.21	1.16	0.67
- CNY	-	-	0.63	7.50
Capital creditors				
- EURO	0.51	56.34	-	-
- USD	0.09	8.59	-	-

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the Company's net profit/(loss) before tax by approximately Rs.402.11 lakhs and Rs.120.94 lakhs for financial assets and financial liabilities respectively for the year ended 31 March 2026.

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the Company's net profit/(loss) before tax by approximately Rs.256.13 lakhs and Rs.67.15 lakhs for financial assets and financial liabilities respectively for the year ended 31 March 2025.

(b) Interest rate risk: Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to any significant /material interest rate risk as the Company's long-term debt obligations are with fixed interest rates.

(c) Credit risk: Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by company's established policy, procedures and control relating to customer credit risk management. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was :-

Particulars	As at 31 March 2026	As at 31 March 2025
Investments	-	-
Other financial assets (current and non - current)	670.92	672.88
Cash and cash equivalents	3,240.05	1,113.67
Other bank balances	1,384.44	-
Trade receivables	7,425.76	5,875.11
Total	12,721.17	7,661.66

Particulars	As at 31 March 2026	As at 31 March 2025
Not past due	12,250.77	7,520.00
Past due 0-180 days	424.47	141.40
Past due 180 days-one year	-	-
More than one year	45.93	0.26
Total	12,721.17	7,661.66

Movement of allowance for financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
Opening allowance for financial assets	0.26	2.59
Add: Addition in allowances during the year	45.67	-
Less: Adjusted/reversed during the year	-	2.33
Closing allowance for impairment in financial assets	45.93	0.26

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d) **Liquidity risk**: The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of its funds in bank. Liquidity risk is managed by company's established policy & procedures made under liquidity risk management framework. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilities, by continuously forecast and actual cash flows, and by matching the maturity profile of financial assets and liabilities.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31 March 2026 and at 31 March 2025:

As at 31 March 2026

Particulars	Carrying amount	Contractual cash flows	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade payables	4,438.89	4,438.89	-	4,438.89	-	-	-	4,438.89
Borrowings								
Non-cumulative Non-convertible Redeemable Preference Shares	889.66	1,143.63	-	-	500.00	643.63	-	1,143.63
Other financial liabilities								
Lease liabilities	145.43	164.19	-	20.11	60.89	83.19	-	164.19
Interest accrued on borrowings	-	-	-	-	-	-	-	-
Payable on purchase of property, plant and equipment	163.79	163.79	-	163.79	-	-	-	163.79
Payable to shareholders on capital reduction	1,384.44	1,384.44	1,384.44	-	-	-	-	1,384.44
Other financial liabilities	7.43	7.43	-	7.43	-	-	-	7.43
Payable to employees	231.86	231.86	-	231.86	-	-	-	231.86
	7,261.50	**7,534.23**	**1,384.44**	**4,862.08**	**560.89**	**726.82**	**-**	**7,534.23**

As at 31 March 2025

Particulars	Carrying amount	Contractual cash flows	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade payables	2,840.86	2,840.86	-	2,840.86	-	-	-	2,840.86
Borrowings								
Non-cumulative Non-convertible Redeemable Preference Shares	797.37	1,143.63	-	-	-	1,143.63	-	1,143.63
Other financial liabilities								
Loan repayable on demand	1,217.07	1,217.07	1,217.07	-	-	-	-	1,217.07
Lease liabilities	203.67	239.83	-	17.80	57.83	164.20	-	239.83
Payable on purchase of property, plant and equipment	47.05	47.05	-	47.05	-	-	-	47.05
Other financial liabilities	7.43	7.43	-	7.43	-	-	-	7.43
Payable to employees	251.71	251.71	-	251.71	-	-	-	251.71
	5,365.16	**5,747.58**	**1,217.07**	**3,164.85**	**57.83**	**1,307.83**	**-**	**5,747.58**

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4.48 Fair value measurements

The carrying value of the Company's financial instruments by categories as follows:- (measured at amortised cost)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Investments	-	-	-	-
Other financial assets- non current	79.41	79.41	77.43	77.43
Trade receivables	7,425.76	7,425.76	5,875.11	5,875.11
Cash and cash equivalents	3,240.05	3,240.05	1,113.67	1,113.67
Other bank balances	1,384.44	1,384.44	-	-
Other financial assets- current	591.51	591.51	595.43	595.43
Total	**12,721.17**	**12,721.17**	**7,661.66**	**7,661.66**
Financial liabilities				
Borrowing	889.66	889.66	1,305.78	1,305.78
Trade payables	4,438.89	4,438.89	2,840.86	2,840.86
Other financial liabilities	1,787.52	1,787.52	306.19	306.19
Lease liabilities	145.43	145.43	203.67	203.67
Total	**7,261.50**	**7,261.50**	**4,656.50**	**4,656.50**

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

4.49 Other statutory information

a. There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) during the year ended 31 March 2026 (Previous Year Rs. Nil).

b. The Company did not enter into any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. (Previous Year Rs. Nil).

c. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

e. The Company has not been sanctioned any working capital amounts from banks or financial institutions on the basis of security of current assets.

f. The Company has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

g. The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

h. The Company do not have any transactions with companies struck off.

i. The Company has not granted 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 which are repayable on demand or without specifying any terms of repayment.

j. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediaries shall;
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

k. The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

l. On 21 November 2025, the Government of India has implemented four new Labour Codes (the "Labour Codes"), including the Code on Wages, 2019, which amended the definition of "wages". Based on the best information available, the Company carried out the actuarial valuation of gratuity and leave encashment and assessed that there is no material impact on provision and employee benefits expense arising from the change in wages definition. The Company continues to monitor the finalization of the Central and State Rules, as well as any further clarifications issued by the Government on other aspects of the Labour Codes and will record appropriate accounting impact as and when such developments occur.

m. **Dividend**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Proposed dividend on shares not recognised as liability by the Company		
Equity shares		
Final dividend for FY 2025-26 of Rs.24.03 per share	766.09	-
0.0000001% non-convertible, non-cumulative, redeemable preference shares		
Final dividend for FY 2025-26 of Rs.Nil per share	-	-
Total	**766.09**	-

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4.50 Composite Scheme of Arrangement

The Hon'ble National Company Law Tribunal, New Delhi Bench ("Hon'ble NCLT") vide its order dated 28 February 2025 has approved the Scheme of Arrangement ("the Scheme") between the Company and Hella India Autoparts and Services Private Limited (HIASPL) and their respective shareholders and creditors under Section 230 to 232 of the Companies Act, 2013 read together with Companies (Compromises, Arrangement and Amalgamations) Rules, 2016 for the capital reduction in the books of the Company, and upon completion of capital reduction, demerger of Independent Aftermarket Business of the Company ('IAM' or 'Demerged Undertaking') into the HIASPL. The Scheme became effective during the year and consequent thereto, the entire business of Demerged Undertaking stand transferred and vested in HIASPL as a going concern with effect from Appointed Date i.e. 01 April 2024.

The Company has given effect to Scheme as per the accounting treatment prescribed in the Scheme and the applicable accounting standards (Ind AS) as under:

a) Reduced 14.83% of equity share capital of the Company, by cancelling and extinguishing 552,313 equity shares of face value Rs.10.00 by paying identified shareholders of the Company. Shares were redeemed at a premium of Rs.1,039.17 per share and this amount has been utilised through securities premium account as per approved scheme. (refer note 4.14 and 4.15)

b) Transferred the assets, liabilities and reserves related to demerged undertaking at their respective carrying values to HIASPL (refer table given below)

c) Difference between the assets, liabilities and reserves related to demerged undertaking transferred pursuant to Scheme has been recognised in retained earnings as per approved Scheme.

Details of assets, liabilities and reserves transferred by the Company to HIASPL are as given below:

	01 April 2024 (Appointed date)
ASSETS	
a) Property, plant and equipment	154.72
b) Other intangible assets	0.81
c) Right-of-use assets	511.23
d) Other financial assets	52.60
e) Deferred tax assets (net)	145.37
f) Other assets	130.54
g) Inventories	1,914.94
h) Trade receivables	2,187.42
i) Cash and cash equivalents	271.35
Total assets (A)	**5,368.98**
Liabilities	
a) Lease liabilities	548.91
b) Provisions	253.75
c) Other liabilities	196.47
d) Borrowings	43.75
e) Trade payables	2,569.62
f) Other financial liabilities	106.26
Total Liabilities (B)	**3,718.76**
Reserves transferred (adjusted from the retained earnings) (C)	**4,142.28**
Net assets transferred (A-B-C) (Net amount recognised in retained earnings)	**(2,492.06)**

4.51 During the previous year, the Company had received an anonymous whistle-blower complaint raising serious allegations that certain senior personnel of the Company were engaged in certain wrongful, unethical and unlawful act(s) at the Derabassi plant, Punjab of the Company. In response, an initial enquiry was conducted by FORVIA's Internal Audit - Fraud & Task Force Department. However, post this enquiry, the Company has decided and engaged two external firms for fact-finding review cum investigation who submitted their detailed reports dated 10 October 2025 and 14 November 2025 respectively to the Company.

These reports have been taken on records by Board of Directors in its meeting held on 20 November 2025. Accordingly, the Board of Directors of the Company have taken / proposes to undertake Corrective and Preventive Actions (CAPA) in order to strengthen internal controls and overall functioning of concerned departments of the Company.

Further, with regard to the said matter, the statutory auditor of the Company, has filed form ADT-4 on 21 November 2025 with the Registrar of Companies, NCT of Delhi & Haryana, Ministry of Corporate Affairs ("MCA") pursuant to the requirements of section 143(12) of the Companies Act, 2013 ('the Act') read with sub-rules (2) and (3) of Rule 13 of the Companies (Audit and Auditors) Rules, 2014 (as amended by the Companies (Audit and Auditors) Amendment Rules, 2015).

The management of the Company has ascertained the financial adjustment due to suspected fraud, to the extent ascertainable, amounting to Rs. 588.84 lakhs with corresponding recoverable amount from the alleged employees/vendors (including amount of earlier years). Moreover, the Company is taking necessary legal action(s) as per applicable laws and FORVIA HELLA's policies. In this regard, the Company has suspended four (4) suspected employees and has also served chargesheets to them. Subsequent to the year end, upon submission of the report by the Inquiry Officers, the Company has terminated the services all of four (4) employees. The Company is in the process of pursuing legal proceeding(s) as per applicable laws of India, in order to recover the defrauded amount(s). Based on its assessment, the Management is confident of recovering the amount from the concerned employees and, accordingly, is of the view that no provision is required to be made in this regard at this stage.

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4.52 Ratios

S. No.	Particulars	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	Variance	% Change	Reason for change
1	Current Ratio (in times)	Current Assets	Current Liabilities	2.37	2.25	0.12	5.33%	Not required
2	Debt-Equity Ratio (in times)	Total Debt (including Current maturities of Long Term Borrowings and excluding lease liabilities)	Shareholder's Equity	0.06	0.07	(0.01)	-14.29%	Not required
3	Debt Service Coverage Ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Interest expenses	Debt service = Interest & Lease Payments + Principal Repayments	17.93	9.60	8.33	86.80%	Increase in profits and debt has been repaid in earlier years
4	Return on Equity Ratio (%)	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	13.57	14.49	(0.92)	-6.35%	Not required
5	Inventory turnover ratio (in times)	Cost of goods sold	Average Inventory	4.14	4.34	(0.20)	-4.61%	Not required
6	Trade Receivables turnover ratio (in times)	Net sales = Total sales - sales return	Average Trade Receivable	4.77	4.19	0.58	13.84%	Not required
7	Trade payables turnover ratio (in times)	Total purchases of raw material, store and spares and stock in trade	Average Trade Payables	4.16	4.08	0.08	1.96%	Not required
8	Net capital turnover ratio (in times)	Net sales = Total sales - sales return	Average Working capital = Current assets – Current liabilities	3.08	3.89	(0.81)	-20.82%	Not required
9	Net profit ratio (%)	Net Profit	Net sales = Total sales - sales return	12.01	7.01	5.00	71.33%	Increase in profits as a result on increase in sales
10	Return on Capital employed (%)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax	277.03	329.41	(52.38)	-15.90%	Not required
11	Return on investment (%)	Income generated from investments	Time weighted average investments	27.15	27.01	0.14	0.52%	Not required

Formulae for computation of ratios are as follows:

Current Ratio	Current assets/ Current liabilities
Debt- Equity Ratio	Total debt/ Total equity
Debt Service Coverage Ratio	Net profit before interest and taxes / Debt service including lease payments and Principal repayments
Return on Equity Ratio	Net income / Average shareholder's equity
Inventory Turnover Ratio	(Revenue from operations+Other operating income) less EBITDA / Average Inventory
Trade Receivables Turnover Ratio	(Revenue from operation+Other operating income)/ Average Trade Receivables
Trade payables turnover ratio	Net Purchase/ Average Trade payables
Net capital turnover ratio	Net Sales/ Working Capital
Net profit ratio	Net profit after tax before exceptional item (net of tax) / Revenue from operations+ Other operating income)
Return on Capital employed	Net profit x 100/Capital employed [Capital employed = Fixed Assets + Current Assets - Current Liabilities]
Return on investment	Net Profit after interest and taxes/ Shareholders funds X 100

For and on behalf of Board of Directors of
Hella India Lighting Limited

Manoj Singh
Managing Director
DIN- 09839019

Stefan Van Dalen
Director
DIN- 09675112

Ankitee Khanna
Company Secretary
ACMA- 61464

Amit Kumar Sharma
Chief Financial Officer
ACA- 426646

Place: Gurugram
Date: 11 September 2026

S N DHAWAN & CO LLP CHARTERED ACCOUNTANTS GURUGRAM

HELLA INDIA LIGHTING LTD. DERA BASSI