

MOTHERSON MOLDS AND DIECASTING LIMITED

**Financial Statements
2022-23**

(All amounts in INR Million, unless otherwise stated)

	Note	As At March 31, 2023	As At March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	200.99	219.25
Right-of-use assets	3(b)	13.35	23.28
Capital work in progress	3(a)	0.06	-
Intangible assets	4	0.26	0.57
Financial assets			
i. Other financial assets	5 (a)	4.36	2.77
Deferred tax assets (net)	6	8.05	7.70
Other non-current assets	7	2.43	2.48
Non-current tax assets (net)	8	0.93	2.27
Total non-current assets		230.43	258.32
Current assets			
Inventories	9	118.79	104.05
Financial assets			
i. Trade receivables	10	43.44	51.85
ii. Cash and cash equivalents	11	0.05	0.31
iii. Other financial assets	5 (b)	0.00	0.00
Other current assets	7	6.28	9.81
Total current assets		168.56	166.02
Total assets		398.99	424.34
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	68.00	68.00
Other equity			
Reserves and surplus	13	93.04	81.97
Total equity		161.04	149.97
Non current liabilities			
Financial Liabilities			
i. Lease liabilities		1.86	15.27
ii. Other financial liabilities	14	0.84	0.40
Employee benefit obligations	15	4.30	2.65
Total non-current liabilities		7.00	18.32
Current liabilities			
Financial Liabilities			
i. Lease liabilities		14.89	12.60
ii. Borrowings	16	103.78	108.26
iii. Trade payables			
Total outstanding dues of micro and small enterprises	17	5.02	2.33
Total outstanding dues of creditors other than micro and small enterprises	17	47.46	28.79
iv. Other financial liabilities	14	7.53	6.90
Employee benefit obligations	15	0.15	0.12
Other current liabilities	18	52.12	97.05
Total current liabilities		230.95	256.05
Total liabilities		237.95	274.37
Total equity and liabilities		398.99	424.34
Summary of significant accounting policies	2		

The above balance sheet should be read in conjunction with the accompanying notes

For and on behalf of the Board

As per our report of even date
For R K Khanna & Co.
Chartered Accountants
FRN: 000033N

Ashok Tandon
Director
DIN:00032733

Rohitash Gupta
Director
DIN: 01049454

Vipin Bali
Partner
Membership No.: 083436

Devender Singh
COO
PAN: ABYP59851Q

Naveen Agarwal
Finance Head
PAN: BDHPA7187D

Place: Noida
Date: April 25, 2023

Place: Delhi
Date: April 25, 2023

Statement of profit and loss for the year ended March 31, 2023

(All amounts in INR Million, unless otherwise stated)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue			
Revenue from contract with customers	19 (a)	213.52	227.53
Other operating revenue	19 (b)	31.77	14.94
Total revenue from operations		245.29	242.47
Other income	20	12.36	2.83
Total income		257.65	245.30
Expenses			
Cost of materials consumed	21	90.95	54.11
Changes in inventory of work-in-progress	22	(13.30)	21.57
Employee benefits expense	23	59.08	55.33
Depreciation and amortisation expense	24	35.60	36.43
Finance costs	25	8.05	4.71
Other expenses	26	62.61	60.24
Total expenses		242.99	232.39
Profit before tax		14.66	12.91
Tax expenses	27		
-Current tax		5.28	3.93
-Deferred tax expense/ (credit)		(1.00)	(1.41)
-Short/ (excess) of earlier years		(1.04)	0.41
Total tax expense		3.24	2.93
Profit for the year		11.42	9.98
Other comprehensive income			
Items not to be reclassified to profit or loss			
Remeasurements of employment benefit obligations		(0.49)	0.08
Deferred tax on remeasurements of employment benefit obligations		0.14	(0.02)
Total other comprehensive income		(0.35)	0.06
Total comprehensive income for the year, net of tax		11.07	10.04
Earnings per share	28		
Nominal value per share: INR 10/- (Previous year : INR 10/-)			
Earnings per share (absolute figures)			
Basic		1.68	1.47

Summary of significant accounting policies

2

The above statement of profit and loss should be read in conjunction with the accompanying notes

For and on behalf of the Board

As per our report of even date

For R K Khanna & Co.

Chartered Accountants

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Place: Noida
Date: April 25, 2023

Place: Delhi
Date: April 25, 2023

A. Equity share capital

	Note	Amount
As at April 01, 2021		68.00
Issue of equity share capital	12	-
As at March 31, 2022		68.00
Issue of equity share capital	12	-
As at March 31, 2023		68.00

B. Other equity

	Note	Reserves and surplus				Total
		Securities premium	Capital Reserve	General Reserve	Retained Earnings	
Balance as at April 01, 2021		-	-	8.61	63.32	71.93
Profit for the year		-	-	-	9.98	9.98
Other comprehensive income		-	-	-	0.06	0.06
Total comprehensive income for the year		-	-	-	10.04	10.04
Transfer to general reserve					-	-
Dividend paid					-	-
Balance at March 31, 2022		-	-	8.61	73.36	81.97
Balance as at April 01, 2022		-	-	8.61	73.36	81.97
Profit for the year		-	-	-	11.42	11.42
Other comprehensive income		-	-	-	(0.35)	(0.35)
Total comprehensive income for the year		-	-	-	11.07	11.07
Transfer to general reserve					-	-
Dividend paid		-	-	-	-	-
Balance at March 31, 2023		-	-	8.61	84.43	93.04
Summary of significant accounting policies	2					

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

For and on behalf of the Board

As per our report of even date
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Place: Noida
Date: April 25, 2023

Place: Delhi
Date: April 25, 2023

	For the year Ended March 31, 2023	For the year Ended March 31, 2022
A. Cash flow from operating activities:		
Profit before tax	14.66	12.91
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and amortisation expense	35.60	36.43
(Gain)/loss on disposal of property, plant and equipment (net)	(0.00)	(0.08)
Bad debts written off	-	0.05
Provision for doubtful debts	-	0.00
Provisions written back to the extent no longer required	(0.03)	(0.05)
Provision for employee benefits	1.19	(0.59)
Interest income	(0.21)	(0.09)
Finance cost	8.05	4.71
Unrealised foreign exchange gain (net)	(0.07)	(0.29)
Operating profit before working capital changes	59.19	53.00
Change in working Capital:		
Increase/ (decrease) in trade payables	21.36	(21.51)
Increase/(decrease) in other current liabilities	(44.93)	(34.61)
Increase/ (decrease) in other financial liabilities	1.07	(27.23)
(Increase)/ decrease in trade receivables	8.44	(11.47)
(Increase)/ decrease in inventories	(14.74)	28.50
(Increase)/ decrease in other financial assets	(1.54)	(0.22)
(Increase)/ decrease in other receivables	0.05	(0.13)
(Increase)/decrease in other current assets	3.53	(3.02)
Cash generated from operations	32.43	(16.68)
- Income tax paid	(6.25)	(6.00)
- Income tax refund	4.13	-
- Interest on Income tax refund	0.21	-
Net cash generated from operations	30.52	(22.69)
- Extraordinary /exceptional (Expense)/ Income		
Net cash flows from operating activities	30.52	(22.69)
B. Cash flow from Investing activities:		
Payments for property, plant and equipment (including capital work in progress) *	(5.34)	(21.24)
Proceeds from sale of property, plant and equipment	0.00	0.11
Interest received	0.01	0.09
Net cash generated from /(used in) investing	(5.33)	(21.04)
C. Cash flow from financing activities:		
Interest paid	(5.81)	(1.73)
Proceed from loan	-	-
Repayment of borrowings	(10.00)	-
Payment of lease liabilities	(15.16)	(15.57)
Net cash (used in)/generated from financing	(30.97)	(17.30)

	For the year Ended March 31, 2023	For the year Ended March 31, 2022
Net increase/(decrease) in Cash and Cash	(5.78)	(61.02)
Net Cash and Cash equivalents at the beginning	(27.95)	33.08
Cash and cash equivalents as at year end	(33.73)	(27.95)
Cash and cash equivalents comprise of the following (Note 11)		
Cash in hand	0.00	0.00
Balances with banks	0.05	0.31
Less: Cash credit (Note 16)	(33.78)	(28.26)
Cash and cash equivalents as at year end	(33.73)	(27.95)
Total	(33.73)	(27.95)

* Includes borrowing cost capitalized during the year INR 3.61 MN (previous year INR 7.20MN).

Summary of significant accounting policies (Note 2)

Ind AS 7 requires company to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).

Particulars	As on April 1, 2022	Cash flows	Non-cash changes			As on March 31, 2023
			Transaction costs impact	Unrealised exchange difference	Others	
Long-term borrowings	-	-	-	-	-	-
Short term borrowings from related party	80	(10)	-	-	-	70.00

Notes:

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

The above cash flow statement should be read in conjunction with the accompanying notes

For and on behalf of the Board

As per our report of even date
For R K Khanna & Co.
Chartered Accountants
FRN: 000033N

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Place: Noida
Date: April 25, 2023

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1 Corporate Information

Motherson Molds and Diecasting Limited ("MMDL" or "the company"), was incorporated in India on July 28, 2006 and has its registered office at Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East Mumbai, Mumbai City, Maharashtra-400051. The main business of the company is manufacturing of Molds & Fixtures on specific requirement of customers.

Up to 20 January 2022 erstwhile Samvardhana Motherson International Limited (SAMIL) held 34,67,400 equity shares of the company aggregating to 51% shareholding of the company. The Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated December 22, 2021 sanctioned composite scheme of amalgamation and arrangement amongst Motherson Sumi Systems Limited (MSSL) and SAMIL resulting in merger of SAMIL with MSSL. The appointed and effective date of the merger is January 21, 2022. Accordingly, 34,67,400 equity shares held by SAMIL in the company stand transferred to MSSL on 21 January 2022 which then becomes the company's holding company w.e.f 21 January 2022. Also, nominees holding 600 equity shares become nominees of MSSL w.e.f the said date.

The name of Motherson Sumi Systems Limited (MSSL) was changed to Samvardhana Motherson International Limited (SAMIL) w.e.f 18 May 2022.

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:

- Defined benefit pension plans – plan assets measured at fair value

The financial statements are presented in INR million (referred to as INR Mn) and all values are rounded to the nearest millions, except when otherwise stated.

(b) Presentation of financial statements

The financial statements have been presented in accordance with Division II of Schedule III of Companies Act, 2013. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

(c) 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.

(d) 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(e) Foreign currencies

(i) Functional and presentation currency

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

(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.

(f) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.2.

However Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods:

Sales are recognised at the point in time when control of assets are transferred to the buyer as per the terms of contract.

Tooling Revenue:

The Company develops tooling for its customers. The Company uses the 'percentage-of-completion method' to determine the appropriate amount to recognise in a given period. The Company determines the level of completion on the basis of milestones achieved to date.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion. Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. Revenue is recognised only to the extent of contract costs incurred that is probable will be recoverable. The Company does not recognize profit on booking of such revenue ("Zero profit margin method") since it is not possible to determine the level of completion reliably. The costs include all expenses incurred in direct relation to the specific projects and a proportion of the fixed and variable general costs incurred on the basis of normal capacity for the Company's construction contracts. On the balance sheet, the Company reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings; a contract represents a liability where the opposite is the case.

Significant financing component:

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component; if it expects at contract inception that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be less than one year.

Warranty obligations:

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law.

These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Contract balances:**Trade receivables:**

A receivable represents the Company's right to an amount of consideration that is unconditional. Refer to accounting policies in section (m) Financial instruments - initial recognition and subsequent measurement.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

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.

Rental Income:

Rental income arising from investment properties given under operating leases is accounted for on a straightline basis over the lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases and is included in other income in the statement of profit and loss.

Duty drawback and export incentives:

Income from duty drawback and export incentives is recognized on an accrual basis.

(g) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income. When government grants relating to loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

(h) 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.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. 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.

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 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 off set when there is a legally enforceable right to off set 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.

(i) 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:

- Building: 5 years
- Machineries: 1 to 6 years
- Motor vehicles: 1 to 6 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.

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 vehicles (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.

The company has lease contracts for building and various items of vehicles and other equipment. Before the adoption of Ind AS 116, the company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Refer to Note 2(i) Leases for the accounting policy prior to 1 April 2019.

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. Refer to Note 2(i) Leases for the accounting policy beginning 1 April 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 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 1 April 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

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.

(j) 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 groups 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.

(k) 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.

(l) Inventory

Raw materials and stores, work in progress, traded and finished goods

Raw materials and stores, work in progress, traded 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.

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. 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.

(m) 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.

Debt instrument at FVTOCI

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

The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

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 group 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.

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 that are within the scope of Ind AS 11 and Ind AS 18
- 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

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

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.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non derivative 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.

Offsetting of financial instruments

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

(n) 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.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 2.2, 30 and 31)
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost) (note 5, 6(b), 11, 14, 15, 16, 30, 31)

(o) 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:

Assets	Useful life
Leasehold Land	Over the period of lease or useful life, whichever is lower
Freehold Land	Nil
Leasehold improvements	Over the period of lease or useful life, whichever is lower
Building Factory	30 years
Plant & machinery	7.5 years
Plant & machinery (Racks Stands & Trolleys)	1 year
Furniture & fixtures	6 years
Office equipment	5 years
Computers	3 years
Software	3 years
Vehicles	4 years

*Useful life of certain assets are different 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.

(p) 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.

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.

(q) 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.

(r) Dividends

Dividend income is recognised when the right to receive payment is established, which is generally when shareholders approve the dividend.

(s) 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.

(i) 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 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 assumptions

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) Defined benefit plans

The cost of the defined benefit gratuity plan is determined using actuarial valuations. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Further details about gratuity obligations are given in Note 17

(iii) 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.

(iv) 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.

3(a) Property, plant and equipment

Particulars	Freehold Land Refer note (ii)	Plant & Machinery	Electrical Installations	Furniture & fixtures	Office equipments	Computers	Vehicles	Total	Capital work in progress
Year ended March 31, 2022									
Gross carrying amount									
As at April 01, 2021	131.26	174.39	0.09	1.41	1.07	4.36	0.18	312.76	0.83
Additions	7.81	13.32	-	-	0.08	0.35	-	21.56	-
Disposals	-	-	-	-	-	-	(0.18)	(0.18)	-
Transfer / Other adjustment	-	-	-	-	-	-	-	-	(0.83)
Closing gross carrying amount	139.07	187.71	0.09	1.41	1.15	4.71	-	334.14	-
Accumulated depreciation									
As at April 01, 2021	-	86.25	0.07	1.16	0.85	3.33	0.13	91.79	-
Depreciation charge during the year	-	22.22	0.01	0.24	0.10	0.66	0.02	23.25	-
Disposals	-	-	-	-	-	-	(0.15)	(0.15)	-
Closing accumulated depreciation	-	108.47	0.08	1.40	0.95	3.99	-	114.89	-
Net carrying amount	139.07	79.24	0.01	0.01	0.20	0.72	-	219.25	-
Year ended March 31, 2023									
Gross carrying amount									
As at April 01, 2022	139.07	187.71	0.09	1.41	1.15	4.71	-	334.14	-
Additions	3.61	-	-	-	1.06	0.61	-	5.28	0.06
Disposals	-	-	-	-	-	(0.03)	-	(0.03)	-
Closing gross carrying amount	142.68	187.71	0.09	1.41	2.21	5.29	-	339.39	0.06
Accumulated depreciation									
As at April 01, 2022	-	108.47	0.08	1.40	0.95	3.99	-	114.89	-
Depreciation charge during the year	-	22.91	0.01	0.01	0.20	0.41	-	23.54	-
Disposals	-	-	-	-	-	(0.03)	-	(0.03)	-
Closing accumulated depreciation	-	131.38	0.09	1.41	1.15	4.37	-	138.40	-
Net carrying amount	142.68	56.33	-	-	1.06	0.92	-	200.99	0.06

Note:-

(i) Refer to Note 37 for information on property plant and equipment pledged as security by the Company for credit facilities attained from bank.

(ii) Freehold land additions includes capitalised borrowing cost, from 1st April 2022 to 30th September 2022, amounting to INR 3.61 MN (FY2021-22: INR 7.20MN). Total borrowing cost capitalised up to 31 March 2023 is INR 27.76 MN (Up to FY2021-22: INR 24.15 MN). From 01 October 2022 onwards, the Company has commenced accounting for borrowing cost as finance cost in the financial statements as the Company had received permission on 20th September 2022 from the Directorate of Town & Country Planning, Haryana to use the freehold land for commercial purposes on which the company intends to setup an Industrial Unit.

Capital work in progress (CWIP) as at March 31, 2023

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
- Project in progress	0.06	-	-	-	0.06

Capital work in progress (CWIP) as at March 31, 2022

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
- Project in progress	-	-	-	-	-

3(b) Right-of-use assets

Particulars	Buildings (Factory Premises)	Plant & Machinery	Vehicles	Total
Year ended March 31, 2022				
Gross carrying amount				
As at April 01, 2021	52.83	20.24	2.24	75.31
Additions	-	0.39	1.23	1.62
Disposals	-	-	(1.39)	(1.39)
Closing gross carrying amount	52.83	20.63	2.08	75.54
Accumulated depreciation				
As at April 01, 2021	21.13	17.95	0.80	39.88
Depreciation charge during the year	10.57	1.70	0.53	12.80
Disposals	-	-	(0.42)	(0.42)
Closing accumulated depreciation	31.70	19.65	0.91	52.26
Net carrying amount	21.13	0.98	1.17	23.28
Year ended March 31, 2023				
Gross carrying amount				
As at April 01, 2022	52.83	20.63	2.08	75.54
Additions	-	-	2.62	2.62
Disposals	-	-	(0.92)	(0.92)
Closing gross carrying amount	52.83	20.63	3.78	77.24
Accumulated depreciation				
As at April 01, 2022	31.70	19.65	0.91	52.26
Depreciation charge during the year	10.55	0.40	0.80	11.75
Disposals	-	-	(0.12)	(0.12)
Closing accumulated depreciation	42.25	20.05	1.59	63.89
Net carrying amount	10.58	0.58	2.19	13.35

4 Intangible assets

Gross carrying amount**Opening gross carrying amount**

Additions

Closing gross carrying amount**Accumulated amortisation**

Opening balance

Amortisation charge during the year

Closing accumulated amortisation**Net carrying amount**

Software	
March 31, 2023	March 31, 2022
3.29	2.79
-	0.50
3.29	3.29
2.72	2.33
0.31	0.39
3.03	2.72
0.26	0.57

5 (a) Other financial assets - Non Current

Unsecured, considered good

Security deposits	4.14	2.57
Deposits with bank with original maturity for more than 12 months*	0.14	0.13
Margin money deposits**	0.08	0.07
Total	4.36	2.77

* Pledged with sale tax department

** FDR's under lien with bank for bank guarantee

5 (b) Other financial assets - Current

Unsecured, considered good

Duty drawback recoverable	0.17	0.17
Interest accrued but not due on fixed deposits	0.00	0.00

Less: Provision for doubtful duty drawback

Total

6 Deferred tax assets (net)

Deferred tax assets

Property, plant and equipment and intangible assets and net of Right-of-use assets & lease liabilities	6.18	4.18
Provision for employee benefit obligations	0.89	1.77
Provision for doubtful debts	0.14	0.15
Minimum alternate tax	0.47	1.25
Others	0.37	0.35

Total

Movement in Deferred tax assets

	Property, plant and equipment and intangible assets and net of Right-of-use assets & lease liabilities	Provision for employee benefit obligations	Provision for doubtful debts	Minimum alternate tax	Others	Total
At April 01, 2021	2.64	1.24	0.16	0.84	1.42	6.30
(Charged)/ credited:						
to profit or loss	1.54	0.55	(0.01)	0.41	(1.07)	1.41
to other comprehensive income	-	(0.02)	-	-	-	(0.02)
At March 31, 2022	4.18	1.77	0.15	1.25	0.35	7.70
At April 01, 2022	4.18	1.77	0.15	1.25	0.35	7.70
(Charged)/ credited:						
to profit or loss	2.01	(1.02)	(0.01)	-	0.02	1.00
to other comprehensive income	-	0.14	-	-	-	0.14
other adjustment	-	-	-	(0.78)	-	(0.78)
At March 31, 2023	6.18	0.89	0.14	0.47	0.37	8.05

Note:

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.

7 Other assets

	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Unsecured, considered good, unless otherwise stated				
Prepaid expenses	0.76	2.43	0.40	2.48
Balances with government authorities*	5.52	-	9.41	-
Total	6.28	2.43	9.81	2.48

*During FY 2017-18, the company had surrendered its EPCG license and paid a duty of INR 2.62 Mn. This duty paid was recognised as input credit and a contingent liability of equivalent amount was also recognized as the company was following up with the concerned authorities for a refund. Refund was received on 24th February 2023 in its electronic credit ledger.

8 Non-current tax assets (net)

	March 31, 2023	March 31, 2022
Opening balance	2.27	0.22
Less: Current tax payable for the year	(5.28)	(3.93)
Add: Advance tax paid & TDS receivable	6.25	5.98
Less: Income tax refund	(4.13)	-
Add: Adjustments for current tax of prior periods	1.04	-
Add: MAT credit adjustment	0.78	-
	0.93	2.27
Tax assets		
Non-current tax assets (net)	0.93	2.27
	0.93	2.27

9 Inventories

	March 31, 2023	March 31, 2022
Work-in-progress	117.05	103.75
Stores and spares	0.80	0.30
Stores and spares in transit	0.94	-
Total	118.79	104.05

- Refer Note 2.1(l) for Inventory valuation policy
- Refer Note 37 for information on inventories hypothecated as security by the Company

10 Trade receivables

	March 31, 2023	March 31, 2022
Unsecured, considered good		
- related parties (refer note 33)	14.97	35.25
- others	28.47	16.60
	43.44	51.85
- credit impaired	0.50	0.53
Less: Allowances for credit loss	0.50	0.53
Total	43.44	51.85

Trade receivables ageing schedule:

Undisputed	Trade receivables – considered good						Trade receivables – credit impaired			
	March 31, 2023			March 31, 2022			March 31, 2023		March 31, 2022	
	Related parties	Others	Total	Related parties	Others	Total	Related parties	Others	Related parties	Others
Current but not due	13.02	22.81	35.83	35.25	14.83	50.08	-	-	-	-
Outstanding for following periods from due date of payment										
Less than 6 Months	1.95	5.66	7.61		1.77	1.77		-	-	-
6 months – 1 year	-	-	-	-	-	-		-	-	0.53
1-2 years	-	-	-	-	-	-		0.50	-	-
2-3 years	-	-	-	-	-	-		-	-	-
More than 3 years	-	-	-	-	-	-		-	-	-
Less: Allowances for credit loss	-	-	-	-	-	-		0.50	-	0.53
Total	14.97	28.47	43.44	35.25	16.60	51.85	-	-	-	-

During the financial year ended March 31, 2023 and March 31, 2022, there are no disputed trade receivables.
There are no unbilled receivables.

11 Cash and cash equivalents

	March 31, 2023	March 31, 2022
Balances with banks:		
- in current accounts	0.05	0.31
Cash in hand	0.00	0.00
Total	0.05	0.31

12 Equity Share Capital

	March 31, 2023	March 31, 2022
Authorised :		
10,000,000 (March 31, 2022 : 10,000,000) Equity shares of INR 10 each	100.00	100.00
Issued, subscribed and Paid up:		
6,800,000 (March 31, 2022: 6,800,000) Equity Shares of INR 10 each	68.00	68.00

a. Movement in equity share capital

	Numbers	Amount
As at April 01, 2021	68.00	68.00
Shares issued during the year	-	-
As at March 31, 2022	68.00	68.00
Add: Changes during the year	-	-
As at March 31, 2023	68.00	68.00

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 shareholders holding more than 5% of the aggregate shares in the Company.

	March 31, 2023		March 31, 2022	
	Nos.	%	Nos.	%
Equity shares:				
Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited) (Holding company)*	3.47	51%	3.47	51%
CTM India Ltd	3.33	49%	3.33	49%

d. Details of shareholding of promoters group

As at 31 March 2023	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total Shares	% change during the year ^A
Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited) (Holding company)*	3.47	-	3.47	51%	0%
CTM India Ltd	3.33	-	3.33	49%	0%
	6.80	-	6.80	100.00%	

As at 31 March 2022	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total Shares	% change during the year
Erstwhile Samvardhana Motherson International Limited	3.47	(3.47)	-	0%	-100%
Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited) (Holding company)*	-	3.47	3.47	51%	100%
CTM India Ltd	3.33	-	3.33	49%	0%
	6.80	-	6.80	100.00%	

* Including 600 shares held by nominees

Up to 20 January 2022 erstwhile Samvardhana Motherson International Limited (SAMIL) held 34,67,400 equity shares of the company aggregating to 51% shareholding of the company. The Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated December 22, 2021 sanctioned composite scheme of amalgamation and arrangement amongst Motherson Sumi Systems Limited (MSSL) and SAMIL resulting in merger of SAMIL with MSSL. The appointed and effective date of the merger is January 21, 2022. Accordingly, 34,67,400 equity shares held by SAMIL in the company stand transferred to MSSL on 21 January 2022 which then becomes the company's holding company w.e.f 21 January 2022. Also, nominees holding 600 equity shares become nominees of MSSL w.e.f the said date. The name of Motherson Sumi Systems Limited (MSSL) was changed to Samvardhana Motherson International Limited (SAMIL) w.e.f 18 May 2022.

13 Reserves and surplus

	March 31, 2023	March 31, 2022
General reserve	8.61	8.61
Retained earnings	84.43	73.36
Total reserves and surplus	93.04	81.97

(i) General reserve

	March 31, 2023	March 31, 2022
Opening balance	8.61	8.61
Additions during the year	-	-
Closing balance	8.61	8.61

(ii) Retained earnings

	March 31, 2023	March 31, 2022
Opening balance	73.36	63.32
Profit for the year	11.42	9.98
Remeasurements of post-employment benefit obligation, net of tax	(0.35)	0.06
Transfer to General Reserve	-	-
Closing balance	84.43	73.36

General reserve

General reserve is the retained earnings of the Company which are kept aside out of the Company's profits to meet future (known or unknown) obligations.

Retained earnings

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

Bracket denotes appropriations / deductions.

14 Other financial liabilities

	March 31, 2023	March 31, 2022
Non-current		
Advance recovery from employees	0.84	0.40
Total	0.84	0.40
Current		
Creditors for capital goods	-	1.06
Employee benefits payable	7.20	5.84
Advance recovery from employees	0.33	-
Total	7.53	6.90

15 Employee benefit obligations

	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Gratuity	0.09	3.10	0.08	1.99
Compensated absences	0.06	1.20	0.04	0.66
Total	0.15	4.30	0.12	2.65

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**

	For the year ended	
	March 31, 2023	March 31, 2022
Obligations at year beginning	2.79	3.55
Service Cost - Current	0.68	0.52
Interest expense	0.21	0.25
(Gains) and losses on curtailment and settlement	-	-
Amount recognised in profit or loss	0.89	0.77

Remeasurements

Actuarial (gain)/ loss from change in financial assumption	0.46	(0.08)
Return on plan assets, excluding amount included in interest expense/(income)	-	-
Experience (gain)/loss	-	-
Change in asset ceiling, excluding amounts included in interest expense	-	-
Amount recognised in other comprehensive income	0.46	(0.08)

Effect of Exchange rate change**Payment from plan:**

Benefit payments	(1.15)	(1.46)
Settlements	0.96	0.01
Contributions:		
Employers	-	-
Plan participants	-	-

Obligations at year end

3.94	2.79
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(ii) Fair Value of Plan Assets**Plan assets at year beginning, at fair value**

	For the year ended	
	March 31, 2023	March 31, 2022
Plan assets at year beginning, at fair value	0.73	1.23
Interest income	0.05	0.09
(Gains) and losses on curtailment and settlement	-	-
Amount recognised in profit or loss	0.05	0.09

Remeasurements

Actuarial (gain)/ loss from change in financial assumption	0.04	(0.00)
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	0.04	(0.00)

Effect of Exchange rate change**Payment from plan:**

Benefit payments	-	(0.59)
Settlements	-	-
Contributions:		
Employers	-	-
Plan participants	-	-

Plan assets at year end, at fair value

0.74	0.73
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(iii) Assets and Liabilities recognized in the Balance Sheet

	For the year ended	
	March 31, 2023	March 31, 2022
Present Value of the defined benefit obligations	3.94	2.79
Fair value of the plan assets	0.74	0.73
Amount not recognized because of limitation of assets	-	-
Amount recognised as Liability	3.19	2.06

(iv) Defined benefit obligations cost for the year:

	For the year ended	
	March 31, 2023	March 31, 2022
Service Cost - Current	0.68	0.52
Interest Cost (Net)	0.16	0.16
Expected return on plan assets	-	-
Actuarial (gain)/ loss	-	-
Net defined benefit obligations cost	0.83	0.68

(v) Investment details of Plan Assets

The details of investments of plan assets are as follows:

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

Equities	-	-
Bonds, Gilts and Others	-	-
LIC of India	100%	100%
Total	100%	100%

(vi) Actuarial assumptions:

	March 31, 2023	March 31, 2022
Discount Rate per annum	7.4%	7.5%
Future salary increases	7.0%	7.0%
Expected return on plan asset	7.4%	7.5%

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

(vii) Amount recognized in current year and previous year:

	March 31, 2023	March 31, 2022
Defined benefit obligations	3.94	2.79
Plan assets	(0.74)	(0.73)
Deficit/(Surplus)	3.19	2.06

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

(viii) Expected Contribution to the Fund in the next year		
	For the year ended	
	March 31, 2023	March 31, 2022
Gratuity	-	2.71

ix) Sensitivity Analysis

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

March 31, 2023	Change in Assumption	Impact	Increase in Assumption	Impact	Decrease in Assumption
Discount Rate per annum	1.00%	Decrease by	(0.57)	Increase by	0.70
Future salary increases	1.00%	Increase by	0.69	Decrease by	(0.57)

March 31, 2022	Change in Assumption	Impact	Increase in Assumption	Impact	Decrease in Assumption
Discount Rate per annum	1.00%	Decrease by	(0.39)	Increase by	0.48
Future salary increases	1.00%	Increase by	0.48	Decrease by	(0.39)

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.

x) Risk exposure

The gratuity scheme is a salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:

(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 decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

xi) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 9 years (March 31, 2022: 9 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)	0.10	0.10	0.54	2.53	3.26
March 31, 2022					
Defined benefit obligation (gratuity)	0.09	0.08	0.43	2.05	2.65

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, Employee State Insurance (ESI) and Social Insurance for the benefit of the employees.

Amount recognised in the Statement of Profit & Loss is as follows (refer note 23):

	For the year ended	
	March 31, 2023	March 31, 2022
Provident fund paid to the authorities	2.30	2.21
Employee state insurance paid to the authorities	0.47	0.54
Contribution to other funds (Employee welfare etc.)	0.07	0.07
	2.84	2.82

C The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India, however, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued by the Government of India. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

16 Current borrowings**a Secured**

Working capital loans repayable on demand- from banks ¹
Indian rupee loan

March 31, 2023	March 31, 2022
33.78	28.26
33.78	28.26

Total (a)

¹ Working capital loans are secured by first charge on entire current assets of the Company both present and future and first charge over the moveable fixed assets of the Company both present and future.

The Company has borrowings from banks on basis of security of current assets. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

Summary of credit facilities from Axis Bank Limited	Sanctioned		Utilised	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Cash Credit	60.00	60.00	33.78	28.26
Letters of credit	20.00	20.00	-	-
Bank guarantees	70.00	70.00	12.62	4.18
Loan Equivalent Risk on forward contracts	2.50	2.50	-	-
Total	152.50	152.50	46.40	32.44

Note

The company has the facility of limit interchangeability amongst various non-fund based limits except Loan Equivalent Risk on forward contracts

b Unsecured

Loans from related party (CTM India Ltd)

March 31, 2023	March 31, 2022
70.00	80.00
70.00	80.00

Total (b)

Lender Name	Interest	Amount	Earlier due date	New due date
CTM India Limited*	9% p.a. payable on monthly basis	30.00	04/06/2022	04/06/2025
CTM India Limited*		40.00	08/06/2022	08/06/2025

*Loans extended during the year vide board resolution dated 3rd June 2022 (i) INR 30 Mn from 4th June 2022 to 4th June 2023 and (ii) INR 40 Mn from 8 June 2022 to 08th June 2023 and further extension sought to 04th June 2025 and 08th June 2025 respectively vide board resolution dated 25th April 2023.

Total (a+b)

103.78	108.26
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17 Trade payables

Total outstanding dues of micro and small enterprises (refer note 40)
- related parties
- others
Total outstanding dues of creditors other than micro and small enterprises
- related parties
- others
Total

March 31, 2023	March 31, 2022
0.09	0.44
4.93	1.89
16.17	4.51
31.29	24.28
52.48	31.12

Trade payables ageing schedule:

Undisputed	Trade payables dues of micro and small enterprises				Trade payables dues of creditors other than micro and small enterprises			
	March 31, 2023		March 31, 2022		March 31, 2023		March 31, 2022	
	Related parties	Others	Related parties	Others	Related parties	Others	Related parties	Others
Current but not due	0.09	4.93	0.44	1.89	16.06	19.03	1.37	9.73
Outstanding for following periods from due date of payment								
Less than 6 Months	-	-	-	-	0.11	12.26	3.14	14.55
6 months – 1 year	-	-	-	-	-	-	-	-
1-2 years	-	-	-	-	-	-	-	-
2-3 years	-	-	-	-	-	-	-	-
More than 3 years	-	-	-	-	-	-	-	-
Total	0.09	4.93	0.44	1.89	16.17	31.29	4.51	24.28

18 Other current liabilities

Current
Statutory dues
Advances received from customers
Related parties
Others

March 31, 2023	March 31, 2022
1.00	0.77
43.47	13.75
7.65	82.53
52.12	97.05

Total

		For the year ended	
		March 31, 2023	March 31, 2022
19 (a) Revenue from contract with customers			
Sales of products			
Finished goods			
Within India		213.32	209.97
Outside India		0.20	17.56
Total gross sales		213.52	227.53
Total revenue from contract with customers (refer note 34)		213.52	227.53
19 (b) Other operating revenue			
Scrap sales		3.54	1.99
Job work income		28.23	12.67
Export incentives		0.00	0.28
Total		31.77	14.94
Total revenue from operations		245.29	242.47
20 Other income			
Interest income			
Financial assets at amortised cost		0.20	0.14
IT refund		0.21	-
Fixed deposits with bank		0.01	0.09
Rent		10.23	-
Exchange fluctuation (net)		0.33	0.69
Gain on disposal of property, plant and equipment		0.00	0.08
Notice Pay		1.34	1.76
Provisions written back to the extent no longer required		0.03	0.05
Miscellaneous income		0.01	0.02
Total		12.36	2.83
21 Cost of materials consumed			
Opening stock of raw materials			
Add : Purchases of raw materials		90.95	52.60
Less: Closing stock of raw materials		-	-
Total		90.95	54.11
22 Changes in inventory of work in progress			
(Increase)/ decrease in stocks			
Stock at the opening of the year:			
Work-in-progress		103.75	125.32
Total A		103.75	125.32
Stock at the end of the year:			
Work-in-progress		117.05	103.75
Total B		117.05	103.75
(Increase)/ decrease in stocks (A-B)		(13.30)	21.57
23 Employee benefits expense			
Salary , wages & bonus			
Contribution to provident & other funds (refer note 15)		53.62	50.01
Gratuity (refer note 15)		2.84	2.82
Staff welfare & other expenses		0.83	0.68
Total		59.08	55.33
24 Depreciation and amortisation expense			
Depreciation on property, plant and equipment			
Depreciation on right of use assets		23.54	23.25
Amortisation on intangible assets		11.75	12.79
Total		35.60	36.43

25	Finance costs	For the year ended	
		March 31, 2023	March 31, 2022
	Interest on term Loan	-	0.95
	Interest on cash credit	2.62	0.66
	Interest on lease liabilities	2.24	2.99
	Interest on delayed payment of statutory dues	0.00	0.11
	Interest on borrowings from related party	3.19	-
	Total	8.05	4.71
26	Other expenses	For the year ended	
		March 31, 2023	March 31, 2022
	Electricity and fuel	9.61	11.86
	Repairs and maintenance:		
	Machinery	2.98	1.95
	Building	0.03	0.03
	Others	0.68	0.15
	Consumption of stores and spare parts	20.19	18.80
	Conversion charges (Job work charges)	8.12	7.75
	Amortisation cost of lease rent - machinery	0.02	0.02
	Amortisation cost of lease rent - vehicles	0.09	0.07
	Amortisation cost of lease rent - factory premises	0.15	0.15
	Rates & taxes	0.71	0.61
	Insurance	1.20	1.16
	Donation	0.04	0.04
	Travelling & conveyance	1.04	1.18
	Freight & forwarding	0.92	2.43
	Bad debts written off	-	0.05
	Provision for doubtful debts	-	0.00
	Auditor's fees and expenses (refer note (a) below)	0.29	0.27
	Legal & professional expenses	9.54	7.92
	Exchange fluctuation (net)	-	0.36
	Guest house expenses	0.14	0.11
	Postage & telephone expenses	0.23	0.21
	General office expenses	1.66	1.42
	Vehicle running & maintenance expenses	0.37	0.16
	Security charges	0.87	0.85
	Software expenses	3.22	2.22
	Miscellaneous expenses	0.51	0.47
	Total	62.61	60.24
(a): Payment to auditors:		For the year ended	
		March 31, 2023	March 31, 2022
As Auditor:			
Audit fees (including limited review)		0.29	0.27
Total		0.29	0.27
27	Income tax expense	For the year ended	
		March 31, 2023	March 31, 2022
	(a) Income tax expense		
	Current tax		
	Current income tax charged	5.28	3.93
	Adjustments for current tax of prior years	(1.04)	0.41
	Total current tax expense	4.24	4.34
	Deferred tax (refer note 6)		
	Decrease/ (increase) in deferred tax assets (net)	(1.00)	(1.41)
	Total deferred tax expense / (credit)	(1.00)	(1.41)
	Income tax expense	3.24	2.93
	(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 tax	14.66	12.91
	Tax at India's tax rate of 27.82% (March 2022: 27.82%)		
	Tax amount	4.08	3.59
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
	Adjustments for tax of prior periods	(0.84)	(0.67)
	Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	0.01	0.01
	Income tax expense	3.24	2.93
28	Earnings per share	For the year ended	
		March 31, 2023	March 31, 2022
	a) Basic		
	Net profit after tax available for equity shareholders	11.42	9.98
	Weighted average number of equity shares of INR 10 each (March 31, 2022: INR 10 each) ¹	6,800,000	6,800,000
	Basic earnings (in INR) per share of INR 10 each. (March 31, 2022: INR 10 each) (absolute figures)	1.68	1.47
	The company does not have any potential equity shares and thus there is no diluted EPS		

29	Ratio Analysis and its elements	For the year ended			Reason for variance for more than 25%
		March 31, 2023	March 31, 2022	% change	
	Current Ratios (in times) (Current Assets / Current Liabilities)	0.73 : 1	0.65 : 1	12.6%	
	Debt- Equity Ratio (in times) [(Long term borrowing including current maturities + short term borrowing + lease liabilities) / Shareholders equity]	0.75 : 1	0.91 : 1	-17.5%	
	Debt Service Coverage ratio (in times) [(Earnings before interest, depreciation, dividend income, interest income, loss on sale of FA and exceptional items but after tax) / (Interest expense on short term and long term borrowings + scheduled principal repayment of long term borrowing during the year)]	0.03 : 1	0.03 : 1	-11.9%	
	Return on Equity ratio (in %) (Net Profits after taxes / Average Shareholder's Equity)	7.34%	6.88%	6.6%	
	Inventory Turnover ratio (in times) (Cost of goods sold / Average inventories)	0.70 : 1	0.64 : 1	8.9%	
	Trade Receivable Turnover Ratio (in times) (Revenue from contract with customers / Average trade receivables)	4.48 : 1	5.26 : 1	-14.7%	
	Trade Payable Turnover Ratio (in times) (Purchase of goods / Average trade payable)	3.15 : 1	2.22 : 1	42.2%	Variance due to The company has received the orders from customers for which there is an increase in purchase of goods.
	Net Capital Turnover Ratio (in times) (Revenue from contract with customers / Average working capital excluding current maturities of long term debt)	(2.80 : 1)	(2.57 : 1)	8.8%	
	Net Profit ratio (in %) (Profit / (loss) for the period / Revenue from operations)	4.65%	4.12%	13.1%	
	Return on Capital Employed (in %) (Earnings before interest expenses, dividend income, interest income and taxes / Average capital employed)	7.85%	6.37%	23.4%	
	Return on Investment (in %) (Dividend income / Investment (on which dividend income earned))	-	-	-	

30 Fair value measurements
Financial instruments by category

	March 31, 2023			March 31, 2022		
	FVPL	FVOCI	Amortised Cost*	FVPL	FVOCI	Amortised Cost*
Financial assets						
Trade receivables	-	-	43.44	-	-	51.85
Cash and cash equivalents	-	-	0.05	-	-	0.31
Other financial assets	-	-	4.36	-	-	2.77
Total financial assets	-	-	47.85	-	-	54.93
Financial liabilities						
Borrowings	-	-	103.78	-	-	108.26
Trade payables	-	-	52.48	-	-	31.12
Other financial liabilities	-	-	24.28	-	-	34.77
Total financial liabilities	-	-	180.54	-	-	174.15

As any financial asset or liability does not fall under the category of either fair value through profit and loss (FVTPL) or other comprehensive income (FVTOCI), therefore the Company has not made such classification.

i. 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				
Other financial assets ¹	4.36	4.36	2.77	2.77
	4.36	4.36	2.77	2.77
Financial liabilities				
Lease liability	1.86	1.86	15.27	15.27
Other financial liabilities ¹	0.84	0.84	0.40	0.40
	2.70	2.70	15.67	15.67

¹ The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

Note: The carrying amounts of current financial assets and current financial liabilities i.e. trade receivables, loans, other financial assets, trade payables, short term borrowings and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

ii. Valuation technique used to determine fair value

The fair value of the financial instruments is determined using discounted cash flow analysis.

31 (a) Financial risk management

The company is engaged in manufacturing of Injection Molds, Blow Molds and Checking Fixtures which is used by the automotive original equipment manufacturers and its business and products is exposed 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:

A Market risk:

Market risk is the risk that the fair value of future cashflows of a financial instruments will fluctuate because of changes in market price/ rate. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

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's business is steel, Hot runner and Mold base. There is no substantial fluctuations in prices of raw materials.

The Company is regularly taking initiatives to reduce its raw material costs to meet targets set up by its customers for cost downs.

b. Foreign currency risk:

The exchange variations in India has mainly impacted the imports, so there is a risk of increase in prices of raw materials due to currency fluctuation.

The unhedged foreign currency exposure is as follows:

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

	March 31, 2023		March 31, 2022	
	Payables / (Receivables)		Payables / (Receivables)	
	Amount in Foreign currency in million	Amount in INR	Amount in Foreign currency in million	Amount in INR
Trade receivables (USD)	(0.01)	(0.51)	(0.08)	(6.03)
Trade payables (USD)	0.02	1.94	0.06	4.61

Foreign currency sensitivity on unhedged exposure

1% increase / decrease in foreign exchange rates will have the following impact on profit before tax:

	Impact on profit before tax	
	March 31, 2023	March 31, 2022
Increase by 1% in forex rate	(0.01)	0.01
Decrease by 1% in forex rate	0.01	(0.01)

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'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, 2023 and March 31, 2022, the Company's borrowings at variable rate were mainly denominated in INR.

(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
Variable rate borrowings	33.78	28.26
Fixed rate borrowings	70.00	80.00
Total borrowings	103.78	108.26

(ii) Sensitivity analysis

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

	Impact on profit before tax	
	March 31, 2023	March 31, 2022
Interest rates-increase by 50 basis points*	(0.17)	(0.14)
Interest rates-decrease by 50 basis points*	0.17	0.14

* Holding all other variables constant

B 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. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables.

Trade receivables

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 and impairment.

C 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 applicable) on any of its borrowing facilities.

(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)	33.78	28.26

(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	103.78	-	-	103.78
Trade payables	52.48	-	-	52.48
Other financial liabilities	7.53	-	-	7.53
Lease liabilities	14.89	1.86	-	16.75
Total	178.68	1.86	-	180.54
Year Ended March 31, 2022	Upto 1 year	1 to 5 years	More than 5 years	Total
Borrowings	108.26	-	-	108.26
Trade payables	31.12	-	-	31.12
Other financial liabilities	6.90	-	-	6.90
Lease liabilities	12.60	15.27	-	27.87
Total	158.88	15.27	-	174.15

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 (including lease liabilities) net of cash and cash equivalents) divided by EBITDA (Earnings before interest, depreciation, dividend income, interest income and exceptional items)

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	120.48	135.82
EBITDA	57.89	53.82
Net Debt to EBITDA	2.08	2.52

(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.

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33 Related Party Disclosures

Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below:

a Has control or joint control of the reporting entity

- 1 Samvardhana Motherson International Limited (Formerly known as Motherson Sumi Systems Limited)
- 2 CTM India Limited

b Has significant influence over the reporting entity

Nil

c Is a member of the Key Management Personnel of the reporting entity or of a parent of the reporting entity

- 1 Mr. Ashok Tandon (Director)
- 2 Mr. Rohitash Gupta (Director)
- 3 Mr. Amit Bhakri (Director)
- 4 Directors of Samvardhana Motherson International Limited ("SAMIL")
 - Mr. Vivek Chaand Sehgal
 - Mr. Laksh Vaaman Sehgal
 - Mr. Naveen Ganzu
 - Mr. Pankaj Mital
 - Mr. Gautam Mukherjee
 - Ms. Rekha Sethi
 - Mr. Shunichiro Nishimura
 - Mr. Norikatsu Ishida
 - Mr. Veli Matti Ruotsala
 - Mr. Robert Joseph Remenar

5 Key Managerial Personnel of SAMIL

- Mr. Kunal Malani (CFO)
- Mr. Alok Goel (Company Secretary)

d The entity and the reporting entity are the members of same group (which means that each parent, subsidiary and fellow subsidiary is related to the others):

- 1 MSSL Tooling (FZE)
- 2 Motherson Consultancies Service Limited
- 3 Samvardhana Motherson Global Carriers Limited (SMGCL)
- 4 Motherson Technology Services Limited (formerly MothersonSumi Infotech & Designs Limited) (MTSL)
- 5 Samvardhana Motherson Health Solutions Limited (Subsidiary through MTSL)
- 6 Motherson Techno Tools Limited (Subsidiary through SMISL)
- 7 Motherson Air Travel Agencies Limited

e One entity is an associate or joint venture of the other entity (or an associate of joint venture of a member of a group of which other entity is a member)

Nil

f Both entities are the joint ventures of the same third party

- 1 Anest Iwata Motherson Private Limited
- 2 Matsui Technologies India Limited
- 3 Calsonic Kansei Motherson Auto Products Pvt. Ltd.

g Entity is controlled or jointly controlled by a person by person identified in (a)

- 1 Motherson Auto Limited
- 2 Motherson Lease Solution Limited
- 3 Swarnlata Motherson Trust

II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 35 (I) above:

a Key management personnel compensation

	March 31, 2023	March 31, 2022
Short-term employee benefits	-	-
Post-employment benefits payable	-	-

b Transactions with related parties

S. No.	Particulars	Parties mentioned in 33 (a)		Parties mentioned in 33 (d)		Parties mentioned in 33 (f)	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Sale of products	48.73	51.69	0.20	-	-	54.72
2	Job work income	11.88	6.54	-	-	-	0.26
3	Rent income	10.23	-	-	-	-	-
4	Sale of property, plant and equipment	-	-	-	-	-	-
5	Purchase of goods	26.23	11.08	1.20	0.28	0.14	0.28
6	Purchase of property, plant and equipment & right-of-use assets	-	-	0.61	0.85	-	-
7	Job work expenses	0.20	0.28	1.49	-	-	0.24
8	Rent expense	13.69	2.17	-	-	-	10.86
9	Reimbursement made	-	-	0.42	0.35	-	-
10	Reimbursement received	0.51	0.18	-	-	0.37	0.72
11	Professional expenses	8.77	6.75	0.13	0.09	-	0.30
12	Software expenses	0.00	-	2.24	1.37	-	-
13	Interest on loan	6.80	7.20	-	-	-	-
14	Miscellaneous expenses	0.01	-	0.63	0.80	-	-

Outstanding balances arising from sales / purchases of goods and services

S. No.	Particulars	Parties mentioned in 33 (a)		Parties mentioned in 33 (d)		Parties mentioned in 33 (f)	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Trade payables	15.03	4.52	1.22	0.44	0.00	-
2	Trade receivables	14.45	35.24	0.51	6.03	-	0.00
3	Loan payable	70.00	80.00	-	-	-	-
4	Advance received	43.47	13.75	-	-	-	-
5	Security deposit paid*	4.75	4.75	-	-	-	-

* Represents transaction based on the contractual terms with the parties and without considering the related Ind AS adjustments.

MOTHERSON MOLDS AND DIECASTING LIMITED
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Notes to the financial statements for the year ended March 31, 2023
(All amounts in INR Million, unless otherwise stated)
III. Disclosure of Related Parties transactions

S. N.	Particulars	Relation (Refer Note)	March 31, 2023	March 31, 2022
1	Sales			
	CTM India Limited	33 (a)	26.25	51.69
	Samvardhana Motherson International Ltd	33 (a)	22.47	-
	Motherson Sumi Systems Ltd upto January 20, 2022	33 (f)	-	37.16
	MSSL Tooling FZE upto January 20, 2022	33 (f)	-	17.56
	MSSL Tooling FZE	33 (d)	0.20	-
2	Job work income			
	CTM India Limited	33 (a)	10.86	6.54
	Samvardhana Motherson International Ltd	33 (a)	1.02	-
	Motherson Sumi Systems Ltd upto January 20, 2022	33 (f)	-	0.26
3	Rent income			
	Samvardhana Motherson International Ltd	33 (a)	10.23	-
4	Purchase of goods			
	Motherson Techno Tools Ltd	33 (d)	1.20	0.28
	Matsui Technologies India Limited	33 (f)	-	0.18
	CTM India Limited	33 (a)	26.20	11.08
	Samvardhana Motherson International Ltd	33 (a)	0.03	-
	Anest Iwata Motherson Private Limited	33 (f)	0.14	0.10
5	Professional expenses			
	Samvardhana Motherson International Ltd	33 (a)	8.77	6.50
	Motherson Sumi Systems Ltd w.e.f January 21, 2022	33 (a)	-	0.25
	Motherson Sumi Systems Ltd upto January 20, 2022	33 (f)	-	0.30
	Samvardhana Motherson Global Carriers Limited	33 (d)	0.13	0.09
6	Job work expenses			
	Samvardhana Motherson International Ltd	33 (a)	0.20	-
	MSSL Tooling FZE	33 (d)	1.49	-
	Motherson Sumi Systems Ltd w.e.f January 21, 2022	33 (a)	-	0.28
	Motherson Sumi Systems Ltd upto January 20, 2022	33 (f)	-	0.24
7	Rent expenses			
	Samvardhana Motherson International Ltd	33 (a)	13.69	-
	Motherson Sumi Systems Ltd w.e.f January 21, 2022	33 (a)	-	2.17
	Motherson Sumi Systems Ltd upto January 20, 2022	33 (f)	-	10.86
8	Software expenses			
	Samvardhana Motherson International Ltd	33 (a)	0.00	-
	Motherson Technology Services Limited (formerly MothersonSumi Infotech & Designs Limited) (MTSL)	33 (d)	2.24	1.37
9	Interest on borrowings			
	CTM India Limited	33 (a)	6.80	7.20
10	Miscellaneous expenses			
	Motherson Consultancy Services Ltd	33 (d)	-	0.01
	Samvardhana Motherson Global Carriers Limited	33 (d)	0.04	0.39
	Samvardhana Motherson International Ltd	33 (a)	0.01	-
	Motherson Air Travel Agencies Limited	33 (d)	0.59	0.40
11	Reimbursement paid during the year			
	Motherson Air Travel Agencies Limited	33 (d)	0.42	0.35

MOTHERSON MOLDS AND DIECASTING LIMITED
CIN: U27310MH2006PLC338786

Notes to the financial statements for the year ended March 31, 2023
(All amounts in INR Million, unless otherwise stated)

12	Reimbursement received during the year			
	Motherson Sumi Systems Ltd upto January 20, 2022	33 (f)	-	0.72
	Motherson Sumi Systems Ltd w.e.f January 21, 2022	33 (a)	-	0.18
	Samvardhana Motherson International Ltd	33 (a)	0.51	-
	Calsonic Kansei Motherson Auto Products Pvt. Ltd.	33 (f)	0.37	0.01
13	Purchase of property, plant and equipment			
	Motherson Technology Services Limited (formerly MothersonSumi Infotech & Designs Limited) (MTSL)	33 (d)	0.61	0.85
14	Borrowings repaid during the year			
	CTM India Limited	33 (a)	10.00	-
15	Security deposit (Balance at year end)			
	Samvardhana Motherson International Ltd	33 (a)	4.75	4.75
16	Trade payables (Balance at year end)			
	Motherson Techno Tools Ltd	33 (d)	0.26	0.01
	Motherson Technology Services Limited (formerly MothersonSumi Infotech & Designs Limited) (MTSL)	33 (d)	0.87	(0.01)
	Samvardhana Motherson International Ltd	33 (a)	0.28	-
	Samvardhana Motherson Global Carriers Limited	33 (d)	0.04	0.05
	CTM India Limited	33 (a)	14.75	1.50
	Motherson Sumi Systems Ltd	33 (a)	-	3.02
	Anest Iwata Motherson Private Limited	33 (f)	0.00	-
	Motherson Air Travel Agencies Limited	33 (d)	0.05	0.39
17	Trade receivables (Balance at year end)			
	Motherson Sumi Systems Ltd	33 (a)	-	8.22
	Samvardhana Motherson International Ltd	33 (a)	3.37	-
	MSSL Tooling FZE	33 (d)	0.51	6.03
	CTM India Limited	33 (a)	11.09	27.02
	Calsonic Kansei Motherson Auto Products Pvt. Ltd.	33 (f)	-	0.00
18	Advance received (Balance at year end)			
	Motherson Sumi Systems Ltd	33 (a)	-	13.75
	CTM India Limited	33 (a)	43.47	-

* Represents transaction based on the contractual terms with the parties and without considering the related Ind AS adjustments.

34 Segment Information:**Description of segments and principal activities**

The company is engaged in manufacturing of Injection Molds, Blow Molds and Checking Fixtures which is used by the automotive original equipment manufacturers .

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, hence there are no reportable segments as per Ind AS 108 "Operating Segments"

A. Disaggregated revenue information**i) Revenue from external customers**

India

Outside India

March 31, 2023	March 31, 2022
245.80	224.91
0.20	17.56
246.00	242.47

Type of goods or Services

Sale of products

Job work income

Others

March 31, 2023	March 31, 2022
213.52	227.53
28.23	12.67
3.54	2.27

Total revenue from contracts with customers

245.29	242.47
---------------	---------------

Timing of revenue recognition

At a point in time

Over a period of time

Total revenue from contracts with customers

March 31, 2023	March 31, 2022
245.29	242.47
-	-
245.29	242.47

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
217.09	245.58
-	-
217.09	245.58

iii) Capital expenditure

March 31, 2023	March 31, 2022
5.34	21.13

iv) 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
20.27	33.24
31.99	34.03
31.45	37.16
25.09	51.69

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35 Capital and other commitments

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

Property, plant and equipmentEstimated value of contracts in capital account
remaining to be executed**Total**

March 31, 2023	March 31, 2022
----------------	----------------

-	-
---	---

-	-
---	---

36 Contingent liabilities:

- a) Custom duty
b) Bank guarantees

Total

March 31, 2023	March 31, 2022
----------------	----------------

-	2.62
---	------

12.62	4.18
-------	------

12.62	6.80
-------	------

37 Assets pledged as security

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

Current:**Financial assets****First charge**

Cash and cash equivalents

Trade receivables

Inventory

Other current assets

Other financial assets

11	0.05	0.31
----	------	------

10	43.44	51.85
----	-------	-------

9	118.79	104.05
---	--------	--------

7	6.28	9.81
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5 (a)	0.00	0.00
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Total current assets pledged as security

168.56	166.02
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Non Current:**First charge**

Property, plant and equipment

3(a)	58.31	80.18
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Total non-current assets pledged as security

58.31	80.18
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Total assets pledged as security

226.87	246.20
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38 Ind AS 115 Revenue from contracts with customers

The table below represents summary of details relating to contracts with customers :

Trade receivables (refer note 10)
Contract liabilities (refer note 18)

March 31, 2023	March 31, 2022
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43.44	51.85
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51.12	96.27
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39 Leases

The Company assesses each lease contract and if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Company recognised right to use assets and lease liabilities for those lease contracts except for short-term lease and lease of low-value assets.

The Company has leases contracts for premises, plant & machinery and vehicles. These leases agreement generally have lease terms between 2 and 6 years. The company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments.

	March 31, 2023	March 31, 2022
Current lease liabilities	14.89	12.60
Non-current lease liabilities	1.86	15.27
	<u>16.75</u>	<u>27.87</u>

Refer note 31 (C) for maturity analysis of lease liabilities and note 3 (b) for right-to-use assets recognised. The Company has total cash outflow of INR 15.16 MN (previous year INR 15.57 MN).

Amount recognised in statement of profit and loss during the year on account of Ind AS 116

	March 31, 2023	March 31, 2022
Interest expense on lease liabilities (included in finance cost)	2.24	2.99
Depreciation of Right of Use assets	11.75	12.79
Lease expense derecognised	15.16	15.57

Set out below are the carrying amounts of right-of-use assets recognised and the movements

Particulars	Buildings (Factory Premises)	Plant & Machinery	Vehicles	Buildings (Factory Premises)	Plant & Machinery	Vehicles
	March 31, 2023			March 31, 2022		
Opening	21.13	0.98	1.17	31.70	2.29	1.44
Additions	-	-	2.62	-	0.39	1.23
Deletions due to termination of contracts	-	-	(0.92)	-	-	(1.39)
Depreciation expense	10.55	0.40	0.80	10.57	1.70	0.53
Depreciation on deletions	-	-	(0.12)	-	-	(0.42)
Closing	10.58	0.58	2.19	21.13	0.98	1.17

40 Dues to micro and small 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:

	March 31, 2023	March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	5.02	2.33
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	-	-

41 Corporate Social Responsibility

The Company does not have any obligation to incur Corporate Social Responsibility (CSR) expenditure in accordance with Section 135 of the Companies Act, 2013 for financial year 2022-23. Further, there is no shortfall of expenditure for any earlier year.

42 Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in crypto-currencies or virtual currencies during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The Company is not declared as a wilful defaulter by any bank or financial institution.
- (ix) The company has not revalued its Property, plant and equipment and intangible assets

43 Status of Land purchased for establishing an industrial unit:

The company had purchased land in January 2019 in the revenue estate of village Fatehpur, Tehsil Tarou, Distt Nuh, Haryana for INR 97 MN for establishing an industrial unit to cater the increase demand from Automobiles Industry. The Company was granted permission on 20th September 2022 by Directorate of Town & Country Planning, Haryana for setting up an industrial unit on the purchased land.

44 Corresponding figures of previous year are regrouped, rearranged wherever necessary to confirm to the current year classification.**45 Amounts appearing as zero "0.00" in financials are below the rounding off norm adopted by the Company**

For and on behalf of the Board

As per our report of even date
For R K Khanna & Co.
 Chartered Accountants
 FRN: 000033N

Ashok Tandon
 Director
 DIN:00032733

Rohitash Gupta
 Director
 DIN: 01049454

Vipin Bali
 Partner
 Membership No.: 083436

Devender Singh
 COO
 PAN: ABYPS9851Q

Naveen Agarwal
 Finance Head
 PAN: BDHPA7187D

Place: Noida
 Date: April 25, 2023

Place: Delhi
 Date: April 25, 2023