

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**Fritzmeier Motherson Cabin Engineering Private Limited**

### **Report on the Audit of the Ind AS Financial Statements**

#### **Opinion**

We have audited the accompanying Ind AS financial statements of **Fritzmeier Motherson Cabin Engineering Private Limited** ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.



**LLP ID No.: AAC-5662**

#### **Branch Office :**

613, Suncity Business Tower, Golf Course Road, Gurgaon-122002  
813, Oxford Towers, 139, Airport Road, Bangalore-560 008

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no other key audit matters to communicate in our report.

## Other Information or another title if appropriate, such as "Information Other than the Financial Statements and Auditor's Report Thereon"

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended]. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





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

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

## **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

A handwritten signature in blue ink is written over a circular stamp. The signature is a stylized, cursive 'R' followed by a checkmark-like flourish. The circular stamp is faint and appears to contain text around its perimeter, but it is mostly illegible.

# R.N. MARWAH & CO. LLP

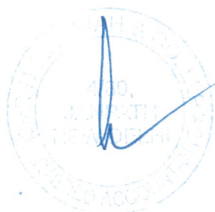
## CHARTERED ACCOUNTANTS

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit. We give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"** to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;





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(h) 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 Ind AS financial statements – Refer Note No. 38.A to the Ind AS financial statements;
- ii. The Company did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;
- iii. There is no amount which were required to be transferred to Investor Education and Protection Fund by the company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures 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.



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- v. (a) The Company has proposed dividend in the previous year thus company has paid any final dividend during year.
- (b) The Company has not paid any interim dividend declared and paid by the Company during the year.
- (c) The Board of Directors of the Company has not proposed any final dividend for the year.

For **R.N. Marwah & Co. LLP**

Chartered Accountants

(Firm's Registration No. 001211N/N500019)

**Manoj Gupta**

Partner

(Membership No. 096776)

UDIN: 23096776BQRXG1815

Place: *New Delhi*

Date: *15/05/2023*





**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Fritzmeier Motherson Cabin Engineering Private Limited of even date)**

(i)

- a. 1). The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- 2). The Company has no intangibles assets during the year; therefore this clause for disclosure of proper records showing full particulars of intangible assets is not applicable.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, certain property, plant and equipment were verified during the year on 31<sup>st</sup> March, 2023. 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 discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e. According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)

- a. The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of

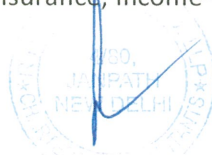


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such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii). According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv). According to the records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v). The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi). According to the information and explanations given to us, the Central Government has prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it, where turnover is more than Rupees hundred Crore. According to the information and explanations given to us, the Company has made and maintained the cost records for its manufactured goods (and/or services provided by it) as prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and Cost Auditor has also been appointed for Financial Year 2022-23. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii).
- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess





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and other statutory dues have been regularly deposited by the company with the appropriate authorities.

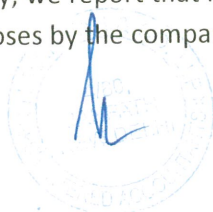
- b. According to the information and explanations given to us, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Central Excise Act, 1944	Excise Duty	Rs.10.3 Mns	2010-11 to 2014-15	CESTAT	
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	Rs.2.6 Mns	2014-15	Chennai High Court	

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

(ix)

- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks or financial institutions during the year.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c. In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- d. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.



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- e. According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under Companies Act, 2013.
- f. According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under Companies Act, 2013).

(x).

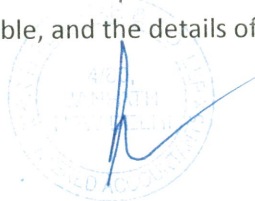
- a. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi).

- a. Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. Establishment of vigil mechanism is not mandated for the Company. We have taken into consideration the whistle blower complaints received under the vigil mechanism established voluntarily by the Company during the year and shared with us while determining the nature, timing and extent of our audit procedures. As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

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

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions





have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv).

- a. Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv)

In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi).

- a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- b. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- d. The Company is not part of any group. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

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

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



# R.N. MARWAH & CO. LLP

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- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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) .In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (xxi) According to the information and explanations given to us and based on our examination, no consolidated financial statements are to be prepared of the Company. Accordingly, clauses 3(xxi) of the Order are not applicable.

For **R.N. Marwah & Co. LLP**  
Chartered Accountants  
(Firm's Registration No. 001211N/N500019)

**Manoj Gupta**

Partner

(Membership No. 096776)

UDIN: 23096776BGRK7G1815

Place: New Delhi

Date: 15/05/2023



**Annexure-B**

**Annexure to the Independent Auditor's Report**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Fritzmeier Motherson Cabin Engineering Private Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

## Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **R.N. Marwah & Co. LLP**  
Chartered Accountants  
(Firm's Registration No. 001211N/N500019)

**Manoj Gupta**

Partner

(Membership No. 096776)

UDIN: 23096776BhQRXG1815

Place: New Delhi

Date: 15/05/2023.



(All amounts in Mn [INR], unless otherwise stated)

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

As per our report attached  
for R.N.Marwah & Co. LLP  
Chartered Accountants  
FRN 001211N/N500019

Manoj Gupta  
Partner  
M. No. 096776

Place : New Delhi  
Date : 15/05/2023

Date : 15/05/2023.  
UDIN: 230967765 and RPH1815

Neha Mahawar  
Company Secretary  
M NO. ACS 25144





Fritzmeier Motherson Cabin Engineering Private Limited  
CIN: U31908DL2007PTC162125  
Statement of profit and loss for the year ended March 31, 2023

(All amounts in Mn (INR), unless otherwise stated)

	Note	For the year ended	
		March 31, 2023	March 31, 2022
<b>Revenue</b>			
Revenue from operations	21	1,900	1,134
Other Income	22	0	1
<b>Total Income</b>		<b>1,900</b>	<b>1,135</b>
<b>Expenses</b>			
Cost of materials consumed	23	1,052	638
Changes in inventory of finished goods and work-in-progress	24	14	-48
Employee benefits expense	25	287	229
Depreciation and amortization expense	3&3a	55	49
Finance costs	26	27	18
Other expenses	27	275	177
<b>Total expenses</b>		<b>1,710</b>	<b>1,057</b>
<b>Profit before exceptional items</b>		<b>190</b>	<b>78</b>
Exceptional items (income)/ expense		-	-
<b>Profit before tax</b>		<b>190</b>	<b>78</b>
<b>Tax expenses</b>			
Current tax	28	49	14
Less: MAT credit entitlement	16a	-	-
Net current tax		49	14
MAT credit entitlement for earlier years		0	-
Short/(excess) provision for earlier years		1	-0
-Deferred tax expense/ (credit)	16a	4	8
<b>Total tax expense</b>		<b>54</b>	<b>22</b>
<b>Profit for the year</b>		<b>136</b>	<b>56</b>
<b>Other comprehensive (Income) / Loss</b>			<b>1</b>
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of post-employment benefit obligations		2	(3)
Deferred tax on Remeasurements of post-employment benefit obligations		0	1
<b>Other comprehensive income for the year, net of tax</b>		<b>2</b>	<b>(1)</b>
<b>Total comprehensive income for the year</b>		<b>134</b>	<b>57</b>

**Earnings per share: (Refer Note 29)**

Nominal value per share: Rs. 10/- (Previous year: Rs 10/-)

Basic

Diluted

29	2.72	1.12
	2.72	1.12

**Summary of significant accounting policies**

2

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

For and on behalf of the Board

As per our report attached  
for R.N.Marwah & Co. LLP  
Chartered Accountants  
FRN 001211N/N500018



Manoj Gupta  
Partner  
M. No. 096776



Georg Fritzmeier  
Director  
DIN 01099055



V C Sehgal  
Director  
DIN 00291126

  
T.C. Thirumalai Aravamudan  
COO & Manager  
PAN:ACMPT4399P

  
T Y Sampathkumar  
CFO  
PAN:AWEPK9971E

  
Neha Mahawar  
Company Secretary  
M NO. ACS 25144

Place: New Delhi  
Date: 15/05/2023.

UDIN: 23096776B6DRX61815



Fritzmeier Motherson Cabin Engineering Private Limited  
CIN: U31908DL2007PTC162125  
Statement of changes in equity for the ended March 31, 2023

(All amounts in Mn (INR), unless otherwise stated)		
A. Equity share capital	Notes	Amount
As at March 31, 2021	12	500
Changes in Equity Share capital		-
As at March 31, 2022		500
Changes in Equity Share capital		-
As at March 31, 2023		500
B. Other equity	Note	Amount
Retained earnings		
Balance as at March 31, 2021	13	98
Profit for the year		57
Other comprehensive Income		1
Total comprehensive Income for the year		58
Dividend paid		(9)
Tax on Dividend		-
Balance as at March 31, 2022		147
Profit for the year		136
Other comprehensive Income		(2)
Total comprehensive Income for the year		134
Dividend paid		(11)
Tax on Dividend		-
Balance as at March 31, 2023		270

The above statement of changes in equity should be read in conjunction with the accompanying notes

Summary of significant accounting policies

2

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

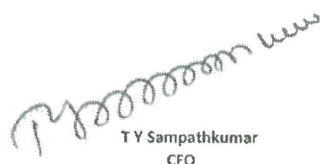
For and on behalf of the Board

  
Georg Fritzmeier  
Director  
DIN 01099055

  
V C Sehgal  
Director  
DIN 00291126

As per our report attached  
For R.N.Marwah & Co. LLP  
Chartered Accountants  
FRN 001211N/N500019  
  
Manoj Gupta  
Partner  
M. No.096776

  
T.C. Thirumalai Saravanan  
COO & Manager  
PAN:ACMPT4399P

  
T Y Sampathkumar  
CFO  
PAN:AWEPK9971E

Place: New Delhi  
Date: 15/05/2023

UDIN: 23096776B6Q R X G 1815

  
Neha Mahawar  
Company Secretary  
M NO. ACS 25144





Fritzmeler Motherson CabIn Engineering Private Limited  
CIN: U31908DL2007PTC162125  
Cash Flow Statement for the year ended March 31, 2023

(All amounts in Mn (INR), unless otherwise stated)

	For the year ended	
	March 31, 2023	March 31, 2022
<b>A. Cash flow from operating activities:</b>		
Net profit before tax	190	78
Adjustments for:		
Other comprehensive Income including employee benefit obligation	(1)	(1)
Depreciation & Amortisation	55	43
Provision for Bad debts	3	
Provision for inventory	1	1
Interest Income	(0)	(1)
Finance cost	27	18
Unrealised foreign exchange (gain)/loss (net)	0	(0)
<b>Operating profit before working capital changes</b>	<b>275</b>	<b>138</b>
<b>Change In working Capital:</b>		
Increase/(Decrease) in Trade Payables	(2)	(21)
Increase/(Decrease) in Other Payables	1	(8)
Increase/(Decrease) in Other Current Liabilities	7	(5)
(Increase)/Decrease in Trade Receivables	(64)	61
(Increase)/Decrease in Inventories	(48)	(65)
(Increase)/Decrease in Other current assets	(1)	3
(Increase)/Decrease in Other non current assets	(8)	(1)
<b>Cash generated from operations</b>	<b>160</b>	<b>102</b>
- Taxes paid	(38)	(16)
Income tax refund	3	9
<b>Net cash generated from operations</b>	<b>125</b>	<b>95</b>
<b>B. Cash flow from Investing activities:</b>		
Payments for property, plant, equipment and CWIP	(10)	(118)
Interest received	0	(0)
<b>Net cash used in Investing activities</b>	<b>(10)</b>	<b>(118)</b>
<b>C. Cash flow from financing activities:</b>		
Interest paid	(27)	-18
Proceeds from long term borrowings	(54)	20
Dividend paid	(11)	-9
Repayment of other short term borrowings	(21)	33
Repayment of Lease liability	(2)	-1
<b>Net cash used in financing activities</b>	<b>(115)</b>	<b>25</b>



Net Increase/(Decrease) In Cash & Cash Equivalents	(0)	-
Net Cash and Cash equivalents at the beginning of the year	1	1
Cash and cash equivalents		
Net Cash and cash equivalents as at current year closing	1	1
Cash and cash equivalents comprise of the following (Note 10)		
Cash on hand	0	0
Cheques / drafts on hand		
Balances with banks	1	1
Less: Bank overdraft / cash credit	-	-
Cash and cash equivalents as per Balance Sheet	1	1
Effect of exchange differences on balances with banks in foreign currency	-	-
Total	1	1

Notes:

- i) The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".  
ii) Figures in brackets indicate Cash Outflow.


For and on behalf of the Board

  
Georg Fritzsche  
Director  
DIN 01099055

  
V.C. Sehgal  
Director  
DIN 00291126

As per our report attached  
For R.N.Marwah & Co. LLP  
Chartered Accountants  
FRN 001211N/N500019  
  
Manoj Gupta  
Partner  
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COO & Manager  
PAN:ACMPT4399P

  
Sampathkumar  
CFO  
PAN:AWEPK9971E

  
Neha Mahawar  
Company Secretary  
M NO. ACS 25144

Place : New Delhi  
Date : 15/05/2023

UDIN: 23096776B6DRX6181C





Fritzmeler Motherson Cabin Engineering Private Limited

CIN: U31908DL2007PTC162125

Notes to the financial statements for the year ended March 31, 2023

(All amounts in Mn (INR), unless otherwise stated)

**1 Corporate Information**

The Company was incorporated on April 16, 2007 pursuant to a joint venture agreement between F Holding GmbH, Austria, a company incorporated in Austria and Samvardhana Motherson International Limited, a company incorporated in India. F Holding GmbH and Samvardhana Motherson International Limited along with its associates hold 50% and 50% of the shareholding respectively in the company. The company is engaged in manufacturing of driver cabins for off-highway vehicles. On 20th March 2023, Samvardhana Motherson International Limited had acquired 50% of holding from F Holding GmbH, Austria.

**2.1 Significant accounting policies**

**(a) Basis of preparation**

Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and
- Defined benefit pension plans – plan assets measured at fair value

The financial statements are presented in Mn (INR), except when otherwise indicated.

**(b) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Officer "COO" of the Company. The COO is responsible for allocating resources and assessing performance of the operating segments. The Company has monthly review and forecasting procedure in place and COO reviews the operations of the Company as a whole.

**(c) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- 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.

**(d) Foreign currencies**

**(i) Functional and presentation currency**

The Company's functional currency is Indian Rupee and the financial statements are presented in Mn (Indian Rupee).



Fritzmeier Motherson Cabin Engineering Private Limited

CIN: U31908DL2007PTC162125

Notes to the financial statements for the year ended March 31, 2023

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in other comprehensive income if they relate to qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange differences regarded as an adjustment to borrowing cost are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments (other than investment in subsidiaries, joint ventures and associates) classified as FVOCI are recognised in other comprehensive income.

(e) Revenue recognition

The company recognises revenue from contracts with customers based on a five-step model as set out in IND AS 115

Step 1. Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the company satisfies a performance obligation.

The company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met

(a) The company's performance does not create an asset with an alternate use to the company and the company has an enforceable right to payment for performance completed to date

(b) The company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

(c) The customer simultaneously receives and consumes the benefits provided by the company's performance as the company performs.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the company satisfies a performance obligation by delivering the promised goods or services it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

Revenue is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue and costs, if applicable, can be measured reliably.

**Sale of goods:**

Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Sales are recognised at single point of time when the control of goods are transferred to the buyer as per the terms of contract.

**Sale of services:**

Revenues from the sale of services are recorded at single point of time when the performance obligation as per contract has been satisfied.

**Interest income**

Interest is recognised using the effective interest rate (EIR) method, as income for the period in which it occurs. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of financial instrument (for example, prepayment, extension, charges, call and similar options) but does not consider expected credit losses.

(f) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.



Notes to the financial statements for the year ended March 31, 2023

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(g) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a Lessee

The company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Motor vehicles and other equipment's 0 to 5 years.

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2 (h) Impairment of non-financial assets

ii) Lease Liabilities.

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The company's lease liabilities are included in interest-bearing loans and borrowings.

iii) Short-term leases and leases of low-value assets

The company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

- Quantitative disclosures and other disclosures are at Note 39

As a Lessor





Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their respective nature.

**(h) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or companies of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually at the end of the financial year at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

**(i) Cash and cash equivalents**

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

**(j) Trade receivables**

Trade receivables are the amount due from customers for goods or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are initially recognised at fair value plus transaction cost. Trade receivables are measured at amortized cost using effective interest method less any necessary write downs.

**(k) Inventory**

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value.

Cost of raw material and traded goods comprise cost of purchase and is determined after rebate and discounts. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.



Fritzmeier Motherson Cabin Engineering Private Limited

CIN: U31908DL2007PTC162125

Notes to the financial statements for the year ended March 31, 2023

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any names or lossess on qualifying cash flow hedges relating to purchase of raw material but excludes borrowing costs. Costs are determined on weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.



Fritzmeier Motherson Cabin Engineering Private Limited

CIN: U31908DL2007PTC162125

Notes to the financial statements for the year ended March 31, 2023

**(i) 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**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**Debt Instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.





Fritzmeler Motherson Cabin Engineering Private Limited

CIN: U31908DL2007PTC162125

Notes to the financial statements for the year ended March 31, 2023

**Debt Instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income in statement of profit and loss using the EIR method.

**Debt Instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

**Equity Investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.



Fritzieler Motherson Cabin Engineering Private Limited

CIN: U31908DL2007PTC162125

Notes to the financial statements for the year ended March 31, 2023

#### Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions.
- d) Loan commitments which are not measured as at FVTPL
- e) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- \* Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- \* Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the 'accumulated impairment amount'.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

#### Financial liabilities

##### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

##### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated Ind AS as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

##### Loans and borrowings



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This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings and other payables.

#### Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

#### Derecognition

A financial liability is derecognised 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.





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#### Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a nonderivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in statement of profit and loss, unless designated as effective hedging instruments.

#### Off setting of financial Instruments

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

#### (m) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
  - In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- \* Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- \* Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- \* Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

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



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Notes to the financial statements for the year ended March 31, 2023

**(n) Property, Plant and equipment**

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

The cost of self-generated assets comprises of raw material, components, direct labour, other direct cost and related production overheads.

**Depreciation methods and useful lives**

Depreciation is calculated using the straight-line method over estimated useful lives of the assets & Depreciation on additions is charged from the month the asset is available for use, while no depreciation is charged in the month the assets is disposed off

Assets	Useful life
Freehold Land	Nil
Building Factory	30 years
Plant & machinery	9.67 Years
Plant & machinery (Secondhand)	4 years
Plant & machinery (Racks Stands & Trolleys)	1 year
Furniture & fixtures	6 years
Electrical installations	10 Years
Office equipment	5 years
Computers	3 years
Vehicles	4 years
Software	3 years

\*Useful life of these assets are lower than the life prescribed under Schedule II to the Companies Act, 2013 and those has been determined based on an assessment performed by the management of expected usage of these assets. The assets residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

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

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

**(o) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transactions costs) and the redemption amount is recognised in the profit or loss over the period of borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services or amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are reclassified as current liabilities unless the company has an unconditional right to defer settlement of a liability for at least 12 months after the reporting period.

**(p) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of the time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are the assets that necessarily take a substantial period of time to get ready for the intended use or sale.

Other borrowings costs are expensed in the period in which they are incurred

**(q) Provisions and contingent liabilities**

**Provisions**

Provisions for legal claims, product warranties and make good obligations are recognised when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.



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Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

#### (r) Employee benefits

##### Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

##### Provident Fund

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. The company recognizes contribution payable to the provident fund scheme as expenditure in the statement of profit and loss, when an employee renders the related service.

##### Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions to Life Insurance Corporation of India (LIC) under its Company's Gratuity Scheme whereas others are not funded.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Past-service costs are recognised immediately in income.

##### Compensated Absences

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

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss in the period in which they arise. Past-service costs are recognised immediately in income.

#### (s) Dividends

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved in the shareholders' meeting and the Board of Directors respectively.





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Notes to the financial statements for the year ended March 31, 2023

(t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.2 Critical estimates and judgements

The presentation of a financial statements require the use of accounting estimates, which by definition, will seldom equal the actual results. Management also needs to exercise judgements in applying the company's accounting policies.

This note provides an overview of all the areas that are involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in financial statements

The areas involving critical estimates and judgements are:

- Estimation of current tax expenses and payable - Note 28
- Estimated of fair value of unlisted securities - Note 30
- Estimated useful life of intangible assets - Note 3(b)
- Estimation of defined benefit obligation - Note 16
- Recognition of deferred tax assets for carried forward losses - Note 6

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have financial impact on the company and that are believed to be reasonable under the circumstances.

2.3 Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, there are no significant judgements established by the management.

Estimates and adjustments

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful life of property, plant and equipment

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(ii) Fair valuation of unlisted securities

When the fair value of unlisted securities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 35 of the financials.

(iii) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.



(All amounts in INR, unless otherwise stated)

3. Property, plant and equipment	Particulars	Freehold Land	Buildings	Plant & Machinery Refer note (iv)	Furniture & fixtures	Office equipments	Computers	Vehicles	Total	Capital work-in-progress
	Gross carrying amount:									
	Opening gross carrying amount as at April 01, 2021	55	228	222	0	0	3	+	508	196
	Addition	-	193	114	0	0	1	+	308	177
	Disposal	-	-	-	-	-	-	-	-	(366)
	Closing gross carrying amount as at March 31, 2022	55	421	336	0	0	4	+	816	7
	Accumulated depreciation									
	Opening accumulated depreciation as at April 01, 2021	-	40	93	0	0	3	+	136	-
	Depreciation charge during the year	-	16	25	0	0	1	+	42	-
	Disposals	-	-	-	-	-	-	-	-	-
	Closing accumulated depreciation as at March 31, 2022	-	56	118	0	0	4	+	178	-
	Net carrying amount as at March 31, 2022	55	365	218	(0)	-	-	-	638	7
	Gross carrying amount:									
	Opening gross carrying amount as at April 01, 2022	55	420	336	0	1	5	+	817	7
	Addition	-	-	15	0	1	1	+	17	3
	Disposal	-	-	-	-	-	-	-	-	(10)
	Closing gross carrying amount as at March 31, 2023	55	420	351	0	2	6	+	834	-
	Accumulated depreciation									
	Opening accumulated depreciation as at April 01, 2022	-	57	118	0	1	3	+	179	-
	Depreciation charge during the year	-	17	96	0	-	1	+	54	-
	Disposals	-	-	-	-	-	-	-	-	-
	Closing accumulated depreciation as at March 31, 2023	-	74	154	0	1	4	+	233	-
	Net carrying amount as at March 31, 2023	55	346	197	0	1	2	+	601	-

(i) Refer to note 35 for information on property plant and equipment hypothecated as security by the Company

(ii) Contractual obligations: Refer to note 36 for disclosure on contractual commitments for the acquisition of property, plant and equipment.



3a. Right-of-use-assets

(All amounts in Mn (INR), unless otherwise stated)

Particulars	Plant & Machinery	Vehicles	Total
<b>Year ended March 31, 2021</b>			
Gross carrying amount			
Opening gross carrying amount as at April 01, 2021	3	1	4
Adjustment in opening balance on account of Ind AS 116	-	-	-
Addition during the year	-	2	2
Disposal during the year	-	-	-
Other adjustment	-	-	-
Closing gross carrying amount as at March 31, 2022	3	3	6
Accumulated depreciation			
Opening accumulated depreciation as at April 01, 2021	2	0	2
Depreciation charge during the year	0	1	1
Disposals	-	-	-
Impairment loss	-	-	-
Other adjustment	-	-	-
Closing accumulated depreciation as at March 31, 2022	2	1	3
Net carrying amount as at March 31, 2022	1	2	3
<b>Gross carrying amount</b>			
Opening gross carrying amount as at April 01, 2022	3	3	6
Adjustment in opening balance on account of Ind AS 116	-	-	-
Addition during the year	-	3	3
Disposal during the year	(2)	(1)	(3)
Other adjustment	-	-	-
Closing gross carrying amount as at March 31, 2023	1	5	6
Accumulated depreciation			
Opening accumulated depreciation as at April 01, 2022	2	1	3
Depreciation charge during the year	1	0	1
Disposals	(2)	(1)	(3)
Closing accumulated depreciation as at March 31, 2023	1	0	1
Net carrying amount as at March 31, 2023	(0)	5	5





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Notes to the financial statements for the year ended March 31, 2023

(All amounts in Mn (INR) , unless otherwise stated)

4. Intangible assets

Particulars	Technical Knowhow Fees	Business and Commercial Rights	Intellectual Property Rights	Software
<b>Year ended March 31, 2022</b>				
Gross carrying amount				-
Opening gross carrying amount as at April 01, 2021	-	-	-	-
Addition	-	-	-	-
Addition on account of acquisition	-	-	-	-
Disposal	-	-	-	-
Closing gross carrying amount as at March 31, 2022	-	-	-	-
Accumulated amortisation				
Opening accumulated amortisation as at April 01, 2021	-	-	-	-
Amortisation charge during the year	-	-	-	-
Disposals	-	-	-	-
Addition on account of acquisition	-	-	-	-
Impairment loss	-	-	-	-
Other adjustment	-	-	-	-
Closing accumulated amortisation as at March 31, 2022	-	-	-	-
<b>Net carrying amount as at March 31, 2022</b>	-	-	-	-
<b>Year ended March 31, 2023</b>				
Gross carrying amount				-
Opening gross carrying amount as at April 01, 2022	-	-	-	-
Addition	-	-	-	-
Addition on account of acquisition	-	-	-	-
Disposal	-	-	-	-
Closing gross carrying amount as at March 31, 2023	-	-	-	-
Accumulated amortisation				
Opening accumulated amortisation as at April 01, 2022	-	-	-	-
Amortisation charge during the year	-	-	-	-
Disposals	-	-	-	-
Addition on account of acquisition	-	-	-	-
Impairment loss	-	-	-	-
Other adjustment	-	-	-	-
Closing accumulated amortisation as at March 31, 2023	-	-	-	-
<b>Net carrying amount as at March 31, 2023</b>	-	-	-	-

\* Represents purchased intangible assets

\*\* On transition to Ind AS, the Company has elected to continue with the carrying value of its Intangible assets recognised as at April 01, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible assets. The original cost of software as on April 1, 2017 is INR MN 2.66 which has been fully depreciated upto transition date of Ind AS. Hence, the deemed cost of software as on April 1, 2017 is INR Nil



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Notes to the financial statements for the year ended March 31, 2023

(All amounts in Mn (INR), unless otherwise stated)

5. Investments

Equity Investments at FVTOCI

Investment in 1,40,000 (March 31, 2022: 1,40,000) equity shares of Rs. 10/- each in M/s Cauvery Power Generation Chennai Pvt. Ltd.

Less: Diminution in Value of Investment at FVTOCI

TOTAL

\*Purchased in accordance with the terms and conditions and for the purpose of procurement of power from the Company

Aggregate amount of quoted investments and market value thereof

Aggregate amount of unquoted investments

March 31, 2023	March 31, 2022
1	1
(1)	(1)
-	-

6. Other financial assets

(Unsecured, considered good)

Security Deposits

- Related Parties (Refer note 33)

- Others

Deposits with gratuity trust

March 31, 2023		March 31, 2022	
Current	Non-current	Current	Non-current
-	3	-	1
-	7	-	5
-	-	-	0
Total	10	-	6

7. Other non-current assets

(Unsecured, considered good, unless otherwise stated)

Capital advances

- Related parties (refer note 33)

- MSME

Deposit towards appeals filed with CESTAT

Prepaid expenses

Gratuity fund (net of provision)

Total

March 31, 2023	March 31, 2022
6	-
1	1
1	2
-	1
8	4



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(All amounts in ₹ lakhs, unless otherwise stated)

6. Inventories

Raw materials & components  
Goods in transit (purchases)\*  
Work-in-progress  
Finished goods  
Consumable stores and maintenance spares  
Less: provision for obsolete stock\*\*

Total

	March 31, 2022	March 31, 2023
Raw materials & components	182	116
Goods in transit (purchases)*	24	29
Work-in-progress	198	143
Finished goods	-	1
Consumable stores and maintenance spares	10	8
Less: provision for obsolete stock**	(11)	(10)
<b>Total</b>	<b>303</b>	<b>287</b>

\*Inventory includes inventory in transit comprising:  
Raw materials  
Amount recognized in profit or loss:

34 29

\*\*Provision for obsolete stock:  
Opening balance  
Less: Provision reversed during the year  
Add: Provision made during the year  
Closing balance

30  
-  
1  
31

8. Trade receivables

Unsettled, Considered good unless otherwise stated:  
Related parties (refer note 23)  
Others  
Credit Impaired  
Less: Allowance for credit loss

Total

	March 31, 2022	March 31, 2023
Current	-	-
Non-current	-	-
Current	238	177
Non-current	6	3
<b>Total</b>	<b>244</b>	<b>180</b>
Less: Allowance for credit loss	6	3
<b>Total</b>	<b>238</b>	<b>177</b>

Amount in the provision for doubtful debts:  
Opening balance  
(Provision made); Reversed during the year  
Less: Written off  
Closing balance

(1) (1)  
(2) (2)  
- -  
149 10

Particulars	Less than 6 months		6 months to 1 year		1 to 2 years		2 to 3 years		More than 3 years		Total	
	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023
A. Unsettled trade receivables - considered good												
- Related Parties												
- Others	238	177	0	3	0	3	0	3	0	3	238	177
B. Unsettled trade receivables - Which have significant increase in credit risk												
- Others												
C. Unsettled trade receivables - Credit Impaired												
- Others			0	3	0	3	0	3	0	3	0	3
- Less: Allowance for credit loss			0	3	0	3	0	3	0	3	0	3
D. Disputed trade receivables - considered good												
- Others												
E. Disputed trade receivables - Which have significant increase in credit risk												
- Others												
F. Disputed trade receivables - Credit Impaired												
- Others												
<b>Total</b>	<b>238</b>	<b>177</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>238</b>	<b>177</b>





[All answers to Qs. 1-5] ; unless otherwise stated

March 21, 2016                      May 19, 2017

08/07/21, 00:23	08/07/21, 00:23
1	1
0	0
1	1

## March 9, 2018 March 26, 2018

March 31, 2013	March 31, 2012
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
26	26
27	27
28	28
29	29
30	30
31	31

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Fritzmeier Motherson Cabin Engineering Private Limited

CIN: U31908DL2007PTC162125

Notes to the financial statements for the year ended March 31, 2023

(All amounts in Mn (INR) , unless otherwise stated)

## 12. Share Capital

	March 31, 2023	March 31, 2022
<b>Authorised:</b>		
50,000,000 Equity Shares of Rs.10/- each fully paid up	500	500
(March 31, 2023: 50,000,000 Equity Shares of Rs.10/- each)		
<b>Issued, Subscribed and Paid up:</b>		
50,000,000 Equity Shares of Rs.10/- each fully paid up	500	500
(March 31, 2023: 50,000,000 Equity Shares of Rs.10/- each)		
<b>Total</b>	<b>500</b>	<b>500</b>

### a. Movement in equity share capital

	Numbers
<b>As at March 31, 2021</b>	50,000,000
Shares issued during the year	-
<b>As at March 31, 2022</b>	50,000,000
Shares issued during the year	-
<b>As at March 31, 2023</b>	50,000,000
Shares issued during the year	-
	<b>50,000,000</b>

### b. Rights, preferences and restrictions attached to shares

#### Equity Shares:

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

### c. Details of shares held by the promoters in the Company.

	March 31, 2023			March 31, 2022		
	Nos.	%	% Of Change during the year	Nos.	%	% Of Change during the year
<b>Equity shares:</b>						
<b>Name of the Promoters</b>						
F Holding GMBH	-	-	100%	25,000,000	50%	NIL
Samvardhana Motherson International Limited (SAMIL)						
( On 20th March 2023, Samvardhana Motherson International Limited(SAMIL) had acquired 50% of holding from F Holding GmbH, Austria.)	50,000,000	100%	100%	25,000,000	50%	NIL

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



13 Other equity

(i) Retained earnings

	March 31, 2023	March 31, 2022
Opening balance	147	99
Profit for the year	136	56
Remeasurements of post-employment benefit obligation, net of tax	(2)	3
Diminution in Value of Investment at FVTOCI	0	(1)
Deferred tax on Remeasurements of post-employment benefit obligations	(0)	(1)
Final dividend paid	(11)	(9)
Closing balance	270	147

Nature and purpose of reserves:

i. **Retained earnings** - Retained earnings represents cumulative profits of the Company. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.



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14 Long-term borrowings

Secured  
Term Loans  
Indian rupee loan from banks

TOTAL

Non Current Portion	
March 31, 2023	March 31, 2022
46	93
46	93

The company obtained a term loan from HDFC Bank Ltd during the FY2019-20, amounting to Rs. 20,00,00,000/- & FY2021-22, amounting to Rs.6,90,00,000/-

a. Security

Exclusive charge on the current assets of the company

Exclusive first charge on the movable and immovable fixed assets of the company

b. Other details:

Rate of interest p.a.- 8.19% & 7.50%

Repayment: as per sanction letter, in 36 months from November 2020 onwards.

Repayment: as per sanction letter, in 48 months from January 2023 onwards.

14a Lease liabilities

Lease liabilities

	March 31, 2023	March 31, 2022
	4	2
Total	4	2

15 Other financial liabilities

Current

Creditors for capital goods

-Related parties (refer note 33)

-Recoveries against vehicle scheme

-Employee benefits payable

	March 31, 2023	March 31, 2022
	-	1
	-	0
	2	0
	3	3
Total	5	4

15a Lease liabilities

-Lease liabilities

	March 31, 2023	March 31, 2022
	1	1
Total	1	1

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(All amounts in Mn (INR), unless otherwise stated)

16. Employee benefit obligations

	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Gratuity	-	0	-	-
Leave encashment	-	4	0	3
Total employee benefit obligations	-	4	0	3

The long term defined employee benefits and contribution schemes of the Company are as under:

A. Defined Benefit Schemes

Gratuity

The Company operates a gratuity plan administered through Life Insurance Corporation of India (LIC) under its Group Gratuity Scheme. Every employee is entitled to a benefit equivalent to fifteen days' salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company pays contribution to Life Insurance Corporation of India to fund its plan.

The reconciliation of opening and closing balances of the present value of the defined benefit obligations are as below:  
(i) Present Value of Defined Benefit Obligation

Obligations at year beginning

Service Cost - Current

Interest expense

Past service cost

Amount recognised in profit or loss

Remeasurements

Actuarial (gain) / loss from change in demographic assumption \*

Actuarial (gain) / loss from change in financial assumption

Experience (gains)/losses

Change in asset ceiling, excluding amounts included in interest expense

Amount recognised in other comprehensive income

Payment from plan:

Benefit payments

Settlements

Contributions:

Employers

Plan participants

Deletion on account of discontinuation of Joint Ventures

Addition due to transfer of employee

Obligations at year end

For the year ended		
March 31, 2023	March 31, 2022	
17	17	
2	2	
1	1	
-	-	
3	3	
(0)	(1)	
3	(1)	
3	(2)	
(3)	(1)	
-	-	
-	-	
-	-	
-	-	
20	17	

(ii) Fair Value of Plan Assets

Plan assets at year beginning, at fair value

Interest Income

Amount recognised in profit or loss

Remeasurements

Actuarial (gain) / loss from change in demographic assumption

Actuarial (gain) / loss from change in financial assumption

Return on plan assets, excluding amount included in interest income

Experience (gains)/losses

Change in asset ceiling, excluding amounts included in interest expense

Amount recognised in other comprehensive income

Effect of Exchange rate change

Payment from plan:

Benefit payments

Fund charges

Contributions:

Employers

Plan participants

Deletion on account of discontinuation of Joint Ventures

Addition due to transfer of employee

Plan assets at year end, at fair value

For the year ended		
March 31, 2023	March 31, 2022	
18	15	
1	1	
1	1	
-	-	
(0)	0	
-	-	
(0)	0	
(2)	(1)	
2	3	
19	18	

(iii) Assets and Liabilities recognized in the Balance Sheet

Present Value of the defined benefit obligations

Fair value of the plan assets

Amount recognised as (asset)/liability (refer note 11)

For the year ended		
March 31, 2023	March 31, 2022	
20	17	
19	18	
1	(1)	



(iv) Defined benefit obligations cost for the year:

Service Cost  
Interest Cost  
Expected return on plan assets  
Actuarial (gain) / loss  
Net defined benefit obligations cost

For the year ended	
March 31, 2023	March 31, 2022
2	2
1	1
(1)	(1)
2	(2)
4	-

(v) Investment details of Plan Assets

The details of investments of plan assets are as follows:

LIC of India  
Total

For the year ended	
March 31, 2023	March 31, 2022
100%	100%
100%	100%

Note: In respect of Employees Gratuity Fund, composition of plan assets is not readily available from LIC of India. The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

(vi) Actuarial assumptions:

Discount Rate per annum  
Future salary increases  
Retirement age  
Mortality rate  
Attrition rate  
Up to 30 years  
From 31 to 44 years  
Above 44 years

March 31, 2023	March 31, 2022
7.36%	7.22%
6.50%	6.50%
58 years	58 years
100% of IALM (2012-14)	
3.00%	3.00%
2.00%	2.00%
1.00%	1.00%

Note: Estimate of future increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and

(vii) Expected Contribution to the Fund in the next year

Gratuity

For the year ended	
March 31, 2023	March 31, 2022
2	2





16. Employee benefit obligations (Continue..)

viii) Sensitivity Analysis

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is:

	Change in Assumption		Impact	Increase in Assumption		Impact	Decrease in Assumption	
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022
Discount Rate per annum	0.50%	0.50%	Decrease by	1	1	Increase by	(1)	(1)
Future salary increases	0.50%	0.50%	Increase by	1	1	Decrease by	(1)	(1)

The above sensitivity analysis is based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in balance sheet.

ix) Risk exposure

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability, voluntary withdrawal. The benefits are

(a) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds, if bond yield fall, the defined benefit obligation will tend to increase.

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

(c) 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

x) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 17.22 years (March 31, 2022 : 17.22 years)

Expected benefit payments are as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2023 Defined benefit obligation (gratuity)	0	1	3	16	20
March 31, 2022 Defined benefit obligation (gratuity)	0	0	2	15	17

B. Defined Contribution Schemes

The Company deposits an amount determined at a fixed percentage of basic pay every month to the State administered Provident Fund and Employee State Insurance (ESI) for the benefit of the Amount recognised in the Statement of Profit & Loss is as follows (Refer note 25):

Provident fund paid to the authorities  
Employee state insurance paid to the authorities  
Employee state welfare fund paid to the authorities

For the year ended	
March 31, 2023	March 31, 2022
6	6
-	0
0	0
6	6

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(All amounts in Mn (INR), unless otherwise stated)

16 a. Deferred tax liabilities (Net)

	Year ended March 31, 2023	Year ended March 31, 2022
Deferred tax liabilities		
Property, plant and equipment and intangible assets	(40)	(36)
Deferred tax assets		
MAT credit	-	13
Employee benefit provisions	1	1
Expenses allowable on payment basis	1	0
Total	(38)	(22)

(0)

Movement in deferred tax assets/(liabilities)

Year ended March 31, 2023

	As at April 01, 2022	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	MAT credit utilised	March 31, 2023
Property, plant and equipment and intangible assets	(36)	4	-	-	(40)
Others	-	-	-	-	-
Total deferred tax liabilities	(36)	4	-	-	(40)
Set-off of deferred tax assets pursuant to set-off provisions					
MAT credit	13	(0)	-	(13)	0
Employee benefit provisions	1	(0)	(0)	-	1
Expenses allowable on payment basis	0	(0)	0	1	1
Total deferred tax assets	14	(0)	(0)	(12)	2
Net deferred tax asset / (liability)	(22)	4	(0)	(12)	(38)

Year ended March 31, 2022

	As at April 01, 2021	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	MAT credit utilised	As at March 31, 2022
Property, plant and equipment and intangible assets	(28)	8	-	-	(36)
Others	-	-	-	-	-
Total deferred tax liabilities	(28)	8	-	-	(36)
Set-off of deferred tax assets pursuant to set-off provisions					
MAT credit	13	0	-	0	13
Employee benefit provisions	3	1	1	-	1
Expenses allowable on payment basis	-	-	-	-	-
Brought forward losses and unabsorbed depreciation	16	1	1	0	14
Total deferred tax assets	16	1	1	0	14
Net deferred tax asset / (liability)	(12)	9	1	0	(22)

Note:

1. In view of the Company's past financial performance and future profit projections, the Company expects that it shall generate sufficient future taxable income to fully recover the deferred tax assets.



(All amounts in INR lakhs, unless otherwise stated)

17. Short-Term Borrowings

	March 31, 2021	March 31, 2022
Secured		
Working capital loans repayable on demand - from banks		
- Rotten ropes loan	105	178
Current maturities of long term debt (Refer note 14)	46	53
<b>TOTAL</b>	<b>151</b>	<b>231</b>

18. The company had obtained working capital facilities from HONG Bank Limited, as summarized below:

Facilities	INR Lakhs
Cash credit	150.00
Letters of credit (as a sublimit of cash credit)	100.00
Bank guarantee (as a sublimit of cash credit)	100.00
<b>Total</b>	<b>350.00</b>

19. Security

    - Statutory charge on the current assets of the company  
 Exclusive first charge on the movable and immovable fixed assets of the company

20. Other details

    - Rate of interest - 7.65% p.a.

18. Trade payables

Total outstanding dues of micro enterprises, and small enterprises (Refer Note 37)

    - Related parties (Refer note 33)

    - Others

Total outstanding dues of creditors other than micro enterprises and small enterprises

    - Related parties (Refer note 33)

    - Others

**Total**

	March 31, 2021	March 31, 2022
Total outstanding dues of micro enterprises, and small enterprises (Refer Note 37)	2	8
Related parties (Refer note 33)	19	19
Others		
Total outstanding dues of creditors other than micro enterprises and small enterprises	1	14
Related parties (Refer note 33)	110	114
Others	832	833

	Age wise Outstanding details									
	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
	Less than 3 years		1 to 2 years		2 to 3 years		More than 3 years		Total	
Particulars										
a. Due to M/s MMT	10	10	-	-	-	-	-	-	10	10
b. Due to Related Parties - MMT	2	0	-	-	-	-	-	-	2	0
c. Due to Related Parties	1	12	-	-	-	-	-	-	13	12
d. Due to Others	110	103	-	-	-	-	-	-	213	215
e. Disputed dues to MMT	-	-	-	-	-	-	-	-	-	-
f. Disputed dues to Others	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>123</b>	<b>125</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>238</b>	<b>237</b>

19. Current tax (assets)/Liabilities (liab)

Opening balance

Add: Current tax payable for the year

Less: Advance tax paid

Less: Net Credit utilized

	March 31, 2021	March 31, 2022
Opening balance	-	-
Add: Current tax payable for the year	49	14
Less: Advance tax paid	(100)	(17)
Less: Net Credit utilized	(2)	(3)

20. Other current liabilities

Advance from customers

- Related parties

- Others

Statutory dues

Others (\*)

	March 31, 2021	March 31, 2022
Advance from customers	1	-
- Related parties	-	-
- Others	28	18
Statutory dues	14	35
Others (*)	84	51

(\*) refers to Expenses payable, which was grouped under "Trade Payables" in the last year, regrouped now under "Other Current Liabilities"





Fritzmeler Motherson Cabin Engineering Private Limited

CIN: U31908DL2007PTC162125

Notes to the financial statements for the year ended March 31, 2023

(All amounts in Mn (INR), unless otherwise stated)

**21. Revenue from operations**

Sales of products

Finished goods

Within India

Outside India

Total Gross Sales

Sale of services

Consulting engineering & other services

Other operating revenue:

Scrap sales

Job work Income

Total

For the year ended

March 31, 2023

March 31, 2022

1,838

1,097

0

1

1,838

1,098

36

19

26

16

-

1

1,900

1,134

**22. Other Income**

Liabilities/provisions written back to the extent no longer required

Exchange fluctuation (net)

Interest income from financial assets at amortised cost

Interest on Income tax refund

Provision for doubtful debts and advances to the extent no longer required

Total

For the year ended

March 31, 2023

March 31, 2022

-

0

-

-

-

0

-

1

-

-

-

1



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Fritzsche Motherson Cabin Engineering Private Limited  
CIN: U31908DL2007PTC162125

Notes to the financial statements for the year ended March 31, 2023

(All amounts in INR, unless otherwise stated)

23. Cost of materials consumed

Opening stock of raw materials  
Add : Purchases of raw materials  
Less: Closing stock of raw materials  
Total

For the year ended	
March 31, 2023	March 31, 2022
116	112
1,118	642
(182)	(116)
1,052	638

Particulars	March 31, 2023				March 31, 2022			
	Steel & tubes	Paints	Others	Total	Steel & tubes	Paints	Others	Total
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
Opening Stock	38	3	75	116	35	3	74	112
Purchases during the previous year	775	90	253	1,118	561	46	35	642
Total	813	93	328	1,234	596	49	109	754
Consumption during the previous year	729	84	239	1,052	558	46	34	638
Closing Stock	84	9	89	182	38	3	75	116

24. Changes in inventory of finished goods & work in progress

(Increase)/ decrease in stocks  
Stock at the opening of the year:  
Finished goods  
Work-in-progress  
Stock in trade

Total A

Stock at the end of the year:

Finished goods  
Work-in-progress  
Stock in trade

Total B

(Increase)/ decrease in stocks (A-B)

For the year ended	
March 31, 2023	March 31, 2022
1	-
143	96
144	96
-	1
130	143
130	144
14	(48)



(All amounts in INR, unless otherwise stated)

25. Employee benefits expense

Salary, wages & bonus
Contribution to provident & other funds
Gratuity (Refer note 16)
Staff welfare and related expenses
Total

For the year ended	
March 31, 2023	March 31, 2022
238	190
6	6
2	2
41	31
287	229

26. Finance cost

Term loan and working capital loan
Interest on statutory dues
Interest on lease liabilities
Total

For the year ended	
March 31, 2023	March 31, 2022
27	18
0	0
0	0
27	18

27. Other expenses

Electricity, water and fuel
Repairs and maintenance:
-Machinery
-Building
-Others
Consumption of stores and spare parts
JOB WORK/Other Manufacturing Expenses
* Packing expenses
Lease rent (operating leases)
Rates & taxes
Insurance
Net loss on foreign currency transaction
Donation
Contribution to CSR
Travelling
Freight & forwarding
Consulting Engineering charges
Liabilities/provisions written back to the extent no longer required
Provision for doubtful debts and advances
Provision for obsolete stock
Bank charges
Auditors remuneration (Refer note (a) below)
Legal & professional expenses
Miscellaneous expenses
Total

For the year ended	
March 31, 2023	March 31, 2022
83	58
22	14
-	1
28	19
46	26
15	5
3	2
1	1
2	3
3	2
9	1
-	0
1	1
5	3
3	2
4	0
-	-
3	1
1	1
0	0
0	0
22	16
24	21
275	177

(e) Payment to auditors:

As Auditor:
Statutory audit fees
Unlimited review fees
Tax Audit fees
Total

For the year ended	
March 31, 2023	March 31, 2022
0	0
0	0
0	0
0	0





(All amounts in INR, unless otherwise stated)

3 & 3a. Depreciation and amortization Expense		For the year ended	
		March 31, 2023	March 31, 2022
Depreciation on Property, plant and equipment		54	42
Depreciation on Right-of-use assets		1	1
Total		55	43
28. Income tax expense		For the year ended	
		March 31, 2023	March 31, 2022
(a) Income tax expense			
Current tax			
Current tax on profit for the year		49	14
Short/(excess) provision for earlier years		1	(0)
Total current tax expense		50	14
Deferred tax (Refer note 10)			
Decrease / (increase) in deferred tax assets (net)		-1	0
(Decrease) / Increase in deferred tax liabilities		5	8
Total deferred tax expense / (benefit)		4	8
Income tax expense		54	22
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		For the year ended	
		March 31, 2023	March 31, 2022
Profit before income tax expense		190	78
Tax at India's tax rate of 27.82%		53	22
Tax effect of amounts which are not deductible (taxable) in calculating taxable income (net)		-	-0
Adjustments for earlier years		1	-0
Other adjustments		-	-
Income tax expense		54	22
29. Earnings per share		March 31, 2023	
		March 31, 2022	
a) Basic			
Net profit after tax available for equity shareholders		136	56
Weighted average number of equity shares used to compute basic and diluted earnings per share (i)		50,000,000	50,000,000
Basic earnings per share		2.72	1.12
Diluted Earnings per share		2.72	1.12
(i) The Company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.			



(All amounts in Mn (INR) , unless otherwise stated)

30. Fair value measurements

Financial Instruments by category

	March 31, 2023			March 31, 2022		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial assets</b>						
Investments		-			-	
Trade receivables			238			177
Cash and cash equivalents			1			1
Other financial assets			10			6
<b>Total financial assets</b>	-	-	249	-	-	184
<b>Financial Liabilities</b>						
Borrowings		-	197		-	272
Total outstanding dues of micro, small and medium enterprises and		-	21		-	19
Total outstanding dues of creditors other than micro, small and medium enterprises		-	111		-	114
Other financial liabilities		-	10		-	7
<b>Total financial liabilities</b>	-	-	339	-	-	412

I. Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements

	March 31, 2023			March 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial asset</b>						
Financial Investments at FVTOCI						
Unquoted equity Investments			-			-
<b>Total</b>	-	-	-	-	-	-

Non-current financial assets and liabilities which are measured at amortised cost for which fair values are disclosed

	March 31, 2023			March 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Security deposits			10			6
<b>Total financial assets</b>	-	-	10	-	-	6
<b>Financial liabilities</b>						
Borrowings			46			93
<b>Total financial liabilities</b>	-	-	46	-	-	93

The carrying amounts of trade receivables, cash and bank balances, short term borrowings, security deposits received, trade payables, capital creditors and other current financial assets and liabilities are considered to be the same as fair value due to their short term maturities.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.



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II. Fair value of non current financial assets and liabilities measured at amortised cost

	March 31, 2023		March 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Security deposits	10	10	6	6
	<b>10</b>	<b>10</b>	<b>6</b>	<b>6</b>
Financial Liabilities				
Borrowings	46	46	93	93
	<b>46</b>	<b>46</b>	<b>93</b>	<b>93</b>

i. The fair value of security deposits carried at amortized cost is substantially same as their carrying amount

ii. Long-term borrowings carry fixed rate of interest, the fair value is substantially the same as the carrying amount

III. Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

i. the fair value of the financial Instruments is determined using discounted cash flow analysis.

iv. Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2023 and March 31, 2022:

	Unquoted equity instruments
As at April 01, 2021	1
Purchase during the year	-
Disposals during the year	-
Gains/(losses) recognised in other comprehensive income	(1)
As at March 31, 2022	-
Additions during the year	-
Disposals during the year	-
Gains/(losses) recognised in other comprehensive income	-
As at March 31, 2023	-





### 31. Financial risk management

The company is the manufacturer of cabin and parts for off highway vehicles. The Company, as an internationally active supplier for the automobile industry, expose its business and products to various market risks, credit risk and liquidity risk. The Company's global presence and decentralised management structure with the main activities in the plants make necessary organised risk management system. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks. Below notes explain the sources of risks in which the Company is exposed to and how it manages the risks:

#### Market risk:

##### A Price risk:

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company in its various products segment. Substantial pricing pressure from major OEMs to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the Company.

The key raw material for the Company is steel and tubes. The Company has arrangements with its major customers for passing on the price impact.

The Company is having arrangement with major customers for actualization of raw material price variations periodically.

The Company is regularly taking initiatives like VA-VE (value addition, value engineering) to reduce its raw material costs to meet targets set up by its customers for cost downs. In respect of customer nominated parts, the Company has back to back arrangements for cost savings with its suppliers.

##### B Foreign currency risk:

The exchange variations in India has mainly impacted the imports, but however the Company has arrangements with its major domestic customers for passing on the exchange impact on import purchase and has considerably increased its export sales during last few years to attain natural hedge. The Company also does selective hedging to hedge its risks associated with foreign currency.

The derivative instruments and unhedged foreign currency exposure is as follows:

#### (i) Particular of unhedged foreign exposure as at the reporting date (Net exposure to foreign currency risk)

	As at March 31, 2023		As at March 31, 2022	
	Payable / (Receivable)		Payable / (Receivable)	
	Amount in Foreign currency	Amount in Rs.	Amount in Foreign currency	Amount in Rs.
Eur	0	5	0	9
USD	0	3	(0)	(2)
Eur	0	(0)	(0)	(0)
GBP	-	-	-	-

#### (ii) Sensitivity

The following tables demonstrate the sensitivity on unhedged foreign currency exposures to a reasonably possible change in foreign exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities:

	Change in exchange rate	Effect on profit before tax
<b>March 31, 2023</b>		
USD against INR	+5%	0
	-5%	(0)
Euro against INR	+5%	0
	-5%	(0)
GBP against INR	+5%	-
	-5%	-
<b>March 31, 2022</b>		
USD against INR	+5%	0
	-5%	(0)
Euro against INR	+5%	0
	-5%	(0)
GBP against INR	+5%	-
	-5%	-



**C Interest rate risk:**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The company does not have long term borrowings with variable rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. During March 31, 2022 and March 31, 2021, the Company's borrowings were at fixed interest rates, hence interest rate risk is insignificant

**(i) Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	March 31, 2023	March 31, 2022
Fixed rate borrowings	197	272
<b>Total borrowings</b>	<b>197</b>	<b>272</b>

An analysis by maturities is provided in Note (E (ii)) Maturities of financial liabilities below.

**(ii) Sensitivity analysis**

Since, borrowings carry fixed rate of interest, there is no sensitivity to profit and loss. Hence sensitivity is not disclosed

**D Credit risk:**

The credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Company and arises principally from the Company's receivables from customers and deposits with banking institutions. The

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The Company has deposited liquid funds at various banking institutions. Primary banking institutions are major Indian and foreign banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are

**E Liquidity risk:**

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating divisions of the Company and aggregated by Company finance. The Company's finance monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities / overdraft facilities at all times so that the Company does not breach borrowing limits or covenants (where

**(i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period.

	March 31, 2023	March 31, 2022
Floating rate		
- Expiring within one year (cash credit and other facilities)	45	24

**(ii) Maturities of financial liabilities**

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

Year Ended March 31, 2023	Upto 1 year	1 to 5 years	More than 5 years	Total
Borrowings	151	46	-	197
Total outstanding dues of micro enterprises and small enterprises and	21	-	-	21
Total outstanding dues of creditors other than micro enterprises and small enterprises	111	-	-	111
Other financial liabilities	6	4	-	10
<b>Total non-derivative liabilities</b>	<b>289</b>	<b>50</b>		<b>339</b>
Year Ended March 31, 2022	Upto 1 year	1 to 5 years	More than 5 years	Total
Borrowings	179	93	-	272
Total outstanding dues of micro enterprises and small enterprises and	19	-	-	19
Total outstanding dues of creditors other than micro enterprises and small enterprises	149	2	-	151
Other financial liabilities	5	-	-	5
<b>Total non-derivative liabilities</b>	<b>352</b>	<b>95</b>		<b>447</b>



### 32. Capital management

#### (a) Risk management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. Consistent with others in the industry, the Company monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs).

The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

	March 31, 2023	March 31, 2022
Net Debt	196	271
EBITDA	272	139
Net Debt to EBITDA	0.72	1.95

#### (b) Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants and the Company has complied with those covenants throughout the reporting period.

#### (c) Dividends

On Equity shares of Rs. 10 each

Final dividend

Amount of dividend paid

Dividend per equity share

	March 31, 2023	March 31, 2022
	11	9
	0.22	0.18





33. Related Party Disclosures

I. Related parties as per Section 2(76)(i) & (ii) of the Companies Act, 2013- (Director and Key Managerial personnel (KMP) or his/her relative):-

Sl. No.	Name of Director / KMP	Name of relatives u/s 2(77) of the Companies Act, 2013	Relation
1	Mr. Vivek Chaand Sehgal	- Mrs. Renu Alka Sehgal	Spouse
		- Mr. Laksh Vaaman Sehgal	Son
		- Ms. Samridhi Sehgal	Son's Wife
		- Ms. Vidhi Sehgal	Daughter
		- Mrs. Geeta Soni	Sister
		- Mrs. Nilu Mehra	Sister
		- Master Siddh Vaasav Sehgal	Son Son's
		- Master Ganan Yuvaan Sehgal	Son Son's
2	Mr. Ajay Bahl	-	-
3	Mr. Georg Fritzmeler	-	-
4	Mr. Uwe Rastel	-	-
5	Ms. Neha Mahawar (Company Secretary)	-	-

2. Related parties as per Section 2(76)(iii) of the Companies Act, 2013 – (a firm in which a director, manager or his relative is a partner):-

Sl. No.	Name of the Firm	Nature of Interest	Name of Director
1	Motherson (Partnership Firm)	Directors are partner	-Mr. V.C. Sehgal -Mr. L.V. Sehgal
2	Vaaman Auto Industry (Partnership Firm)	Director is partner	-Mr. L.V. Sehgal
3	Ganpati Auto Industries (Partnership Firm)	Director is partner	-Mr. L.V. Sehgal

3. Related parties as per Section 2(76)(iv) of the Companies Act, 2013 – (a private company in which a director or manager or his/her relative is a member or director):-

Sl. No.	Name of the Company	Nature of Interest	Name of Director
1.	FRIGEL INTELLIGENT COOLING SYSTEMS INDIA PRIVATE LIMITED	Director	Ajay Bahl
2.	SOUTHCITY MOTORS PRIVATE LIMITED	Director	Ajay Bahl
		Member (Relative of Director)	Mr. V.C. Sehgal
3.	NIRVANA NICHE PRODUCTS PRIVATE LIMITED	Director	Ajay Bahl LV Sehgal is member
4.	Marelli Motherson Automotive Lighting India Private Ltd. (Formerly Magneti Marelli Motherson Auto System Pvt. Ltd.)	Director	Mr. VC Sehgal
5.	Kyungshin Industrial Motherson Pvt. Ltd.	Director	Mr. VC Sehgal
6.	Renu Farms Private Limited	Director	Mr. V.C. Sehgal
7.	Advantedge Technology Partners Pvt. Ltd.	Relative is member	Mr. L.V. Sehgal
8.	Moon Meadows Private Limited	Member	Mr. V.C. Sehgal
			Mr. L.V. Sehgal
9.	Shri Sehgal's Trustee Company Private Limited	Director & Member	Mr. V.C. Sehgal Mr. L.V. Sehgal
10.	Advantedge Incubators Private Limited	Relative is a Director	Mr. L.V. Sehgal



33. Related Party Disclosures

1. Related parties as per Section 2(76)(i) & (ii) of the Companies Act, 2013- (Director and Key Managerial personnel (KMP) or his/her relative):-

4 Related parties as per Section 2(76)(v) of the Companies Act, 2013 – (a public company in which a director, manager is a director and holds along with his relatives more than two percent of its paid-up share capital):

Sl. No.	Name of the Company	Nature of Interest	Name of Director
1	Motherson Auto Limited	Director and Member	Mr. Vivek Chaand Sehgal
2	Motherson Sumi Systems Limited	Director and Member	Mr. Vivek Chaand Sehgal
3	Motherson Sumi Wiring India Limited	Director and Member	Mr. Vivek Chaand Sehgal
4	Motherson Techno Tools Limited	Director & Member and holds more than 2% shares along with	Mr. V.C. Sehgal
5	MothersonSumi Infotech & Designs Limited	Director & Member and holds	Mr. L.V. Sehgal
6	Motherson Lease Solution Limited	Indirectly ( WOS of MAL)	Mr. V.C Sehgal
7	Motherson Air Travel Agencies Limited	Member	Mr. V.C. Sehgal

5 Related parties as per Section 2(76)(viii) of the Companies Act, 2013 – body corporate which is a

- |   |     |
|---|-----|
| a. Holding Company  | NIL |
| b. Subsidiary Company   | NIL |
| c. Associate Company  | NIL |
| d. Subsidiary of a holding company to which it is also a subsidiary | NIL |

e. An investee company or the venturer of the company

Motherson Sumi Systems Limited (after merger of SAMIL into MSSL w.e.f 21-01-2022)  
Samvardhana Motherson Global Management Services (a division of MSSL)  
F. Holding GmbH, Australia  
Fritzmeier Engineering S.r.l

f. Other Promoter Group Companies

Samvardhana Motherson Global Carriers Limited  
Motherson Consultancies Service Limited  
Swarn Lata Motherson Trust  
Fritzmeier S.R.O.  
Fritzmeier Systems GmbH & Co

Motherson Bergstrom HVAC Solutions Private Limited  
Anest Iwata Motherson Private Ltd.  
Anest Iwata Motherson Coating Equipment Pvt Ltd  
Motherson Air Travel Agencies Limited  
Frigel Intelligent Cooling Systems India Private Limited



II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 38 (f) above:

(a) Key management personnel compensation

Short-term employee benefits  
Ms. Neha Mahawar  
Post-employment benefits  
Long-term employee benefits  
Termination benefits  
Total compensation

March 31, 2023	March 31, 2022
0	0
Nil	Nil
Nil	Nil
Nil	Nil
0	0

(b) Transactions with related parties

S No	Transaction	Parties	Parties mentioned in 33 (4)		Parties mentioned in 33 (5)	
			March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Purchase of services	Motherson Sumi Systems Limited				10
		Samvardhana Motherson Global Management Services (a division of MSSL)			8	0
		Samvardhana Motherson Global Carriers Limited	4			2
		Motherson Technology Services Limited (formerly Known as Motherson Sumi Infotech & Designs Limited)	8	1		
		Motherson Air Travel Agencies Limited	3	2		
		Motherson Sumi Systems Limited		1		
		Motherson Consultancies Service Limited	2			2
		Fritzmeier Engineering SRL				-
		Motherson Auto Limited		0		
2	Purchase of capital items	Motherson Technology Services Limited (formerly Known as Motherson Sumi Infotech & Designs Limited)	1	1		
		Systematic Consom Limited	2			45
		FRIGEL INTELLIGENT COOLING SYSTEMS INDIA PVT LTD	1			-
		Matsui Technologies India Limited				13
3	Purchase of goods	Motherson Sumi Systems Limited		4		
		Motherson Technology Services Limited (formerly Known as Motherson Sumi Infotech & Designs Limited)		1		
		Anest Iwata Motherson Coating Equipment Pvt Ltd	1			1
		Anest Iwata Motherson Private Ltd.	1			0
		Motherson Sumi Wiring India Limited	6	0		
		Fritzmeier Engineering S.r.l	1			0
		Systematic Consom Limited				1
		Fritzmeier S.R.O.				0
		FRITZMEIER SYSTEMS GMBH & CO	0			
		Motherson Automotive Technologies & Engineering				0
		Samvardhana Motherson Health Solution Limited				0
		Motherson Bergstrom HVAC Solutions Private Limited	3			1
4	Purchases of software	Motherson Sumi Infotech & Designs Limited		1		
5	Reimbursement of expenses paid	Motherson Auto Limited				
		Motherson Air Travel Agency GmbH		0		
		Motherson Techno Tools Limited				
		Motherson Lease Solution Limited	1			
		Swarn Lata Motherson Trust				1
		Samvardhana Motherson Global Management Services (a division of MSSL)			0	
		Motherson Sumi Systems Limited (after merger of SAMIL into MSSL w.e.f 21-01-2022)				0
6	Reimbursement of expenses (Received)	Motherson Lease Solution Limited				
7	Rent paid	Samvardhana Motherson Global Management Services (a division of MSSL)			4	
		Motherson Auto Limited	0	0		
		Motherson Air Travel Agencies Limited	1	1		
		Motherson Lease Solution Limited		1		
8	Sale of goods	MS Global India Automotive Pvt.Ltd.,				
		Fritzmeier Systems GmbH & Co				
		Fritzmeier S.R.O.				





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(c) Balances at year end

S No	Transaction	Parties	Parties mentioned in 33 (4)		Parties mentioned in 33 (5)	
			March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Trade payables	Motherson Sumi Systems Limited (after merger of SAMIL into MSSL w.e.f 21-01-2022)				
		Samvardhana Motherson Global Management Services (a division of MSSL)			0	
		Motherson Technology Services Limited (formerly Known as Motherson Sumi Infotech & Designs Limited)		1		
		Motherson Air Travel Agencies Limited	0	0		
		Motherson Auto Limited		0		
		Fritzmeier Systems GmbH & Co	0			
		Motherson Sumi Wiring India Ltd	0	2		
		Motherson Air Travel Agency GmbH				0
		Motherson Sumi Systems Limited				
		Motherson Sumi Systems Limited (after merger of SAMIL into MSSL w.e.f 21-01-2022)				0
		Anest Iwata Motherson Coating Equipment Pvt Ltd	0			0
		SAMVARDHANA MOTHERSON GLOBAL CARRIERS LIMITED	0			0
		Motherson Consultancies Service Limited	0			0
		Fritzmeier Engineering SRL				7
		Motherson Bergstrom HVAC Solutions Private Limited	1			
2	Trade receivables	Fritzmeier Systems GmbH & Co	-	-		-
		Motherson Technology Services Limited (formerly Known as Motherson Sumi Infotech & Designs Limited)	0			
3	Deposit paid to Supplier	Motherson Lease Solution Limited	0	1		
4	Advance Received	Fritzmeier S.R.O.				
5	Capital Advance	Systematic Conscom Limited				
6	Other advances	Fritzmeier Systems GmbH & Co	0			0
		Motherson Sumi Systems Limited (after merger of SAMIL into MSSL w.e.f 21-01-2022)				
7	Creditors for capital goods	MATSUI TECHNOLOGIES INDIA LIMITED				0
		Systematic Conscom Limited				1
8	Provision for other advances	Fritzmeier Systems GmbH & Co	(0)			(0)





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#### 34. Segment Information:

##### Description of segments and principal activities

The Company is primarily in the business of manufacture of driver cabins for off-highway vehicles.

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments . The Company has monthly review and forecasting procedure in place and CODM reviews the operations of the Company as a whole, hence there are no reportable segments as per Ind AS 108 "Operating Segments"

##### A. Information about geographical areas:

The following information discloses revenue from external customers based on geographical areas:

##### i) Revenue from external customers

India

Outside India

March 31, 2023	March 31, 2022
1,900	1,133
0	1
<b>1,900</b>	<b>1,134</b>

##### ii) Segment Assets

Total of non-current assets other than financial instruments, investment in subsidiaries, joint ventures and associate and deferred tax assets broken down by location of the assets, is shown below:

India

Outside India

March 31, 2023	March 31, 2022
614	652
-	-
<b>614</b>	<b>652</b>

iii) Revenues from transactions with a single external customer amounting to 10 per cent or more of the Company's revenues is as follows

Customer-1

Customer-2

Customer-3

Customer-4

March 31, 2023	March 31, 2022
590	370
586	233
233	244
201	111
<b>1,610</b>	<b>958</b>



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**35. Assets hypothecated as security**

The carrying amount of assets hypothecated as security for current and non-current borrowings are as follows:

	Notes	March 31, 2023	March 31, 2022
<b>Current:</b>			
<b>First charge</b>			
Financial assets			
Cash and cash equivalents		1	1
Trade receivables		238	177
Inventory		334	287
Other current assets		10	9
<b>Total current assets hypothecated as security</b>		<b>583</b>	<b>474</b>
<b>Non Current:</b>			
<b>First charge</b>			
Freehold land		55	55
Buildings		346	364
Plant & Machinery		197	218
Other Items of PPE		3	2
<b>Total non-current assets hypothecated as security</b>		<b>601</b>	<b>639</b>
<b>Total assets hypothecated as security</b>		<b>1,184</b>	<b>1,113</b>

**36. Capital and Other Commitments**

Capital expenditure contracted at the end of the reporting period but not recognised as liabilities is as follows:

	March 31, 2023	March 31, 2022
<b>Property, plant and equipment</b>		
Estimated value of contracts in capital account remaining to be executed	30	-
Less: Advance Paid	(5)	-
<b>Total</b>	<b>25</b>	<b>-</b>



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37. Due to micro, small and medium enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act is as follows:

Particulars	March 31, 2023	March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	21	19
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year *	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

\* The company has paid to some parties registered under the Micro, Small and Medium Enterprise Development Act, 2006 beyond the period specified under Act as they are not fulfilling the terms & conditions of supplies. The Company has not paid/provided the interest for that delay.



38. Other disclosures

A. Contingent liabilities:

Claims against the Company not acknowledged as debts

	March 31, 2023	March 31, 2022
a) Sales tax: Demand relating to TN VAT	3	-
b) Demands relating to excise and service tax matters:		
against which appeal is to be filed (*)	-	-
against which appeal filed (**)	10	10

(\*\*) The said demand is covered by deposit of Rs.13,72,766 /-

- (a) The Company does not expect any reimbursements in respect of the above contingent liabilities.  
(b) It is not practicable for the Company to estimate the timings and amount of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

B. Disclosure under Ind AS 115

The Company has adopted Ind AS 115 Revenue from Contracts with Customers from April 01, 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements where ever required. In accordance with the transition provisions in Ind AS 115, the Company has adopted the new rules modified retrospectively .

Further disclosures given in relation to contracts with customers are as under:

a). Movement for provision for doubtful debts	Amount
Opening balance (1st April 2022)	1
Add: Additions	3
Less: Write off	-
Less: Reversal	-
Closing balance (31st March 2023)	4

0

The Company derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

b). Revenue by category	March 31, 2023	March 31, 2022
Revenue by major product lines		
Sale of products	1,838	1,098
Consulting engineering & other services	36	19
Others	26	17
Total revenue from contract with customers	1,900	1,134
Timing of revenue recognition		
At a point in time	1,900	1,134
Over time	-	-
Total revenue from contract with customers	1,900	1,134

c). Revenue from contracts with customers	March 31, 2023	March 31, 2022
Particulars		
Revenue recognised from		
Amounts included in advance from customers at the beginning of the year	-	1
	-	1

d). Particulars	March 31, 2023	March 31, 2022
Receivables	238	177
Contract liabilities	1	-





Fritzmeier Motherson Cabin Engineering Private Limited  
CIN: U31908DL2007PTC162125  
Notes to the financial statements for the year ended March 31, 2023

(All amounts in Mn (INR) , unless otherwise stated)

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**C. Corporate Social Responsibility:-**

In terms of provisions of section 135 of the Companies Act 2013, a Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company has been formed. The various projects and programs proposed to be undertaken has been outlined in the CSR policy of the company.

i.Amount required to be spent by the company during the year	1
ii.Amount of expenditure incurred	1
iii.Shortfall at the end of the year	NIL
iv.Total of previous years shortfall	NIL
v.Reason for shortfall	NIL

vi.Nature of CSR activities Skill Development Project by Swarn lata Motherson Trust, Noida and Cleaning / Upliftment of Water Body at Singativakkam Village

vii.Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard 1

viii.Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately. NIL

- D. The Company has done the transaction with only one company namely, Multitech Systems Industrial Automation Private Limited which has been struck off U/S 248 of the companies act 2013 and U/S 560 of the companies act 1956, of Rs.0.006 Mils and outstanding balance of Rs.0.01 Mils as on 31st March 2023 .
- E. The company has utilise the working capital limit in excess of Rs.5 crore in aggregate from banks on the basis of security of current assets. The compnay duly filed the quarterly information statement to banks.



**39 Leases - Ind AS 116**

Ind AS 116 Leases was notified on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company has adopted Ind AS 116 effective annual reporting period beginning April 01, 2019 by following modified retrospective approach and its impact on financial statement presented below:

Upon adoption of Ind AS 116, the company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Leases for the accounting policy beginning April 01, 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the company.

**\*Leases previously classified as finance leases**

The company did not have any lease contract which are classified as finance lease prior to April 01, 2019. The company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17). The requirements of Ind AS 116 were applied to these leases from April 01, 2019.

**\*Leases previously accounted for as operating leases**

The company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

**Impact Assessment of Ind AS 116**

(I) Impact on the statement of financial position (Increase/(decrease)) as at 31 March, 2023

	March 31, 2023	March 31, 2022
<b>Assets</b>		
Right - of - use assets	5	3
Deferred tax assets	1	1
Prepaid Rent/Expense	-	-
<b>Total</b>	<b>6</b>	<b>4</b>
<b>Liabilities</b>		
Lease liabilities	5	3
Deferred tax liabilities	1	1
<b>Total</b>	<b>6</b>	<b>4</b>
<b>Net Impact on equity</b>	<b>(0)</b>	<b>(0)</b>

(II) Impact on the statement of profit or loss (Increase/(decrease)) for the year ended March 31, 2023:

	March 31, 2023	March 31, 2022
Lease rent	(2)	(1)
Depreciation expense	2	1
Finance Cost	0	0
Deferred tax assets / (Liabilities)	(0)	(0)
	<b>(0)</b>	<b>(0)</b>



Fritzmeier Motherson Cabin Engineering Private Limited  
CIN: U31500DL2014PTC274534  
Notes to the financial statements for the year ended March 31, 2023  
(All amounts in Mn [INR], unless otherwise stated)

40 Ratio Analysis and its elements	March 31, 2023 Ratios	March 31, 2022 Ratios	Reason for Change
1 Current Ratios (Current Assets / Current Liabilities)	1.69	1.29	Better Current ratio due to lesser utilisation of cash credit and repayment of borrowings out of profits
2 Debt- Equity Ratio [(Long term borrowing including current maturities + short term borrowing) / Share holder's equity]	0.26	0.42	Long term borrowings are repaid and cash credit is lesser utilised due to increase in revenue and profits
3 Debt Service Coverage ratio [(Earnings before interest, depreciation, tax and exceptional items) / (Interest expense on short term and long term borrowings + scheduled principal repayment of long term borrowing during the year)]	3.72	1.96	Due to increase in revenue and resultant profits, the debt service coverage had improved as compared with previous year
4 Return on Equity ratio (Net Profits after taxes / Average Shareholder's Equity)	0.19	0.09	Due to increase in revenue, the profit is increased as compared with previous year
5 Inventory Turnover ratio (Net Sales / Average inventories)	5.92	4.31	Increase in sales due to growth of off High way market including tractors segment
6 Trade Receivable Turnover Ratio (Revenue from contract with customers / Average trade receivables)	9.15	5.46	Increase in sales due to growth of off High way market including tractors segment
7 Trade Payable Turnover Ratio (Net Credit Purchase / Average trade payable)	8.47	3.98	Increase in sales had influenced the purchase, therefore the turnover had increased as compared with previous year
8 Net Capital Turnover Ratio (Revenue from contract with customers / Average working capital)	10.97	10.24	Increase in sales due to growth of off High way market including tractors segment
9 Net Profit ratio (Profit / (loss) for the period / Revenue from operations)	0.07	0.05	Increase in Profits, due to increase in sales because of growth of off highway market including tractors segment
10 Return on Capital Employed (Earnings before interest and taxes / Average capital employed)	0.23	0.11	Increase in Profits, due to increase in sales because of growth of off highway market including tractors segment
11 Return on Investment Net Income / Cost of Investment	N/A	N/A	N/A
41 Amounts appearing as zero "0" in financials are below the rounding off norm adopted by the company.			
42 Previous year figures have been regrouped or rearranged in order to make them comparable to the current year figures.			

For and on behalf of the Board



Georg Fritzmeier  
Director  
DIN 01099055



V C Sehgal  
Director  
DIN 00291126

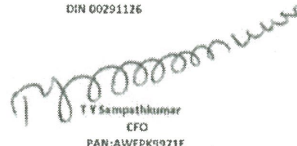
As per our report attached  
For R.N. Marwaha & Co. LLP  
Chartered Accountants  
FRN 001211N/NSA/019



Manoj Gupta  
Partner  
M. No. 096776



J. C. Thirumala Raju  
CFO & Manager  
PAN: ACMP14399P



T V Sampathkumar  
CFO  
PAN: AWEPK9971E



Neha Mahawar  
Company Secretary  
M NO. ACS 25144

Place: New Delhi  
Date: 15/05/2023

UDIN: 23096776BGQRXG1815