

INDEPENDENT AUDITOR'S REPORT

To the Members of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited) ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



Responsibility of Management for the Standalone Financial Statements

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

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

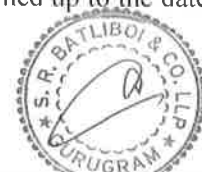
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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



auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) As informed by the management, during the year, there is no managerial remuneration paid/provided by the Company to its directors. Accordingly, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 40 to the standalone financial statements;



S.R. BATLIBOI & Co. LLP

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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
- iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 43 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 43 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005


per **Anil Mehta**

Partner

Membership Number: 095812

UDIN: 23095812BGXDLS7517

Place of Signature: New Delhi

Date: May 22, 2023



Annexure 1 referred to in paragraph 1 of our report of even date under section 'Report on other legal and regulatory requirements'**Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited) ('the Company')**

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

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- B. The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verifying them once in two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
- (b) As disclosed in note 17 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (iii) (a) During the year the Company has provided loans and guarantees to companies as follows:

Particulars	Loans (Amount in INR Millions)	Guarantee (Amount in INR Millions)
Aggregate amount granted/ provided during the year – Subsidiaries	305.8*	300.0
Balance outstanding as at balance sheet date in respect of above cases – Subsidiaries	595.1	-

*excludes loans renewed during the year referred in Clause (iii)(e).

- (b) During the year the investments made, guarantees provided and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies are not prejudicial to the Company's interest.



- (c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular or renewed as disclosed in Clause iii(e) below.
- (d) There are no amounts of loans granted to companies which are overdue for more than ninety days.
- (e) During the year, the Company had renewed loans to subsidiary to settle the loan which had fallen due during the year.

Name of Parties*	Aggregate amount of loans or advances in the nature of loans granted during the year	Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Samvardhana Motherhood Health Solutions Limited	INR 10.0 million	INR 170.1 million	36.1%

*This loan has been impaired during the previous year and current year. Refer Note 13 (b) of the financial statements.

- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, provisions of 186 of the Companies Act, 2013 in respect of loans and advances given and investments made have been complied with by the Company. There are no loans in respect of which provisions of section 185 of the Companies Act, 2013 are applicable and hence no commented upon.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions of sales-tax, service tax, duty of excise and value added tax are not applicable to the Company.



- (b) The dues of income-tax, duty of custom, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount in Rs. Million (Net of amount paid under protest)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Transfer Pricing	88.5	AY 2016-2017	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Transfer Pricing	57.0	AY 2018-2019	Commissioner of Income Tax (Appeals)
Customs Act, 1962	Customs Duty	1.5	FY 2017-2018	Commissioner of Customs (Appeals)

There are no dues of goods and services tax, provident fund, employees' state insurance, cess, and other statutory dues which have not been deposited on account of any dispute. The provisions of sales-tax, service tax, duty of excise and value added tax are not applicable to the Company.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has taken funds from following company to meet the obligations of its subsidiary, as per details below:

Nature Of fund taken	Name of lender	Amount involved (INR million)	Name of the subsidiary	Relation	Nature of transaction for which funds utilized
Loan	SMR Automotive Systems India Limited	300.0	Motherhood Technology Services United Kingdom Limited	Subsidiary	Loan repayment by Subsidiary

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.



- (b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment / private placement of shares during the year. The amount raised, have been used for the purposes for which the funds were raised except for idle/surplus funds amounting to INR 222 million which were not required for immediate utilization and which have been gainfully invested in liquid investments (bank deposits). The maximum amount of idle/surplus funds invested during the year was INR 222 million, which was outstanding at the end of the year.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.
- The Group has one Core Investment Company as part of the Group which is exempted from registration requirement.
- (xvii) The Company has not incurred cash losses in the current financial year. In the immediately preceding financial year, the Company had incurred cash losses amounting to INR 60.6 million.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.



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- (xix) On the basis of the financial ratios disclosed in note 42 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 29 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 29 to the financial statements.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Anil

Anil Mehta

Partner

Membership Number: 095812

UDIN: 23095812BGXDLS7517

Place of Signature: Gurugram



ANNEXURE “2” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MOTHERSON TECHNOLOGY SERVICES LIMITED (FORMERLY KNOWN AS MOTHERSONSUMI INFOTECII & DESIGNS LIMITED)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of Motherson Technology Services Limited (formerly known as MothersonSumi INfotech & Designs Limited) (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Anil Mehta**

Partner

Membership Number: 095812

UDIN: 23095812BGXDLS7517

Place of Signature: Gurugram

Date: May 22, 2023



Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited)

CIN : U67120DL1985PLC020695

Standalone balance sheet as at March 31, 2023

(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.	671.9	545.0
Capital work in progress	3.	57.2	138.4
Right-of-use assets	39.	595.5	592.5
Intangible assets	4.	10.4	26.7
Investment in subsidiaries	5.	33.0	44.5
Financial assets			
i. Loans	13.(a)	12.7	125.4
ii. Other financial assets	6.	78.3	73.7
Deferred tax assets (net)	7.	145.7	122.9
Non-current tax assets (net)	8.	195.6	221.0
Other non-current assets	9.	85.8	88.6
Total non-current assets		1,886.0	1,978.7
Current assets			
Inventories	10.	4.5	15.0
Financial assets			
i. Trade receivables	11.	1,383.4	914.4
ii. Cash and cash equivalents	12.(a)	9.9	7.7
iii. Bank balances other than (ii) above	12.(b)	222.2	0.3
iv. Loans	13.(b)	322.8	-
v. Other financial assets	6.	176.2	107.5
Other current assets	14.	325.6	221.5
Total current assets		2,444.6	1,266.4
Total assets		4,330.6	3,245.1
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15.	685.2	129.7
Other equity			
Reserves and surplus	16.	779.7	299.5
Total equity		1,464.9	429.2
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	17.(a)	204.5	475.3
ia. Lease liabilities	39.	129.3	123.1
ii. Other financial liabilities	21.	-	60.8
Employee benefit obligations	18.	257.6	252.0
Other non-current liabilities	19.	74.5	30.0
Total non-current liabilities		665.9	941.2
Current liabilities			
Financial Liabilities			
i. Borrowings	17.(b)	1,024.8	834.3
ia. Lease liabilities	39.	13.6	75.8
ii. Trade payables	20.		
total outstanding dues of micro and small enterprises		20.0	21.3
total outstanding dues of creditors other than micro and small enterprises		622.0	371.2
iii. Employee related payables		219.3	200.5
iv. Other financial liabilities	21.	65.4	86.1
Provisions	22.	32.1	24.4
Employee benefit obligations	18.	15.0	21.5
Other current liabilities	19.	174.9	226.8
Current tax liabilities		12.8	12.8
Total current liabilities		2,199.9	1,874.7
Total liabilities		2,865.8	2,815.9
Total equity and liabilities		4,330.6	3,245.1

Summary of significant accounting policies

2.

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

As per our report on even date.

For S. R. Batliboi & Co. LLP

Chartered Accountants

Firm registration number: 301003E / E300005

Anil
per Anil Mehta
Partner

Membership No: 095812



For and on behalf of the Board of Directors of

Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited)

Laksh Vaaman Sehgal
Laksh Vaaman Sehgal
Director
DIN 00048584

Lata Unnikrishnan
Lata Unnikrishnan
Director
DIN 08391470



Rajesh Thakur
Rajesh Thakur
Chief Executive Officer
PAN ACSPT8411E

Ashish Bhagat
Ashish Bhagat
Chief Financial Officer
PAN AFIPB5613D

Surbhi Sehgal
Surbhi Sehgal
Company Secretary
PAN CJOPK2696F

Motherhood Technology Services Limited (formerly known as MotherhoodSumi Infotech & Designs Limited)

CIN : U67120DL1985PLC020695

Standalone 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 contracts with customers	23.(a)	6,286.4	4,254.9
Other operating revenue	23.(b)	-	14.5
Total revenue from operations		6,286.4	4,269.4
Other Income	24.	56.0	41.4
Total Income		6,342.4	4,310.8
Expenses			
Purchase of stock-in-trade		669.8	320.0
Changes in Inventory of stock in trade	25.	10.5	(14.2)
Employee benefits expense	26.	2,697.1	2,242.7
Finance costs	28.	145.9	91.7
Depreciation and amortization expense	27.	147.1	159.8
Other expenses	29.	2,953.5	1,936.6
Total expenses		6,623.9	4,736.6
Profit/ (loss) before tax		(281.5)	(425.8)
Tax expenses	30.		
-Current tax		-	-
-Deferred tax expense /(credit)		(23.3)	(44.0)
Total tax expense /(credit)		(23.3)	(44.0)
Profit/ (loss) for the year		(258.2)	(381.8)
Other comprehensive Income			
Items that will not be reclassified to profit or loss and its related Income tax effects			
Remeasurements gains/ (losses) on post-employment benefit obligations	18.	2.4	20.9
Deferred tax credit on remeasurements gains/ (losses) on post-employment benefit obligations		(0.6)	(5.3)
Other comprehensive Income for the year, net of tax		1.8	15.6
Total comprehensive Income/ (loss) for the year		(256.3)	(366.2)
Earnings/ (loss) per share			
Nominal value per share: INR 10/- (Previous year : INR 10/-)			
Basic (INR per share)	31.(a)	(14.8)	(29.4)
Diluted (INR per share)	31.(b)	(14.8)	(29.4)

Summary of significant accounting policies

2.

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

As per our report on even date.

For S. R. Batliboi & Co. LLP

Chartered Accountants

Firm registration number: 301003E / E300005

Anil

per Anil Mehta
Partner
Membership No: 095812



For and on behalf of the Board of Directors of

Motherhood Technology Services Limited (formerly known as MotherhoodSumi Infotech & Designs Limited)

Laksh Vaaman Sehgal
Director
DIN 00048584

Lata Unnikrishnan
Director
DIN 08391470



Rajesh Thakur
Chief Executive Officer
PAN ACSPT8411E

Ashish Bhagat
Chief Financial Officer
PAN AFIPB5613D

Surbhi Sehgal
Company Secretary
PAN CJOPK2696F

A. Equity share capital

For the year ended March 31, 2023

Equity shares of INR 10/- each issued, subscribed and fully paid

	Notes	Numbers	Amount
At April 01, 2021		1,29,73,453	129.7
Balance as at April 01, 2021		1,29,73,453	129.7
Issue of share capital	15.	-	-
At March 31, 2022		1,29,73,453	129.7
Balance as at April 01, 2022		1,29,73,453	129.7
Issue of share capital	15.	5,55,45,609	555.5
At March 31, 2023		6,85,19,062	685.2

B. Other equity	Note	Reserves and surplus				Total
		Securities premium reserve	Reserve on amalgamation	Capital redemption reserve	Retained Earnings	
At April 01, 2021	16.	21.5	0.1	80.0	564.1	665.7
Profit/(loss) for the year		-	-	-	(381.8)	(381.8)
Other comprehensive income (Refer note 18)		-	-	-	15.6	15.6
Total comprehensive income for the year		21.5	0.1	80.0	197.9	299.5
At March 31, 2022		21.5	0.1	80.0	197.9	299.5
Profit/(loss) for the year		-	-	-	(258.2)	(258.2)
Other comprehensive income (Refer note 18)		-	-	-	1.8	1.8
Total comprehensive income for the year		21.5	0.1	80.0	(58.4)	43.2
Issue of equity shares		736.5	-	-	-	736.5
At March 31, 2023		758.0	0.1	80.0	(58.4)	779.7

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

As per our report on even date.

For S. R. Batliboi & Co. LLP

Chartered Accountants

Firm registration number: 301003E / E300005

For and on behalf of the Board of Directors of

Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited)

per Anil Mehta

Partner

Membership No: 095812



Laksh Vaaman Sehgal

Director

DIN 00048584

Rajesh Thakur

Chief Executive Officer

PAN ACSPT8411E

Ashish Bhagat

Ashish Bhagat

Chief Financial Officer

PAN AFIPB5613D

Lata Unnikrishnan

Director

DIN 08391470

Surbhi Sehgal

Company Secretary

PAN CJOPK2696F



	For the year ended March 31, 2023	March 31, 2022
A. Cash flow from operating activities:		
Profit/ (loss) before tax	(281.5)	(425.8)
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation of property, plant and equipment and right-of-use assets	127.3	120.8
Amortisation expense of Intangible assets	19.8	39.0
Unrealised foreign exchange (gain)/loss	(5.6)	0.5
Provision for Impairment of Investment	12.3	7.0
Provision for expected credit loss on loans receivables	94.0	165.6
Provision for expected credit loss on interest receivable	27.5	-
(Gain)/loss on disposal of property, plant & equipment (net)	-	(2.0)
Provision for expected credit losses	44.9	7.9
Provision for loss on onerous contract	9.5	-
Provisions written back to the extent no longer required	(0.7)	-
Finance Income	(33.9)	(21.0)
Finance cost	145.9	91.7
Intangible asset written off	-	25.5
Guarantee Income	(0.8)	-
Fair value gain on financial instruments at fair value through profit or loss	-	(1.5)
Fair value loss on financial instruments at fair value through profit or loss (FVTPL)	-	21.2
Operating profit before working capital changes	158.7	28.9
Working capital adjustments:		
Increase/(Decrease) In trade payables	268.2	225.5
Increase/(Decrease) In other financial liabilities	(38.1)	3.4
Increase/(Decrease) In provisions	(0.3)	1.1
Increase/(Decrease) In other liabilities	(7.5)	77.1
(Increase)/Decrease In trade Receivables	(496.9)	(310.5)
(Increase)/Decrease In Inventories	10.5	(14.2)
(Increase)/Decrease In financial assets	(82.8)	(35.0)
(Increase)/Decrease In other non-current Assets	2.8	(32.2)
(Increase)/Decrease In other current Assets	(104.1)	(75.3)
Cash generated from/ (used in) operations	(289.5)	(131.3)
- Income Tax paid (net of refund)	25.3	(106.5)
Net cash generated from/ (used in) operations	(264.2)	(237.8)
B. Cash flow from Investing activities:		
Purchase of property, plant and equipment	(152.8)	(207.6)
Purchase of Intangible assets	(3.4)	(6.4)
Intangible assets under development	-	(0.0)
Proceeds from sale of property, plant & equipment	0.1	10.0
Acquisition of subsidiary	-	(22.0)
Proceeds from maturity of deposits (net)	(221.9)	0.1
Loan given to related parties	(305.5)	(171.5)
Loan repaid by related parties	8.7	-
Interest received (finance income)	14.5	8.9
Net cash used in investing activities	(660.3)	(388.5)
C. Cash flow from financing activities:		
Unpaid dividend transferred to Investor Education Provident Fund	(0.1)	(0.1)
Repayments of long term borrowings	(210.4)	(200.4)
Proceeds from long term borrowings	152.2	226.3
Proceeds from short term borrowings (net)	132.9	417.1
Interest paid	(190.5)	(42.8)
Loan taken from related parties	940.0	290.0
Loan (repaid) to related parties	(1,095.0)	-
Payment of principal portion of lease liabilities	(94.3)	(93.8)
Proceeds from share allotment	1,292.0	-
Net cash from financing activities	926.8	596.3
Net increase/(decrease) in cash & cash equivalents	2.3	(30.0)
Net foreign exchange difference	(0.1)	(0.0)
Cash and cash equivalents at the beginning of the year	7.7	37.7
Cash and cash equivalents at year end	9.9	7.7
Cash and cash equivalents comprise of the following:		
Cash on hand	12.(a) 0.1	0.1
Balances with banks	12.(a) 9.8	7.6
Cash and cash equivalents as per balance sheet	9.9	7.7

Summary of significant accounting policies

2

Notes:

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

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

As per our report on even date.

For S. R. Batliboi & Co. LLP

Chartered Accountants

Firm registration number: 301003E / E300005

per Anil Mehta
Partner

Membership No: 095812



For and on behalf of the Board of Directors of

Motherson Technology Services Limited (formerly known as MothersonSumI Infotech & Designs Limited)

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Chief Financial Officer
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Surbhi Sehgal
Company Secretary
PAN CJOPK2696F

Ashish Bhagat

1 Corporate Information

Motherson Technology Services Limited (formerly known as MothersonSumI INFotech & Designs Limited) was Incorporated and domiciled in India on 15th April 1985 and specializes in Software Development, Engineering & Design. The address of its registered office of 2nd Floor, F-7, Block B-1, Mohan Cooperative Industrial Estate, Mathura road, New Delhi-44. The company is an IT and Engineering Design Services company with a global footprint providing Consulting and Outsourcing services.

The name of the Company has been changed from "MothersonSumI INFotech & Designs Limited" to "Motherson Technology Services Limited" w.e.f. May 19, 2022.

The standalone financial statements were authorized for issue in accordance with resolution of the Board of Directors on May 22, 2023.

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) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statement.

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:

- Derivative financial instruments (refer note 33)
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial Instruments) Note 32 and
- Defined benefit pension plans – plan assets measured at fair value (Note 18)

The financial statements are presented in INR and all values are rounded to million with one decimal, except when otherwise indicated.

New and amended standards and Interpretations

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2022.

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022.

(I) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

An onerous contract is a contract under which the unavoidable cost of meeting the obligations under the contract exceeds the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfill the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The Company applied the amendments to the contracts for which it had not fulfilled all of its obligations at the beginning of the reporting period.

Prior to the application of the amendments, the Company had not identified any contracts as being onerous as the unavoidable costs under the contracts, which were the costs of fulfilling them, comprised only incremental costs directly related to the contracts. As a result of the amendments, the Company assessed whether certain other directly related costs are required to be included by the Company in determining the costs of fulfilling the contracts. The Company, therefore, recognised an onerous contract provision as at 1 April 2022, which increased as of 31 March 2023 (Note 22).

In accordance with the transitional provisions, the Company applies the amendments to contracts for which it has not yet fulfilled all of its obligations, at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application) and has not restated its comparative information.

These amendments have no significant impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

(II) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

In accordance with the transitional provisions, the Company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the financial statements of the Company as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

(III) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. These amendments had no impact on the financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

(IV) Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022 but do not apply to the Company as it is not a first-time adopter.

(v) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the financial statements of the Company as there were no modifications of the Company's financial instruments during the period.

(vi) Ind AS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of Ind AS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of Ind AS 41. The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments had no impact on the financial statements of the Company as it did not have assets in scope of Ind AS 41 as at the reporting date.

(b) Presentation of financial statements

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:

- i) The normal course of business
- ii) The event of default
- iii) The event of insolvency or bankruptcy of the company

(c) Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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.

(d) Foreign currencies

- Functional and presentation currency

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

- 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.

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.

(e) Revenue recognition and Other Income

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.

Trading of hardware and software

Revenue from trading of hardware and software is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the product.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of hardware and software, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

The revenue from support services associated with the sale of hardware and software, which forms a separate performance obligation than the sale of hardware and software itself, is recognised by the Company over the period of time as and when the services are rendered to the customers.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognised over the access period.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Contracts for the sale of hardware and software provide customers with a customary right of return in case of defects, quality issues etc. The rights of return give rise to variable consideration.



Rendering of services

Revenue from sale of services are recognised over the period of time to the extent the related services are rendered as per the respective agreements as and when the customer consumed the benefits provided to them.

Revenue on time-and-material and unit of work-based contracts, are recognized as the related services are performed. Fixed-price maintenance revenue is recognized ratably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or ratably using a percentage-of completion method when the pattern of benefits from the services rendered to the customer and Company's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of completion method. The revenue from the last invoicing to the report date is recognised as unbilled revenue. Efforts or costs expended are used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contracts and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

In arrangements for bundled contracts, the company has applied the revenue recognition criteria for each distinct performance obligation. The arrangements with the customers generally meet the criteria for considering goods and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of the contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where it is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price.

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 has to re-work over the delivered services if required by the customers or deliveries don't need the specifications of the customers. These are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Principal versus agent considerations

In instances when revenue is derived from sales of third-party vendor services, material or licenses, revenue is recorded on a gross basis when the Company is a principal to the transaction and net of costs when the Company is acting as an agent between the customer and the vendor. Several factors are considered to determine whether the Company is a principal or an agent, most notably being company control the goods or service before it is transferred to customer, latitude in deciding the price being charged to customer. Revenue is recognized net of discounts and allowances, value-added and service taxes, and includes reimbursement of out-of-pocket expenses, with the corresponding out-of-pocket expenses included in cost of revenues.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current. Where the settlement is due after one year, they are classified as non-current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Contract assets

A contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. The impairment of contract assets is measured, presented and disclosed on the same basis as trade receivables.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) 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 or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Impairment

An impairment is recognised to the extent that the carrying amount of receivable or asset relating to contracts with customers (a) the remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which such asset relates; less (b) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

(f) Other Income

Interest

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 the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend

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

Other Items of income

- Income from scrips are recognised on grant of authorisation on market/recoverable value.
- Other items of income are accounted as and when the right to receive arises.

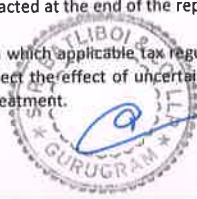
(g) Income tax

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.

Current income tax

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 the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either the most likely method or expected value method, depending on which method predicts better resolution of the treatment.



Deferred tax

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to 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 off set 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.

(h) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration is considered as lease.

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.

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 remeasurement 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:

Asset type	Years
Land	90 Years
Vehicles	4-5 Years
Building	3-6 Years

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

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.

Lease liabilities, which separately shown in the financial statement are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing (while affecting other comprehensive income) the carrying amount to reflect the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (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 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.

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.

(i) 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 or 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.

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.

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.

The Company assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase costs. These risks in relation to climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount. These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

(j) Cash and cash equivalents

Cash and cash equivalent includes cash on hand, cash at banks and short term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(k) Inventories

Stock in trade are stated at the lower of cost and net realisable value. Cost of traded goods comprise cost of purchase and is determined after rebate and discounts.

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Costs are determined on first-in-first out 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.

(l) 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

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (e) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments and derivatives at fair value through profit or loss (FVTPL)
- Equity instruments at cost

Debt instruments at amortised cost

This category is the most relevant to the Company. A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

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

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the 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.

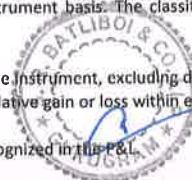
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments at cost

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. The Company elected to classify irrevocably its non-listed equity investments under this category.

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.



(m) 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:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance
- 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 115
- Lease receivables under Ind AS 116

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;
- Loan 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 loan 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.

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.

(n) 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 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, and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised 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.

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.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.



Offsetting of financial Instruments

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

(o) 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, 32)
- Quantitative disclosures of fair value measurement hierarchy (Note 32)
- Investment properties
- Financial Instruments (including those carried at amortised cost) (Note 6, 11, 12, 13, 17, 20, 21, 32, 39)

(p) Derivative financial Instruments

Initial recognition and subsequent measurement

The Company uses derivative financial Instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to statement of profit and loss when the hedge item affects profit and loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

(q) 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 on qualifying assets 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.



Depreciation methods and useful lives

Depreciation is calculated using the straight-line method over estimated useful lives of the assets:

Assets	Useful life considered by the company
Leasehold improvements	Over the period of lease or useful life, whichever is lower
Vehicles*	4 years
Plant and machinery	10 years
Office equipment	5 years
Buildings	30 years
Computers hardware*	3 years
Computers network*	3 years
Furniture & fixtures*	6 years

* Useful life of these assets are different from 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.

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.

(r) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful life of intangible assets is 3 years. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible (Software) costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

(s) Borrowing costs

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

(t) Provisions and contingent liabilities

Provisions

Provisions for legal claims and services rework 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.

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.

Provision for onerous contracts

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The Company at the end of every reporting period conducts the onerous contract test per the provisions of Ind AS 37 by comparing the remaining costs to be incurred under the contract with the related revenue of the contract. Where the costs of a contract exceed the related revenue of the contract, the Company makes a provision for the difference.

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.



(u) 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 & Employee State Insurance

Contribution towards provident fund and employee state insurance 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 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 statement of profit or loss.

Compensated Absences

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 statement of profit or loss.

(v) Dividends

The Company recognises a liability to pay dividend to equity holders when the amount of dividend is declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(w) Earnings per share

(i) Basic earnings per share

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

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

(ii) Diluted earnings per share

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

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

2.2 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 and Intangible assets

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 18.

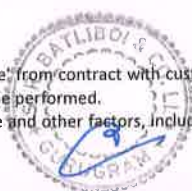
(iii) Taxes

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

(iv) Percentage completion of recognition of revenue

The Company uses the percentage-of-completion method in accounting for 'unbilled revenue' from contract with customers. Use of the percentage-of-completion method requires the Company to estimate the services performed to date as a proportion of the total services to be performed.

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



3. Property, plant and equipment

Particulars	Leasehold improvements	Buildings	Plant & Machinery	Furniture & fixtures	Office equipments	Computer hardware	Computer network	Total	Capital work-in-progress
Gross block									
At April 01, 2021	1.0	392.5	46.0	29.1	62.6	180.2	59.0	770.4	67.4
Additions	-	-	1.4	0.4	3.3	82.9	11.6	99.5	79.6
Disposals/ deletion	-	-	-	-	-	(8.4)	-	(8.4)	(8.7)
At March 31, 2022	1.0	392.5	47.4	29.5	65.9	254.7	70.6	861.5	138.4
Additions	-	140.2	12.9	6.8	28.8	29.1	14.3	232.1	151.0
Disposals/ deletion	-	-	-	-	-	(0.4)	-	(0.4)	(232.2)
At March 31, 2023	1.0	532.7	60.3	36.3	94.7	283.4	84.9	1,093.2	57.2
Depreciation and impairment									
At April 01, 2021	1.0	28.2	10.4	11.0	21.1	117.4	36.9	226.0	-
Depreciation charge for the year	-	14.4	4.9	4.7	12.4	48.5	13.7	98.6	-
Disposals/ deletion	-	-	-	-	-	(8.1)	-	(8.1)	-
At March 31, 2022	1.0	42.6	15.3	15.7	33.5	157.8	50.6	316.5	-
Depreciation charge for the year	-	15.7	4.8	5.0	13.6	54.1	11.8	105.0	-
Disposals/ deletion	-	-	-	-	-	(0.2)	-	(0.2)	-
At March 31, 2023	1.0	58.3	20.1	20.7	47.1	211.7	62.4	421.3	-
Net book value									
At March 31, 2023	-	474.4	40.2	15.6	47.6	71.7	22.4	671.9	57.2
At March 31, 2022	-	349.9	32.1	13.8	32.4	96.9	20.0	545.0	138.4

(i) Property plant & equipment pledged as security : refer note 37 for information on property, plant and equipment pledged as security by the company.

(ii) Contractual obligations: Refer to note 38 (ii) for disclosure on contractual commitments for the acquisition of property, plant and equipment.

(iii) During the year ended March 31, 2023, the Company has capitalised borrowing cost amounting to INR 7.93 millions (March 31, 2022: INR 4.7 millions) in qualifying asset. Borrowing cost were capitalised at weighted average rate of 7.61% (March 31, 2022 : 7.40%).

Capital work in progress (CWIP) ageing schedule

As at March 31, 2023

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	43.8	13.4	-	-	57.2
Projects temporarily suspended	-	-	-	-	-
Total	43.8	13.4	-	-	57.2

As at March 31, 2022

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	71.0	21.1	26.1	20.2	138.4
Projects temporarily suspended	-	-	-	-	-
Total	71.0	21.1	26.1	20.2	138.4

Details of CWIP whose completion is overdue or exceeded the cost compared to its original plan as at March 31, 2023 and as at March 31, 2022:

On account of various changes in designs, delay in approvals from governmental authorities and various restrictions due to COVID-19 over the past 3 years, the management estimates that the completion of construction of the building at sector 156 Noida will be completed by December 2025. As per Lease agreement with Noida Authority project was to be completed by March 2024. The Company is planning to file for an extension with Noida Authority and is hopeful of getting extension without any financial charges.



Motherson Technology Services Limited (formerly known as MothersonSumi Infotech & Designs Limited)

CIN : U67120DL1985PLC020695

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

(All amounts in INR Million, unless otherwise stated)

4. Intangible assets

Particulars	Software*	Intangible asset under development
Gross block		
At April 01, 2021	189.6	25.5
Additions	6.4	-
Disposal/ deletion/ write off	-	(25.5)
At March 31, 2022	196.0	-
Additions	3.4	3.4
Disposals/ deletion	-	(3.4)
At March 31, 2023	199.4	-
Amortisation		
At April 01, 2021	130.3	-
Amortisation for the year	39.0	-
At March 31, 2022	169.3	-
Amortisation for the year	19.7	-
At March 31, 2023	189.0	-
Net book value		
At March 31, 2023	10.4	-
At March 31, 2022	26.7	-

* Represents purchased intangible assets

(a) Intangible asset under development (IAUD) ageing schedule

As at March 31, 2023

Description	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects In progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

As at March 31, 2022

Description	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects In progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

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5. Non-Current investments - Investment in subsidiaries

a) Unquoted Investment valued at cost, unless otherwise stated

	As at March 31, 2023	As at March 31, 2022
Motherhood Technology Service SG Pte Ltd. (formerly known as MotherhoodSumi Infotech and Designs SG Pte. Ltd.) 1,795,000 equity shares (March 31, 2022: 1,795,000) of SGD 1/- each fully paid up	86.1	86.1
Samvardhana Motherhood Virtual Analysis Limited, India 2,098,642 equity shares (March 31, 2022: 2,098,642) of INR 10/- each fully paid up	12.1	12.1
Motherhood Auto Engineering Service Limited, India 3,500,000 equity shares (March 31, 2022: 3,500,000) of INR 10/- each fully paid up	2.3	2.3
SMI Consulting Technologies, Inc., USA 100,000 equity shares (March 31, 2022: 100,000) of USD 1/- each fully paid up	6.9	6.9
Samvardhana Motherhood Health Solution Limited, India 10,000 equity shares (March 31, 2022: 10,000) of INR 10/- each fully paid up	0.1	0.1
Motherhood Technology Services GmbH (Formerly known as MotherhoodSumi Infotek And Design GmbH, Germany) 25,000 equity shares (March 31, 2022: 25,000) of EUR 1/- each fully paid up	2.2	2.2
Motherhood Technology Services USA Limited (formerly known as MSID U.S. Inc., USA) 100 equity shares (March 31, 2022: 100) of USD 10/- each fully paid up	0.0	0.0
Motherhood Technology Service Mid East FZ-LLC (Formerly known as Motherhood Infotek Designs Mis East FZ-LLC) 400 equity shares (March 31, 2022: 400) of AED 1,000 /- each fully paid up	8.0	8.0
Motherhood Technology Services United Kingdom Limited (Formerly Known as Motherhood Infotech and Solutions UK Limited) 100,000 equity shares (March 31, 2022: 100,000) of GBP 1 /- each fully paid up	13.9	13.1
Motherhood Technology Services Spain S.L.U. (Formerly known as Motherhood Information Technologies Spain S.L.U.) 100,000 equity shares (March 31, 2022: 100,000) of EUR 1 / each fully paid up	8.9	8.9
Total (a)	140.5	139.7

b) Unquoted Investment valued at FVTPL

SMI Consulting Technologies, Inc., USA

300,000 preference shares (March 31, 2022: 300,000) of USD 1/- each fully paid up (refer note (iv) below)

Total (b)

Less: Impairment allowance (refer note (iii) below)

Total Investment in subsidiaries

TOTAL

Aggregate amount of unquoted investments	140.5	139.7
Aggregate amount of impairment in the value of investments	107.5	95.2

(i) During the year ended March 31, 2022, Motherhood Infotech and Solutions UK Limited has allotted 1,00,000 Equity shares of GBP 1/- each fully paid up to the Company.

(ii) During the year ended March 31, 2022, Motherhood Information Technologies Spain S.L.U., Spain has allotted 1,00,000 Equity shares of EUR 1/- each fully paid up to the Company.

(iii) Impairment allowance of investments

a) Motherhood Technology Service SG Pte Ltd. (formerly known as MotherhoodSumi Infotech and Designs SG Pte. Ltd.)

b) Samvardhana Motherhood Virtual Analysis Limited, India

c) SMI Consulting Technologies, Inc., USA

d) Samvardhana Motherhood Health Solution Limited, India

e) Motherhood Auto Engineering Service Limited, India

	As at March 31, 2023	As at March 31, 2022
a)	86.1	86.1
b)	12.1	2.1
c)	6.9	6.9
d)	0.1	0.1
e)	2.3	-
Total	107.5	95.2

(iv) During the year ended March 31, 2022, investment in preference shares of SMI Consulting Technologies, Inc., USA were written off through Profit & loss account on account of impairment.

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6. Other financial assets

Financial Instruments at amortised cost (unless otherwise stated)

Security deposits - Considered good, unsecured

- with related parties (refer note 35)

- with others

Unbilled Revenue

Derivative assets*

Deposits with bank held as margin for Issue of guarantees

Interest receivable (refer note 35)

Total

As at March 31, 2023		As at March 31 2022	
Current	Non-current	Current	Non-current
6.5	56.5	2.0	54.7
2.6	8.2	0.9	9.5
165.3	-	87.0	-
-	-	1.5	-
-	13.5	-	9.5
1.8	-	16.1	-
176.2	78.3	107.5	73.7

* Derivative assets measured at fair value through profit or loss (FVTPL)

Unbilled revenue aging schedule

As at March 31, 2023

Description	Amount of unbilled revenue for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled revenue	165.3	-	-	-	165.3
Total	165.3	-	-	-	165.3

As at March 31, 2022

Description	Amount of unbilled revenue for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled revenue	87.0	-	-	-	87.0
Total	87.0	-	-	-	87.0

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7. Deferred tax assets (Net)

	As at April 01, 2022	(Charge) / credit to Statement of Profit and Loss	(Charge) / credit to Other comprehensive Income	As at March 31, 2023
Property, plant and equipment and intangible assets	(8.8)	1.3	-	(10.1)
Total deferred tax liabilities	(8.8)	1.3	-	(10.1)
Set-off of deferred tax assets pursuant to set-off provisions				
Allowance for doubtful debts - trade receivables	20.4	(11.3)	-	31.7
Finance lease assets (net of finance lease obligation)	1.3	0.9	-	0.4
Security deposits	0.0	(0.7)	-	0.7
Derivatives	(0.4)	(4.6)	-	4.3
Employee benefit obligations	65.5	(2.6)	0.6	67.4
Brought forward losses	44.9	(6.4)	-	51.3
Total deferred tax assets	131.7	(24.7)	0.6	155.8
Net deferred tax assets	122.9	(23.3)	0.6	145.7

	As at April 01, 2021	(Charge) / credit to Statement of Profit and Loss	(Charge) / credit to Other comprehensive Income	As at March 31, 2022
Property, plant and equipment and intangible assets	(8.8)	(0.1)	-	(8.8)
Derivative Assets	-	0.4	-	(0.4)
Total deferred tax liabilities	(8.8)	0.3	-	(9.2)
Set-off of deferred tax assets pursuant to set-off provisions				
Allowance for doubtful debts - trade receivables	18.4	(2.0)	-	20.4
Finance lease assets (net of finance lease obligation)	1.0	(0.3)	-	1.3
Security deposits	0.7	0.7	-	0.0
Employee benefit provisions	72.9	2.2	5.3	65.5
Brought forward losses	-	(44.9)	-	44.9
Total deferred tax assets	93.0	(44.3)	5.3	132.1
Net deferred tax assets	84.2	(44.0)	5.3	122.9

Note:

- Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.
- 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.

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8. Non-current tax Assets (Net)

Opening balance*
Add: Advance tax paid / Tax deducted at source**
Less: Refund received for prior periods
Total

As at March 31, 2023	As at March 31, 2022
221.0	114.5
115.6	106.5
141.0	-
195.6	221.0

* Includes INR 12 million interest on income tax refund, which is withheld by income tax department on account of stay of demand for assessment year 2016-17,

** Includes INR 14.3 million paid on account of stay of demand order for assessment year 2018-19.

9. Other non-current assets

(Unsecured, considered good, unless otherwise stated)

Prepaid expenses
Total

As at March 31, 2023	As at March 31, 2022
85.8	88.6
85.8	88.6

10. Inventories

Stock-in-trade (in respect of goods acquired for trading) (at lower of cost and net realisable value)
Total

As at March 31, 2023	As at March 31, 2022
4.5	15.0
4.5	15.0

11. Trade receivables

Considered good - Unsecured
- Related Parties (refer note 35)
- Others
Trade Receivables – Credit impaired
Sub-Total
Less: Allowance for expected credit losses
Total Trade Receivables

As at March 31, 2023	As at March 31, 2022
913.8	671.0
469.6	243.4
125.9	81.0
1,509.3	995.4
(125.9)	(81.0)
1,383.4	914.4

The receivables are also due from private companies respectively in which any director is a partner, a director or a member amounting INR 2.03 million (March 31, 2022: INR 14.08 million). Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on past provision. Past provision takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due.

(a) Trade Receivables ageing schedule

As at March 31, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	781.7	548.6	57.2	-	-	-	1,387.5
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit Impaired	-	-	47.1	14.4	8.5	28.5	98.5
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit Impaired	-	5.4	8.5	-	-	9.4	23.3
Total	781.7	554.0	112.8	14.4	8.5	37.9	1,509.3

As at March 31, 2022

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	559.5	344.5	8.8	0.0	0.1	1.4	914.4
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit Impaired	-	0.8	12.3	28.1	5.2	25.0	71.6
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit Impaired	-	-	-	-	-	9.4	9.4
Total	559.5	345.4	21.1	28.2	5.3	35.9	995.4

(b) Movement in the allowance for expected credit losses

At the beginning of the year
Provision for expected credit losses (refer note 29)
Addition during the year
Deletion during the year
At the end of the year

As at March 31, 2023	As at March 31, 2022
81.0	73.1
77.0	7.9
(32.1)	-
125.9	81.0



12.(a) Cash and cash equivalents *

Balances with banks:	
- in current accounts	
Cash on hand	
Total	

As at March 31, 2023	As at March 31, 2022
9.8	7.6
0.1	0.1
9.9	7.7

* There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting year and previous year.
For assets pledged, refer note 37.

Changes in liabilities arising from financing activities

Particulars

Current borrowings
Non- current borrowings
Lease liabilities (note 39)
Total liabilities from financing activities

March 31, 2022	Cash flows	New leases	Other	March 31, 2023
834.3	190.5	-	-	1,024.8
475.3	(270.8)	-	-	204.5
198.9	(94.3)	25.8	12.6	143.0
1,508.5	(174.6)	25.8	12.6	1,372.3

Particulars

Current borrowings
Non- current borrowings
Lease liabilities (note 39)
Total liabilities from financing activities

March 31, 2021	Cash flows	New leases	Other	March 31, 2022
277.3	557.1	-	-	834.3
299.4	175.9	-	-	475.3
252.2	(93.8)	16.1	24.3	198.9
828.9	639.1	16.1	24.3	1,508.5

12.(b) Other bank balances

Deposits with original maturity of more than three months but less than 12 months
- Others
Unpaid dividend account
Total

As at March 31, 2023	As at March 31, 2022
222.0	-
0.2	0.3
222.2	0.3

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13.(a) Non-Current Loans

Loan to related parties

Loans to Subsidiaries (refer note 35)

Loan receivables - Considered good, unsecured*

Total

As at March 31, 2023	As at March 31, 2022
12.7	125.4
12.7	125.4

13.(b) Current Loans

Loan to related parties

Loans to Subsidiaries

Loan receivables - Considered good, unsecured* (refer note 35)

Loan Receivables - credit impaired, unsecured*

Less: Allowance for credit loss

Total

As at March 31, 2023	As at March 31, 2022
322.8	-
259.6	165.6
582.4	165.6
(259.6)	(165.6)
322.8	-

* During the year, the company has granted Intercompany deposit (ICD) amounting to INR 305.81 million .(March 31, 2022: INR 171.5 million)
The Company has no loan which are repayable on demand or are without specifying any term or period of repayment.

Disclosure required under Sec 186(4) of the Companies Act 2013

Included in loans and advance are certain intercompany deposits the particulars of which are disclosed below as required by Sec 186(4) of the Companies Act 2013

Name of the borrower	Rate of Interest	Due date	Secured/ Unsecured	31-Mar-23	31-Mar-22
Samvardhana Motherison Health Solution Limited	10.0%	31-03-2024	Unsecured	175.6	165.6
Motherison Technology Service Mid East FZ-LLC (Formerly known as Motherison Infotech Designs Mis East FZ-LLC)	1.5% above LIBOR	31-03-2024	Unsecured	72.7	65.7
Motherison Technology Services Spain S.L.U. (Formerly known as Motherison Information Technologies Spain S.L.U.)	1 YEURIBOR+1.84% p.a.	Repaid	Unsecured	-	8.7
Motherison Technology Services United Kingdom Limited (Formerly Known as 'Motherison Infotech and Solutions UK Limited)	Bank of England base rate +4%	31-03-2024	Unsecured	38.3	38.5
Motherison Technology Services United Kingdom Limited (Formerly Known as 'Motherison Infotech and Solutions UK Limited)	Bank of England base rate +4%	14-12-2024	Unsecured	12.7	12.5
Motherison Technology Services United Kingdom Limited (Formerly Known as 'Motherison Infotech and Solutions UK Limited)	1 LIBOR+2.25% p.a.	05-03-2024	Unsecured	295.8	-
Total				595.1	291.0

14. Other current assets

(Unsecured, considered good, unless otherwise stated)

Advances recoverable

Related parties (refer note 35)

Others

Prepaid expenses

Balances with government authorities

Total

As at March 31, 2023	As at March 31, 2022
48.9	2.5
29.8	32.3
186.4	164.7
60.5	22.0
325.6	221.5

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15. Share Capital

Authorised:

112,000,000 (March 31, 2022: 54,000,000) Equity shares of INR 10/- each
8,000,000 (March 31, 2022: 8,000,000) Preference Shares of INR 10/- each

Issued, Subscribed and Paid up:

68,519,062 (March 31, 2022: 12,973,453) Equity shares of INR 10/- each

Total

As at March 31, 2023	As at March 31, 2022
1,120.0	540.0
80.0	80.0
685.2	129.7
685.2	129.7

a. Movement in equity share capital

At April 01, 2021

Issued during the year

At March 31, 2022

Issued during the year*

At March 31, 2023

Numbers	Amount
1,29,73,453	129.7
-	-
1,29,73,453	129.7
5,55,45,609	555.5
6,85,19,062	685.2

*During the current year, the company has Issued right shares to its existing shareholders.

b. Rights, preferences and restrictions attached to equity shares

The company currently has only one class of equity shares having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend 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 holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

Equity shares of Rs. 10 each fully paid up:

Samvardhana Motherson International limited (Formerly Motherson Sumi Systems Limited)

Sumitomo Wiring Systems Limited, Japan

H.K. Wiring Systems Limited, Hong Kong

Nos.	%	As at March 31, 2022	
		Nos.	%
6,19,72,008	90.4%	81,63,019	62.9%
26,39,535	3.9%	26,39,535	20.4%
11,96,005	1.7%	11,96,005	9.2%

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

d. Details of shares held by the promoters

As at March 31, 2023

S.No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of the shares at the year end	% of total shares	% change during the year
1	Samvardhana Motherson International limited (Formerly Motherson Sumi Systems Limited)*	81,63,019	5,38,08,989	6,19,72,008	90.4%	659.2%
2	Vivek Chaand Sehgal	1,30,021	8,57,072	9,87,093	1.4%	659.2%
3	Laksh Vaaman Sehgal	1,00,021	6,59,318	7,59,339	1.1%	659.2%
4	Geeta Soni	71,453	-	71,453	0.1%	0.0%
5	Sumitomo Wiring systems Limited Japan	26,39,535	-	26,39,535	3.9%	0.0%
6	HK Wiring Systems Limited	11,96,005	-	11,96,005	1.7%	0.0%
7	Radha Rani Holdings Pte. Ltd.	5,37,495	-	5,37,495	0.8%	0.0%
8	Systematic Conscom Limited	100	-	100	0.0%	0.0%
Total		1,28,37,649	5,53,25,379	6,81,63,028	99.5%	1977.5%

As at March 31, 2022

S.No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of the shares at the year end	% of total shares	% change during the year
1	Samvardhana Motherson International limited (Formerly Motherson Sumi Systems Limited)*	12,00,000	69,63,019	81,63,019	62.9%	580.3%
2	Vivek Chaand Sehgal	1,30,021	-	1,30,021	1.0%	0.0%
3	Laksh Vaaman Sehgal	1,00,021	-	1,00,021	0.8%	0.0%
4	Geeta Soni	71,453	-	71,453	0.6%	0.0%
5	Sumitomo Wiring systems Limited Japan	26,39,535	-	26,39,535	20.3%	0.0%
6	HK Wiring Systems Limited	11,96,005	-	11,96,005	9.2%	0.0%
7	Radha Rani Holdings Pte. Ltd.	5,37,495	-	5,37,495	4.1%	0.0%
8	Systematic Conscom Limited	100	-	100	0.0%	0.0%
9	Samvardhana Motherson International Limited*	69,63,019	(69,63,019)	-	0.0%	-100.0%
Total		1,28,37,649	-	1,28,37,649	99.0%	480.3%

*The Company is a subsidiary of Samvardhana Motherson International limited (Formerly Motherson Sumi Systems Limited). Pursuant to a composite scheme of amalgamation and arrangement amongst Samvardhana Motherson International limited (Formerly Motherson Sumi Systems Limited), Samvardhana Motherson International Limited, Motherson Sumi Wiring India Limited and their respective shareholders and creditors, approved by National Company Law Tribunal, Mumbai Bench - IV ("Hon'ble NCLT") vide its order dated December 22, 2021 ("Order"), Samvardhana Motherson International Limited was merged with Samvardhana Motherson International Limited (Formerly Motherson Sumi Systems Limited) w.e.f. January 21, 2022.

e. There are no bonus issue or buy back of equity shares during the period of five years immediately preceding the reporting date.



16. Other Equity

Reserves and surplus

Reserve on amalgamation
Securities premium
Capital redemption reserve
Retained earnings
Total reserves and surplus

As at March 31, 2023	As at March 31, 2022
0.1	0.1
758.0	21.5
80.0	80.0
(58.4)	197.9
779.7	299.5

(i) Reserve on amalgamation

Opening balance
Closing balance

As at March 31, 2023	As at March 31, 2022
0.1	0.1
0.1	0.1

(ii) Securities premium

Opening balance
Issuance of share capital
Closing balance

As at March 31, 2023	As at March 31, 2022
21.5	21.5
736.5	-
758.0	21.5

(iii) Capital redemption reserve

Opening balance
Closing balance

As at March 31, 2023	As at March 31, 2022
80.0	80.0
80.0	80.0

(iv) Retained earnings

Opening balance
Profit/ (loss) for the year
Remeasurements of post-employment benefit obligation, net of tax
Closing balance

As at March 31, 2023	As at March 31, 2022
197.9	564.1
(258.2)	(381.8)
1.8	15.6
(58.4)	197.9

Nature and purpose of reserves:

Reserve on amalgamation

This reserve was created at the time of amalgamation and mergers carried out in earlier years. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings

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

Capital redemption reserve

Capital Redemption Reserve is created at the time of redemption of preference share to either replenish the capital by issuing fresh shares in lieu of the redeemed or bought back shares or to transfer their funds to an account.

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17 Borrowings

17.(a) Non current borrowings

At amortised cost

Secured

Term Loans (refer note (i) below)

Indian rupee loan from banks

Unsecured

Loan from related parties (refer note (ii) below)

Less : Disclosed under current borrowings (refer note 17(b))

Total non current borrowings

Non Current Portion		Current Maturities	
As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
204.5	160.3	59.0	161.5
-	315.0	-	-
-	-	(59.0)	(161.5)
204.5	475.3	-	-

(i) Nature of Security and terms of repayment for secured borrowings:

Nature of Security

Indian rupee loan from HDFC bank amounting to INR 29.4 million (March 31, 2022: INR 49.4 million) (sanctioned limit - INR 100.0 million) which is secured by first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of the Company with asset cover 1.25x (March 31, 2022: 1.25x)

Indian rupee loan from Axis bank for IT Capital Expenditures amounting to INR nil (March 31, 2022: INR 41.6 million) (sanctioned limit - INR 200.0 million) which is secured by first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of the Company with asset cover 1.25x. (March 31, 2022: first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of the Company with asset cover 1.25x)

Indian rupee loan from Axis bank for Capital asset amounting to INR Nil (March 31, 2022: INR 148.8 million) (sanctioned limit - INR 250.0 million) which is secured by first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of the Company with asset cover 1.25x. (March 31, 2022: first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of the Company with asset cover 1.25x)

Indian rupee loan from ICICI bank for capital expenditures amounting to INR 234.2 million (March 31, 2022: INR 82.0 million) (sanctioned limit - INR 450.0 million) which is secured by first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and first pari passu charge of all movable fixed assets of the Company both present and future with asset cover 1.25x.

Principal Terms and Conditions

Repayable in 5 years with 20 quarterly repayments commencing from October 2019 carrying interest rate at 3 months Marginal Cost of Funds based Lending Rate (MCLR).

Repayable in 3 years Including moratorium period of 9 months with 10 quarterly repayments carrying interest rate at 6 months Marginal Cost of Funds based Lending Rate (MCLR).

Repayable in 3 years including moratorium period of 9 months with 10 quarterly repayments carrying interest rate at 6 months Marginal Cost of Funds based Lending Rate (MCLR).

Repayable in 6 years including moratorium period of 6 quarters with 18 quarterly repayments carrying interest rate at 1 year Marginal Cost of Funds based Lending Rate (MCLR).

(ii) Nature of borrowing and terms of repayment for unsecured borrowings:

Particulars

Borrowings

Loan taken by Company by way of Inter corporate deposit (ICD) of INR Nil, from Samvardhana Motherson International limited (Formerly Motherson Sumi Systems Limited) (March 31, 2022: INR 315 million)

Principal Terms and Conditions

Repayable in 3 years commencing from draw down date, carrying interest rate at 11% per annum.

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

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17.(b) Current borrowings

	As at March 31, 2023	As at March 31, 2022
Secured		
Working capital loans repayable on demand- from banks (refer note (i) below)		
Indian rupee loan	573.1	491.9
Unsecured		
Working capital loans repayable on demand- from banks (refer note (ii) below)		
Indian rupee loan	92.7	40.9
Loan from related parties (refer note (ii) below)	300.0	140.0
Current maturities of non current borrowings		
Term loan - secured	59.0	161.5
Total current borrowings	1,024.8	834.3

(i) Secured loans

Nature of Security	Rate of Interest
Credit facilities from State Bank of India amounting to INR 34.6 million (March 31, 2022 : INR 15.4 million), by way of Fund based working capital, LC/Buyers credit, BG, Forward contract limit, stand by limit against first exclusive charge by way of hypothecation of entire current assets of the Company, both present and future.	The rate of Interest is 6 months Marginal Cost of Funds based Lending Rate (MCLR) plus spread of 0.85% per annum
Credit facilities from HDFC bank amounting to INR 65.1 million (March 31, 2022 : INR 68.1 million), by way of Fund based working capital, LC/Buyers credit, BG, Forward contract limit, stand by limit by way of paripassu first charge of entire current assets of the Company, both present and future.	The rate of interest is 3 month Marginal Cost of Funds based Lending Rate (MCLR).
Credit facilities from Axis bank amounting to INR 347.1 million (March 31, 2022 : INR 408.4 million), by way of Fund based working capital, LC/Buyers credit, BG, Forward contract limit, stand by limit against hypothecation of entire current assets of the company.	The rate of interest is repo rate + 3.25%
Credit facilities from ICICI bank amounting to INR 126.2 million (March 31, 2022 : nil), by way of Fund based working capital, LC/Buyers credit, BG, Forward contract limit, stand by limit against first pari passu security interest on the entire movable assets and current assets of the company.	The rate of Interest is 6 month Marginal Cost of Funds based Lending Rate (MCLR) + spread of 0.25%
The Company has taken borrowings from banks on the basis of security of current assets; quarterly returns or statements of current assets filed by the Company with the banks are in agreement with the books of accounts.	

(ii) Unsecured loans

Particulars	Rate of Interest
Credit facilities from ICICI Bank Limited amounting to INR 92.7 million (March 31, 2022 : INR 40.9 million), by way of Fund based Overdraft, Line of Credit and Non Fund based BG and Letter of Credit.	The rate of interest at Marginal Cost of Funds based Lending Rate (MCLR) 6 months plus 0.25% Spread
During the year ended March 31, 2022, Company has taken loan from Motherson Techno Tools Ltd. by way of Inter corporate deposit (ICD) of INR 140 million for 1 year, which has been repaid.	Repayable in 1 year commencing from draw down date, carrying Interest rate at 7.5% per
Loan taken by Company by way of Inter corporate deposit (ICD) of INR 300 million for 1 year during the year, from SMR Automotive Systems India Limited. (March 31, 2022: nil).	Repayable in 1 year commencing from draw down date, carrying Interest rate at 9.5% per

	As at March 31, 2023	As at March 31, 2022
Aggregate of secured loans	836.6	813.7
Aggregate of unsecured loans	392.7	495.9

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18. Employee benefit obligations

Gratuity
Compensated absences
Total

As at March 31, 2023		As at March 31, 2022	
Current	Non-current	Current	Non-current
3.5	179.8	3.4	173.0
11.5	77.8	18.1	79.0
15.0	257.6	21.5	252.0

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 SBI Life Insurance Co. Limited and 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 SBI Life Insurance Co. Limited and Life Insurance Corporation of India (LIC) to fund its plan.

The reconciliation of opening and closing balances of the present value of the defined benefit obligations are as below:

(i) Present Value of Defined Benefit Obligation

Obligations at year beginning
Service Cost - Current
Interest expense
Amount recognised in profit or loss

For the year ended	
March 31, 2023	March 31, 2022
194.2	211.3
29.5	25.4
14.1	14.3
43.6	39.8

Remeasurements

Actuarial (gain) / loss from change in financial assumption
Experience (gains)/losses
Amount recognised in other comprehensive income

(2.8)	(10.6)
0.3	(10.2)
(2.5)	(20.8)

Payment from plan:

Benefit payments
Acquisition adjustments
Addition due to transfer of employee
Obligations at year end

(28.8)	(36.5)
(3.4)	-
-	0.4
203.1	194.2

(ii) Fair Value of Plan Assets

Plan assets at year beginning
Interest income
Amount recognised in profit or loss

As at	
March 31, 2023	March 31, 2022
17.8	15.2
1.3	1.0
1.3	1.0

Remeasurements

Return on plan assets, excluding amount included in interest income
Amount recognised in other comprehensive income

(0.1)	0.0
(0.1)	0.0

Payment from plan:

Benefit payments

(0.1)	(3.5)
-------	-------

Contributions:

Employers
Plan assets at year end, at fair value

0.9	5.0
19.8	17.8

(iii) Assets and Liabilities recognized in the Balance Sheet

Present Value of the defined benefit obligations
Fair value of the plan assets
Amount recognized as Liability

As at	
March 31, 2023	March 31, 2022
203.1	194.2
19.8	17.8
183.3	176.4

(iv) Defined benefit obligations cost for the year:

Service Cost - Current
Interest Cost
Actuarial (gain) / loss
Net defined benefit obligations cost

For the year ended	
March 31, 2023	March 31, 2022
29.5	25.4
12.8	13.3
(2.4)	(20.8)
39.9	17.9

(v) Investment details of Plan Assets

The details of investments of plan assets are as follows:

SBI Life Insurance Co. Limited
LIC of India
Total

As at	
March 31, 2023	March 31, 2022
96%	100%
4%	0
96%	100%

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

(vi) Actuarial assumptions:

	March 31, 2023	March 31, 2022
Discount Rate per annum	7.39%	7.26%
Future salary increases	6.5%	6.5%
Retirement Age (years)	58	58
Mortality rate	100 % of IALM (2012 - 14)	100 % of IALM (2012 - 14)
Attrition rate		
Up to 30 Years	3.0%	3.0%
From 31 to 44 years	2.0%	2.0%
Above 44 years	1.0%	1.0%

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) Expected Contribution to the Fund in the next year

	For the year ended	
	March 31, 2023	March 31, 2022
Gratuity	50.8	48.5

(viii) Sensitivity Analysis

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

	Change In Assumption			Increase In Assumption			Decrease In Assumption	
	March 31, 2023	March 31, 2022	Impact	March 31, 2023	March 31, 2022	Impact	March 31, 2023	March 31, 2022
Discount Rate per annum	0.50%	0.50%	Decrease by	(10.9)	(10.9)	Increase by	11.8	11.8
Future salary increases	0.50%	0.50%	Increase by	11.8	11.8	Decrease by	(11.0)	(11.0)

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

(ix) Risk exposure

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability, voluntary withdrawal. The benefits are 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. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to long career employee.

x) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 19.20 years (March 31, 2022: 19.56 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)	3.5	5.2	25.9	168.5	203.1
March 31, 2022 Defined benefit obligation (gratuity)	3.4	4.1	20.5	166.2	194.2

B. Defined Contribution Schemes

The Company deposits an amount determined at a fixed percentage of basic pay every month to the State administered Provident Fund and Employee State Insurance (ESI) for the benefit of the employees.

Amount recognised in the Statement of Profit & Loss is as follows (refer note 26):

	For the year ended	
	March 31, 2023	March 31, 2022
Provident fund paid to the authorities	101.5	84.9
NPS contribution	6.3	5.9
Employee state insurance paid to the authorities	0.4	0.3
	108.2	91.1

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19. Other liabilities

Non-current
Deferred revenue

Current

Statutory dues
Advances from customers
Deferred revenue
Total

As at March 31, 2023	As at March 31, 2022
74.5	30.0
74.5	30.0
105.5	77.8
4.4	4.0
65.0	145.0
174.9	226.8

20. Trade payables

Total outstanding dues of micro and small enterprises (refer note 41)
- Related Parties
- Others
Total outstanding dues of creditors other than micro and small enterprises
- Related Parties (refer note 35)
- Others
Total

As at March 31, 2023	As at March 31, 2022
0.8	1.9
19.2	19.4
12.5	3.6
609.5	367.6
642.0	392.6

Trade payables ageing schedule

As at March 31, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro and small enterprises	16.9	3.1	-	-	-	20.0
Total outstanding dues of creditors other than micro and small	487.2	133.2	1.6	-	-	622.0
Disputed dues to micro and small enterprises	-	-	-	-	-	-
Disputed dues to creditors other than micro and small enterprises	-	-	-	-	-	-
	504.2	136.3	1.6	-	-	642.0

As at March 31, 2022

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro and small enterprises	19.8	1.5	0.0	-	-	21.3
Total outstanding dues of creditors other than micro and small	334.8	35.6	0.0	0.8	-	371.2
Disputed dues to micro and small enterprises	-	-	-	-	-	-
Disputed dues to creditors other than micro and small enterprises	-	-	-	-	-	-
	354.6	37.1	0.0	0.8	-	392.6

21. Other financial liabilities

at amortised cost (unless otherwise stated)

Non-current

Interest accrued but not due on ICD

As at March 31, 2023	As at March 31, 2022
-	60.8
-	60.8

Current

Unpaid dividends*
Security deposit received
Related parties (refer note 35)
Others
Creditors for capital goods
Related parties (refer note 35)
Others
Advance recovery from employees against vehicle scheme
Others
Derivative liabilities
Interest accrued but not due on ICD
Total

0.2	0.3
-	41.9
0.4	0.4
-	10.2
11.3	2.9
34.1	27.8
-	2.6
17.4	-
2.0	-
65.4	86.1

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

22. Provisions

For re-work/warranties
For onerous contracts
Total

As at March 31, 2023	As at March 31, 2022
Current	Current
22.6	24.4
9.5	-
32.1	24.4

Rework

Provision for re-work relates to the estimated outflow in respect of re-work for services rendered by the Company.

Onerous contract

A provision is recognised for certain contracts with suppliers for which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received. It is anticipated that these costs will be incurred in the future years.

The Company has following provisions in the books of account as at year end:

Opening balance
Additions during the year
Utilised / Reversed during the year
Closing balance

As at March 31, 2023	As at March 31, 2022
24.4	24.3
9.5	0.1
(1.7)	-
32.2	24.4



23. Revenue from contracts with customers

		For the year ended	
		March 31, 2023	March 31, 2022
23.(a)	Sale of services		
	Within India		
	Software development and support*	2,245.1	1,428.4
	Business support	54.6	41.9
	Outside India		
	Software development and support*	2,853.8	2,072.1
	Business support	61.7	62.7
	Designing	257.9	294.3
	Sale of products		
	Within India		
	Traded goods	750.0	314.0
	Others	58.0	31.5
	Outside India		
	Traded goods	5.3	10.0
	Total revenue from contract with customers	6,286.4	4,254.9
23.(b)	Other operating revenue		
	Export incentive	-	14.5
	Total other operating revenue	-	14.5
	Total revenue from operations	6,286.4	4,269.4

*include unbilled revenue of INR 78.20 million (March 31, 2022: INR 36.77 million)

a. Disaggregated revenue information

Revenue by major product lines

Software development and support	5,098.9	3,502.7
Business support	116.2	104.6
Designing	257.9	292.1
Traded goods	755.4	324.0
Others	58.0	31.5
Total revenue from contract with customers	6,286.4	4,254.9

Revenue by Geography

Europe	2,320.3	1,677.8
Americas	509.5	446.4
Asia	3,350.3	2,078.8
Others	106.3	51.9
Total revenue from contract with customers	6,286.4	4,254.9

Timing of revenue recognition

Goods transferred at point in time	1,669.6	555.9
Services transferred over time	4,616.8	3,699.0
Total revenue from contract with customers	6,286.4	4,254.9

Revenue

External customers	2,079.4	962.4
Group customers	4,207.0	3,292.5
Total revenue from contract with customers	6,286.4	4,254.9

b. Contract balance

	March 31, 2023	March 31, 2022
Trade Receivables (Unconditional right to consideration)	1,383.4	914.4
Contract assets (refer note (i) below)	165.3	87.0
Contract liabilities (refer note (ii) below) :		
Advance from Customer (Note 19)	4.4	4.0
Deferred revenue (Note 19)	139.4	174.9

Note:

- (i) The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to the receivables when the rights become unconditional.
- (ii) Contract liability relates to payments received in advance of performance (including deferred revenue) under the contract. Contract liabilities are recognised as revenue as (or when) we perform under the contract.

c. Performance obligations

The company makes provisions for expenses to be incurred to rectify any defects during warranty period on the basis of estimates worked out by the project managers.

	March 31, 2023	March 31, 2022
Within one year	32.1	24.4
More than one year	-	-
Total	32.1	24.4

d. Revenue from contracts with customers

	March 31, 2023	March 31, 2022
Amounts Included In contract liabilities at the beginning of the year	145.0	86.7



24. Other Income

Foreign Exchange fluctuation (net)	
Provisions written back to the extent no longer required	
Interest income from financial assets at amortised cost	
Bank deposits	
Security deposits	
Interest on Income tax refund	
Interest on Inter company deposits	
Net gain on disposal of property, plant and equipment	
Fair value gain on financial instrument at fair value through profit or loss (FVTPL)*	
Miscellaneous income	
Total	
* relates to foreign exchange forward contracts (derivatives)	

For the year ended	
March 31, 2023	March 31, 2022
4.9	-
0.7	-
1.9	0.0
6.2	5.4
9.7	12.0
25.9	15.5
-	2.0
-	1.5
6.7	5.0
56.0	41.4

25. Changes in inventory of stock in trade

(Increase)/ decrease in stocks	
Stock at the opening of the year:	
Stock in trade	
Total A	
Stock at the end of the year:	
Stock in trade	
Total B	
(Increase)/ decrease in stocks (A-B)	

For the year ended	
March 31, 2023	March 31, 2022
15.0	0.8
15.0	0.8
4.5	15.0
4.5	15.0
10.5	(14.2)

26. Employee benefits expense

Salaries, wages and bonus	
Contribution to provident & other funds	
Staff welfare expenses	
Total	

For the year ended	
March 31, 2023	March 31, 2022
2,502.7	2,085.1
150.5	129.9
43.9	27.7
2,697.1	2,242.7

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. 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. Based on a preliminary assessment, the Company believes the Impact of the change will not be significant.

27. Depreciation and amortization expense

Depreciation of property, plant and equipment	
Depreciation of right-of-use assets (refer note 39)	
Amortization of intangible assets	
Total	

For the year ended	
March 31, 2023	March 31, 2022
105.0	98.6
22.3	22.2
19.8	39.0
147.1	159.8

28. Finance Costs

Interest and finance charges on financial liabilities not at fair value through profit or loss	
Term loan	
Working capital loan	
Lease liabilities (refer note 39)	
Total	

For the year ended	
March 31, 2023	March 31, 2022
87.7	42.5
43.9	24.9
14.3	24.3
145.9	91.7

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29. Other expenses

	For the year ended	
	March 31, 2023	March 31, 2022
Software license and development charges	2,123.1	1,050.2
Leaseline and web hosting charges	140.4	160.3
Consultancy charges	59.7	53.3
Annual maintenance contracts (hardware and software)	29.5	50.8
Travelling and conveyance	61.2	52.1
Power and fuel	38.8	33.9
Lease rentals (refer note 39)	80.2	76.9
Repairs and maintenance:		
Plant & Machinery	0.9	0.7
Building	55.5	55.8
Others	2.6	6.5
Business promotion	10.7	32.1
Communication expenses	3.6	6.1
Rates and taxes	57.2	12.3
Insurance	4.1	3.0
Recruitment expenses	31.9	26.6
Training and seminar expenses	4.8	4.6
Donation	0.4	0.4
Intangible asset written off	-	25.5
Provision for loss on onerous contract	9.5	-
Provision for impairment of investment	12.3	7.0
Provision for expected credit loss on interest receivable	27.5	-
Provision for expected credit loss on loans receivables	94.0	165.6
Bank charges	6.0	9.9
Provision for expected credit losses	44.9	7.9
Fair value loss on financial instrument at fair value through profit or loss (FVTPL)	-	21.2
Payment to auditor (refer note (a) below)	3.6	3.8
Legal and professional fees	46.4	44.1
Corporate social responsibility (CSR) expenditure (refer note (b) below)	0.6	3.5
Foreign exchange fluctuation (net)	-	13.0
Net loss on disposal of property, plant and equipment	0.0	-
Miscellaneous expenses	4.1	9.6
Total	2,953.5	1,936.6

(a) Payment to auditors:

	For the year ended	
	March 31, 2023	March 31, 2022
As Auditor:		
Statutory Audit fees	1.8	1.5
Group reporting fees	0.8	0.8
Tax audit fees	0.2	0.2
Certification services	0.8	1.3
Total	3.6	3.8

(b) Corporate social responsibility expenditure

	For the year ended	
	March 31, 2023	March 31, 2022
(i) Contribution to Swarn Lata Motherson Trust	0.6	-
	0.6	-
a) Gross amount required to be spent by the Company during the year	0.6	3.5
b) Amount spent during the year on:		
(i) Construction/acquisition of asset	-	-
(ii) On purposes other than (i) above	0.6	-
c) The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	3.5
d) The total of previous years shortfall amounts	-	-
e) The reason for above shortfalls	-	-
f) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard,	0.6	-
g) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	-	3.5
	-	3.5

In case of Section 135(6) (Ongoing project)						
Opening Balance		Amount required to be spent during the year	Amount required to be spent		Closing Balance	
With Company	In separate CSR unspent a/c		From company's bank account	from separate CSR unspent a/c	With Company	in separate CSR unspent a/c
3.5	-	0.6	0.6	3.5	-	-

Disclosure pursuant to changes in sec 135 (5) (other than ongoing projects)				
Opening Balance	Amount deposited in specified fund of schedule VII with in 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	-	-



30. Tax expenses

(a) Tax expenses

Current tax

Current tax on profit for the year

Total current tax expense

Deferred tax (refer note 7)

Decrease / (Increase) in deferred tax assets

(Decrease) / Increase in deferred tax liabilities

Total deferred tax expense / (benefit)

Income tax expense/ (credit)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Profit/ (loss) before tax

Tax at India's tax rate of 25.168% (March 31, 2022: 25.168%)

Tax effect of amounts which are not deductible in calculating taxable income

Income tax expense/ (credit)

For the year ended	
March 31, 2023	March 31, 2022
-	-
-	-
(24.7)	(44.3)
1.3	0.3
(23.3)	(44.0)
(23.3)	(44.0)
For the year ended	
March 31, 2023	March 31, 2022
(281.5)	(425.8)
(70.8)	(107.2)
47.5	63.2
(23.3)	(44.0)

31. Earnings per share

a) Basic

Profit/ (loss) attributable to equity shareholders

Weighted average number of equity shares for basic earnings per share

Basic earnings/(loss) per share (INR)*

*During current year, the Company has Issued 55,545,609 rights share at a value of INR 23.26 per share. There has been no reinstated Impact on EPS for previous year 2021-22 on account of right issue.

b) Diluted (refer note (i) below)

Weighted average number of Equity Shares for diluted earnings per shares

Diluted earnings/ (loss) per share (INR)

March 31, 2023	March 31, 2022
(258.2)	(381.8)
1,73,86,666	1,29,73,453
(14.8)	(29.4)
1,73,86,666	1,29,73,453
(14.8)	(29.4)

(i) The Company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.

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32. Fair value measurements

Financial Instruments by category

Financial assets

Loans
Deposits and other financial assets
Trade receivables
Cash and cash equivalents
Other Bank Balance
Total financial assets

March 31, 2023			March 31, 2022		
FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
-	-	335.5	-	-	125.4
-	-	254.5	1.5	-	179.7
-	-	1,383.4	-	-	914.4
-	-	9.9	-	-	7.7
-	-	222.2	-	-	0.3
-	-	2,205.5	1.5	-	1,227.5

Financial Liabilities

Borrowings
Lease liabilities
Trade payable
Employee related payable
Other financial liabilities
Total financial liabilities

-	-	1,229.3	-	-	1,309.6
-	-	143.0	-	-	198.9
-	-	642.0	-	-	392.6
-	-	219.3	-	-	200.5
17.4	-	48.0	-	-	146.9
17.4	-	2,281.6	-	-	2,248.5

i. Fair value hierarchy

There are no Financial assets and liabilities which are measured at fair value - recurring fair value measurements except forward contracts recognised at fair value through profit or loss.

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

Financial assets

Loan
Security deposits
Other financial assets
Total financial assets

March 31, 2023			March 31, 2022		
Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
-	-	12.7	-	-	125.4
-	-	64.8	-	-	64.1
-	-	13.5	-	-	9.5
-	-	91.0	-	-	199.0

Financial liabilities

Borrowings
Lease liabilities
Total financial liabilities

-	-	204.5	-	-	475.3
-	-	129.3	-	-	123.1
-	-	333.8	-	-	598.4

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

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

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

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

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

Financial Assets

Loan
Security deposits
Other financial assets

Financial liabilities

Borrowings
Lease liabilities

March 31, 2023		March 31, 2022	
Carrying amount	Fair value	Carrying amount	Fair value
12.7	12.7	125.4	125.4
64.8	64.8	64.1	64.1
13.5	13.5	9.5	9.5
91.0	91.0	199.0	199.0
204.5	204.5	475.3	475.3
129.3	129.3	123.1	123.1
333.8	333.8	598.4	598.4

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.

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33. Financial risk management

The Company, is an internationally SEI CMMI level 5 IT services company which expose its business and products to various market risks, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. 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 Foreign currency risk:

The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in Euros and U.S. Dollars). A significant portion of the Company's revenues are in these foreign currencies, while a significant portion of its costs are in Indian Rupees. As a result, if the value of the Indian Rupee appreciates relative to these foreign currencies, the Company's revenues measured in Rupees may decrease. The exchange rate between the Indian Rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company uses derivative financial instrument- foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables.

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

(I) Derivatives outstanding as at the reporting date

Particulars/ Purpose	Currency	As At		As At	
		March 31, 2023		March 31, 2022	
		Amount in Foreign currency	Amount in INR	Amount in Foreign currency	Amount in INR
Forward contracts	EUR:INR	6.0	531.1	1.0	84.9
Forward contracts	USD:INR	3.0	248.3	1.2	93.1

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

Currency	As at March 31, 2023		As at March 31, 2022	
	(Payable) / Receivable		(Payable) / Receivable	
	Amount in Foreign currency in million	Amount in INR million	Amount in Foreign currency in million	Amount in INR million
USD	5.0	408.6	0.6	44.1
JPY	55.2	34.3	33.4	21.3
AED	3.6	80.8	0.0	0.2
AUD	0.0	0.4	0.0	0.2
EUR	5.6	498.1	4.4	367.9
GBP	0.6	56.4	(0.0)	(0.2)
SGD	0.3	17.2	0.1	6.1
ZAR	2.1	9.5	0.7	3.7

Foreign currency sensitivity on unhedged exposure

5% 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 5% in forex rate	55.3	22.2
Decrease by 5% in forex rate	(55.3)	(22.2)

(III) Mark to market losses / (gain) on forward contracts

	For the year ended	
	March 31, 2023	March 31, 2022
Mark to Market losses / (gain) on forward contracts	18.8	-

(II) Particular of unhedged foreign exposure as at the reporting date (Gross exposure to foreign currency risk)

	Currency	As at March 31, 2023		As at March 31, 2022	
		(Payable) / Receivable		(Payable) / Receivable	
		Amount in Foreign currency	Amount in Rs.	Amount in Foreign currency	Amount in Rs.
Trade receivables	USD	1.6	128.0	1.1	79.6
	JPY	55.2	34.2	32.5	20.7
	AED	0.3	7.8	-	-
	AUD	0.0	0.4	0.0	0.2
	EUR	5.5	490.8	4.9	410.6
	GBP	0.1	5.4	-	-
	SGD	0.3	17.2	0.1	6.1
	ZAR	2.1	9.5	0.7	3.7
Trade payables	USD	(0.2)	(17.0)	(0.5)	(35.8)
	EUR	0.0	(0.9)	(0.0)	(1.0)
	GBP	-	-	(0.0)	(0.2)
Advance to suppliers	EUR	0.0	0.2	-	-
	JPY	0.0	0.0	0.9	0.6
	GBP	0.0	0.1	-	-
	AED	0.0	0.3	0.0	0.2
Security deposits received	EUR	-	-	(0.5)	(41.9)
Balances with banks (natural hedge)	USD	0.0	1.9	0.0	0.3
	EUR	0.1	7.9	0.0	0.2
	JPY	0.0	0.0	0.0	0.0
Loan to related party	USD	3.6	295.8	-	-
	GBP	0.5	51.0	-	-
	AED	3.3	72.7	-	-



(II) Sensitivity

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

	Change in exchange rate	Effect on profit before tax
March 31, 2023		
USD against INR	+5%	(20.4)
	-5%	20.4
EUR against INR	+5%	(24.9)
	-5%	24.9
JPY against INR	+5%	(1.7)
	-5%	1.7
March 31, 2022		
USD against INR	+5%	(2.2)
	-5%	2.2
EUR against INR	+5%	(18.1)
	-5%	18.1
JPY against INR	+5%	(1.1)
	-5%	1.1

The sensitivity on unhedged currency exposures in other currencies is not significant, hence not disclosed.

B 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 interest rates, which exposes the company to cash flow interest rate risk. All the company's borrowings at variable rate are

(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	263.5	321.8
Fixed rate borrowings	-	315.0
Total borrowings	263.5	636.8

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

(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 after tax	
	March 31, 2023	March 31, 2022
Interest rates-increase by 50 basis points*	(1.0)	(1.2)
Interest rates-decrease by 50 basis points*	1.0	1.2

* Holding all other variables constant

C Credit risk:

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

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's majority customers are Motherson group companies which have good credit ratings. Non-Motherson 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.

D 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 that 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.

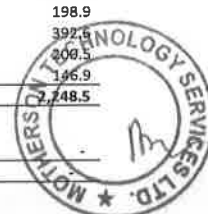
	March 31, 2023	March 31, 2022
Floating rate		
- Expiring within one year (cash credit and other credit facilities)	285.5	586.2

(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
Non-derivatives				
Borrowings	1,024.8	204.5	-	1,229.3
Lease liabilities	13.7	28.8	100.5	143.0
Trade payables	642.0	-	-	642.0
Employee related payable	219.3	-	-	219.3
Other financial liabilities	48.0	-	-	48.0
Total non-derivative liabilities	1,947.8	233.3	100.5	2,281.6
Derivatives (net settled)				
Foreign exchange forward contracts	17.4	-	-	-
Total derivative liabilities	17.4	-	-	-

Year Ended March 31, 2022	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Short-term borrowings	834.3	475.3	-	1,309.6
Lease liabilities	75.8	22.3	100.8	198.9
Trade payables	392.6	-	-	392.6
Employee related payable	200.5	-	-	200.5
Other financial liabilities	86.1	60.8	-	146.9
Total non-derivative liabilities	1,589.3	558.4	100.8	2,248.5
Derivatives (net settled)				
Foreign exchange forward contracts	-	-	-	-
Total derivative liabilities	-	-	-	-



34. Capital management

(a) Risk management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital

Consistent with others in the industry, the Company monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax, finance costs, depreciation and amortization expense).

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	1,362.4	1,500.8
EBITDA	11.6	(174.3)
Net Debt to EBITDA	117.9	(8.6)

(b) Loan covenants

Under the terms of the borrowing facilities, the Company is required to comply with following loan covenants.

- DSCR (Debt service coverage ratio)
- Total outside liabilities / Adjusted total net worth

The company has complied with all the loan covenants including the waiver received from bank.

(c) Dividends

On Equity shares of INR 10 each
Amount of dividend paid*

March 31, 2023	March 31, 2022
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* There is nil dividend declared and paid by the Company during the year ended March 31, 2023 (March 31, 2022: Nil).

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35. Related Parties

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

A. Relationships where control exists:

i) Holding Company

Samvardhana Motherson International Limited (Formerly Motherson Sumi Systems Limited)

ii) Subsidiaries:

- 1.Samvardhana Motherson Virtual Analysis Limited
- 2.Motherson Technology Services USA Limited (formerly MSID US Inc.)
- 3.Motherson Technology Services GmbH (formerly MothersonSumi INFotek and Designs GmbH)
- 4.MothersonSumi Infotech & Designs KK
- 5.MothersonSumi Infotech and Designs S.G. Pte. Limited
- 6.Motherson Auto Engineering Service Limited
- 7.Samvardhana Motherson Health Solutions Limited
- 8.SMI Consulting Technologies Inc.
- 9.Motherson Technology Service Mid East FZ-LLC (UAE) (formerly Motherson Infotek Designs Mid East FZ-LLC)
- 10.Motherson Technology Services United Kingdom Limited, U.K. (formerly Motherson Infotech and Solutions UK Ltd.)
- 11.Motherson Technology Services Spain S.L.U. (formerly Motherson Information Technologies Spain S.L.U.)

iii) Fellow subsidiaries

MSSL Mauritius Holdings Limited
Motherson Electrical Wires Lanka Pvt. Ltd.
MSSL Mideast (FZE)
MSSL (S) Pte Ltd.
Motherson Innovations Tech Limited
Samvardhana Motherson Polymers Ltd.
MSSL (GB) Limited
Motherson Wiring System Ltd. (FZE)
MSSL GmbH
MSSL Tooling (FZE)
MSSL Advanced Polymers s.r.o
MSSL s.r.l Unipersonale
Motherson Techno Precision México, S.A. de C.V
MSSL Ireland Pvt. Ltd.
Global Environment Management (FZE)
MSSL Global RSA Module Engineering Limited
MSSL Japan Limited
MSSL México, S.A. De C.V.
MSSL WH System (Thailand) Co., Ltd
MSSL Korea WH Limited
MSSL Consolidated Inc., USA
MSSL Wiring System Inc., USA
Alphabet de Mexico, S.A. de C.V.
Alphabet de Mexico de Monclova, S.A. de C.V.
Alphabet de Saltillo, S.A. de C.V.
MSSL Wirings Juarez S.A. de C.V.
Motherson Alr Travel Pvt. Ltd., Ireland
MSSL Estonia WH OÜ
Samvardhana Motherson Global Holdings Ltd.
Samvardhana Motherson Automotive Systems Group B.V.
Samvardhana Motherson Peguform GmbH
SMP Automotive Interiors (Beijing) Co. Ltd
SMP Deutschland GmbH
SMP Logistik Service GmbH
SMP Automotive Solutions Slovakia s.r.o
SMP Automotive Technology Iberica S.L
Samvardhana Motherson Peguform Barcelona S.L.U
SMP Automotive Technologies Teruel Sociedad Limitada
Samvardhana Motherson Peguform Automotive Technology Portugal S.A
SMP Automotive Systems Mexico S.A. de C.V
SMP Automotive Produtos Automotivos do Brasil Ltda.
SMP Automotive Exterior GmbH
Samvardhana Motherson Innovative Autosystems B.V. & Co. KG
SM Real Estate GmbH
Motherson Innovations Lights GmbH & Co KG
Motherson Innovations Lights Verwaltungs GmbH
PKC Group Oy
PKC Wiring Systems Oy
PKC Group Poland Sp. z o.o.
PKC Wiring Systems LLC
PKC Group APAC Limited
PKC Group Canada Inc.
PKC Group USA Inc.
PKC Group Mexico S.A. de C.V.
Project del Holding S.a.r.l.
PK Cables do Brasil Ltda
PKC Eesti AS
TKV-sarjat Oy
PKC SEGU Systemelektrik GmbH



Groclin Luxembourg S.à r.l.
PKC Vehicle Technology (Suzhou) Co., Ltd.
AEES Inc.
PKC Group Lithuania UAB
PKC Group Poland Holding Sp. z o.o.
OOO AEK
Kabel-Technik-Polska Sp. z o.o.
AEES Power Systems Limited partnership
T.I.C.S. Corporation
Fortitude Industries Inc.
AEES Manufactura, S. De R.L de C.V.
Cableados del Norte II, S. de R.L de C.V.
Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.
Arneses y Accesorios de México, S. de R.L de C.V.
Asesoria Mexicana Empresarial, S. de R.L de C.V.
Arneses de Ciudad Juarez, S. de R.L de C.V.
PKC Group de Piedras Negras, S. de R.L de C.V.
PKC Group AEES Commercial S. de R.L de C.V.
SMRC Automotive Holdings Netherlands B.V.
SMRC Automotives Techno Minority Holdings B.V.
SMRC Automotive Modules France SAS
Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.
SMRC Automotive Interiors Spain S.L.U.
SMRC Automotive Interior Modules Croatia d.o.o
Samvardhana Motherson Reydel Autotecc Morocco SAS
SMRC Automotive Technology RU LLC
SMRC Smart Interior Systems Germany GmbH
SMRC Automotive Solutions Slovakia s.r.o.
SMRC Automotive Holding South America B.V.
SMRC Automotive Modules South America Minority Holdings B.V.
SMRC Automotive Tech Argentina S.A.
SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltda
SMRC Automotive Products India Limited
SMRC Automotive Smart Interior Tech (Thailand) Ltd.
SMRC Automotive Interiors Japan Ltd.
Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd.
PT SMRC Automotive Technology Indonesia
Motherson Rolling Stock Systems GB Ltd. (liquidated effective on 26.01.2023)
Motherson PKC Harness Systems FZ-LLC
Wisetime Oy
SMP Automotive Interior Modules d.o.o. Cuprija, Serbia
Motherson Consultancies Service Limited
Samvardhana Motherson Finance Service Cyprus Limited
Samvardhana Motherson Holding (M) Private Limited
Samvardhana Motherson Auto Component Private Limited
MS Global India Automotive Private Limited
Samvardhana Motherson Maadhyam International Limited
Samvardhana Motherson Global Carriers Limited (SMGCL)
Samvardhana Motherson Innovative Solutions Limited (SMISL)
Samvardhana Motherson Refrigeration Product Limited
Motherson Machinery and Automations Limited
Samvardhana Motherson Auto System Private Limited
Motherson Sintermetal Technology B.V.
Motherson Invenzen XLab Private Limited
Motherson Air Travel Agency GmbH
Samvardhana Motherson Reflectec Group Holdings Limited
SMR Automotive Technology Holding Cyprus Ltd.
SMR Automotive Mirror Parts and Holdings UK Ltd.
SMR Automotive Holding Hong Kong Limited
SMR Automotive Systems India Limited
SMR Automotive Systems France S. A.
SMR Automotive Mirror Technology Holding Hungary Kft
SMR Patents S.a.R.L.
SMR Automotive Technology Valencia S.A.U.
SMR Automotive Mirrors UK Limited
SMR Automotive Mirror International USA Inc.
SMR Automotive Systems USA Inc.
SMR Automotive Beijing Co. Limited
SMR Automotive Yancheng Co. Limited
SMR Automotive Mirror Systems Holding Deutschland GmbH
SMR Holding Australia Pty Limited
SMR Automotive Australia Pty Limited
SMR Automotive Mirror Technology Hungary Bt
SMR Automotive Modules Korea Ltd
SMR Automotive Beteiligungen Deutschland GmbH
SMR Hyosang Automotive Ltd.
SMR Automotive Mirrors Stuttgart GmbH
SMR Automotive Systems Spain S.A.U.
SMR Automotive Vision Systems Mexico S.A. de C.V.
SMR Grundbesitz GmbH & Co. KG
SMR Automotive Brasil LTDA



SMR Automotive System (Thailand) Limited
SMR Automotives Systems Macedonia Dooel Skopje
SMR Automotive Operations Japan K.K.
SMR Automotive (Langfang) Co. Ltd.
SMR Automotive Vision System Operations USA INC
SMR Mirror UK Limited
Samvardhana Motherhood Innovative Autosystems Holding Company BV
Samvardhana Motherhood Innovative Autosystems de México, S.A. de C.V.
SMP Automotive Systems Alabama Inc.
Motherhood Innovations Company Limited, U.K.
Motherhood Innovations Deutschland GmbH
Samvardhana Motherhood Global (FZE)
SMR Automotive Industries RUS Limited Liability Company
Motherhood Business Service Hungary Kft.
Fritzmeler Motherhood Cabin Engineering Private Limited
Motherhood Electronic Components Private Limited (Incorporated on March 15, 2023 by SMISL)
MSSL Germany Real Estate B.V. & Co. KG (Incorporated on February 28, 2023)
SMP Automotive Ex Real Estate B.V. & Co. KG (Incorporated on February 28, 2023)
SMP D Real Estates B.V. & Co. KG (Incorporated on February 28, 2023)
MSSL Australia Pty Ltd
Vacuform 2000 (Proprietary) Limited.
Motherhood Rolling Stocks S. de R.L. de C.V.
Changchun Peguform Automotive Plastics Technology Co. Ltd
Foshan Peguform Automotive Plastics Technology Co. Ltd.
Celulosa Fabril S.A.
Modulos Ribera Alta S.L.U.
Shenyang SMP Automotive Component Co. Ltd. (deregistered effective from March 20, 2023)
Tianjin SMP Automotive Component Company Limited
Yujin SMRC Automotive Techno Corp.
SMRC Automotives Technology Phil Inc.
Motherhood Elastomers Pty Limited
Motherhood Investments Pty Limited
Jiangsu Huakai-PKC Wire Harness Co., Ltd.
Shanjdong Huakai-PKC Wireharness Co. Ltd.
Fuyang PKC Vehicle Technology Co., Ltd.
PKC Vehicle Technology (Hefei) Co, Ltd.
Jilin Huakai PKC Wire Harness Co. Ltd.
Samvardhana Motherhood Corp Management Shanghai Co Ltd.
Re-time Pty Limited
Shenyang SMP Automotive Trlm Co., Ltd., China
SMR Plast Met Automotive Tec Turkey Plastik imalat Anonim Sirketi (Turkey)
SMR Plast Met Molds and Tools Turkey Kalp imalat Anonim Sirketi (Turkey)
Motherhood Molds and Diecasting Limited
Samvardhana Motherhood Health Solutions Limited
SAKS Ancillaries Limited
Motherhood Techno Tools Limited
Motherhood Techno Tools Mideast FZE
Motherhood Alr Travel Agencies Limited
Motherhood Auto Solutions Limited
Samvardhana Motherhood Hamakyorex Engineered Logistics Limited
CIM Tools Private Limited
Aero Treatments Private Limited
Motherhood Automotive Giken Industries Corp Ltd., Japan
Zhaoqing SMP Automotive Components Co., Ltd. (Incorporated on November 25, 2022)

B. Other related parties

I) Joint Ventures:

Sumitomo Wiring Systems Limited
H.K. Wiring Systems Limited

II) Companies in which Key Managerial Personnel or their relatives have control/ significant influence:

Motherhood Engineering Research and Integrated Technologies Limited
A Basic Concepts Design Pty Limited
ATAR Mauritius Private Limited
SCCL Infra Projects Limited, Cyprus
SCCL Global Project (FZE)
Spirited Auto Cars (I) Limited
Motherhood Lease Solution Limited
Samvardhana Motherhood Adsystech Limited (India)
Systematic Conscom Limited
Advanced Technologies and Auto Resources Pte. Ltd.
Edcol Global Pte. Limited
Motherhood Innovative Technologies and Research
Radha Rani Holdings Pte Ltd



JSSR Holdings (M) Pvt. Ltd.
Nirvana Foods GmbH
Motherson Spirited Auto Retail India Limited
Prime Auto Cars Limited
Spirited Motor Vehicles Limited
Adventure Auto Car India Limited
Bima Leap Insurance Broker Limited
FDO Holidays Private Limited
Samvardhana Motherson Employees Benefit Limited, Mauritius
Samvardhana Motherson Employees Nominee Company UK Limited
Son Grows System Limited, Dubai
Swarn Lata Motherson Dhenu Seward Trust
Swarnlata Motherson Trust
Samvardhana Employees Welfare Trust
Sehgal Family Trust
Renu Sehgal Trust
Samvardhana Motherson Employee Wealth Trust (Mauritius)
Motherson Sumi Wiring India Limited
Hubei Zhengao PKC Automotive Wiring Company Ltd
AES (India) Engineering Limited
Kyungshin Industrial Motherson Pvt. Ltd.
Calsonic Kamsel Motherson Auto Products Pvt. Ltd.
Ningbo SMR Huaxiang Automotive Mirrors Co. Limited
Chongqing SMR Huaxiang Automotive Products Limited
Eissmann SMP Automotive Interieur Slovakia s.r.o.
Tianjin SMR Huaxiang Automotive Parts Co., Ltd.
Nanchang JMCg SMR Huaxiang Mirror Co. Ltd.
CTM India Limited
Anest Iwata Motherson Coating Equipment Private Limited (through SMISL)
Anest Iwata Motherson Private Limited (through SMISL)
Valeo Motherson Thermal Commercial Vehicles India Limited
Matsul Technologies India Limited
Frigel Intelligent Cooling Systems India Private Limited
Nissin Advanced Coating Indo Co. Private Limited (through SMISL)
Motherson Bergstrom HVAC Solutions Private Limited
Marelli Motherson Automotive Lighting India Private Ltd.
Marelli Motherson Auto Suspension Parts Pvt Ltd.
Youngshin Motherson Auto Tech Limited
Lauak CIM Aerospace Private Limited

iii) Firm in which a director or his relative is a partner

Motherson (Partnership Firm)
Vaaman Auto Industry (Partnership Firm)
Ganpati Auto Industries (Partnership Firm)

iv) Key Managerial Personnel

a) Board of Directors

Mr. Laksh Vaaman Sehgal
Mr. Bimal Dhar
Mr. Arjun Puri (Independent Director)
Mr. Sanjay Kalia (Independent Director)
Mr. Shunichiro Nishimura
Mr. Hideaki Kobayashi
Ms. Lata Unnikrishnan

b) Other KMP

Mr. Rajesh Thakur, Chief Executive Officer
Mr. Rajesh Srivastava, Chief Financial Officer (Resigned w.e.f. 03 March 2023)
Mr. Tripurari Kumar, Chief Financial Officer (Appointed w.e.f. 03 March 2023 and Resigned w.e.f. 15 April 2023)
Mr. Ashish Bhagat, Chief Financial Officer (Appointed w.e.f. 15 April 2023)
Ms. Surbhi Sehgal, Company Secretary (Appointed w.e.f. 15 April 2023)

vii) Relatives of Key Managerial Personnel

Mr. Vivek Chaand Sehgal
Mrs. Renu Sehgal
Ms. Vidhi Sehgal
Mrs. Samridhi Sehgal
Master. Sidh Vaasav Sehgal
Master. Ganan Yuvaan Sehgal
Master Kushaan Samarth Sehgal

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

(a) Key management personnel compensation

	March 31, 2023	March 31, 2022
Short-term employee benefits	40.0	48.3
Post-employment benefits	1.5	2.2
Long-term employee benefits	0.6	0.6
Total compensation	42.1	51.1

(b) Transactions with related parties

S. No.	Particulars	Holding company		Subsidiary & Fellow Subsidiary Companies		Joint ventures		Other related parties		Key Management personnel			Total
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2022	
1	Sales of goods	158.4	22.3	73.6	23.7	-	-	217.1	189.9	-	-	449.1	235.8
2	Services rendered	387.7	96.6	3,051.6	884.1	-	-	248.9	2,129.4	-	-	3,688.2	3,110.2
3	Script sale	-	-	-	9.0	-	-	5.8	-	-	-	5.8	9.0
4	Purchase of fixed assets	-	-	-	-	-	-	71.0	59.5	-	-	71.0	59.5
5	Payment of salaries	-	-	-	-	-	-	-	-	42.2	51.1	42.2	51.1
6	Sales of assets	-	0.2	-	-	-	-	-	2.1	-	-	-	2.2
7	Other expenses:												
a	Legal & professional expenses	41.8	32.4	-	-	-	-	-	0.0	-	-	41.8	32.4
b	Business Promotion	0.9	-	0.3	-	-	-	-	-	-	-	1.2	-
c	Corporate social responsibility (CSR) activities	-	-	-	-	-	-	0.5	-	-	-	0.5	-
d	Electricity, water and fuel	-	-	-	-	-	-	7.4	6.4	-	-	7.4	6.4
e	Staff welfare	-	-	3.2	0.9	-	-	-	-	-	-	3.2	0.9
f	Communication expenses	-	-	-	-	1.2	0.3	-	1.1	-	-	1.2	1.4
g	Lease rent	-	-	-	4.5	-	-	90.1	80.0	-	-	90.1	84.5
h	Miscellaneous	1.3	1.0	0.5	(0.2)	-	-	9.6	10.8	-	-	11.4	11.6
i	Repairs and maintenance: Building	-	-	-	-	-	-	3.1	10.5	-	-	3.1	10.5
j	Software license and development charges	-	9.7	-	71.8	-	-	-	2.6	-	-	-	84.1
k	Travelling and Conveyance	-	-	7.2	10.5	-	-	-	-	-	-	7.2	10.5
l	Insurance	-	-	-	-	-	-	0.1	0.8	-	-	0.1	0.8
m	Training & seminar expenses	0.1	-	0.0	-	-	-	-	-	-	-	-	-
n	Leaseline & web hosting charges	5.9	-	56.7	-	-	-	-	-	-	-	62.6	-
8	Sitting fees to Directors	-	-	-	-	-	-	-	-	0.1	0.3	0.1	0.3
9	Reimbursements received	0.8	0.0	82.6	2.0	-	-	1.2	1.6	-	-	84.6	3.6
10	Reimbursements paid	3.3	10.6	73.6	18.3	-	-	1.7	9.4	-	-	78.6	38.3
11	ICD obtained	490.0	150.0	450.0	140.0	-	-	-	-	-	-	940.0	290.0
12	ICD repaid	805.0	-	290.0	-	-	-	-	-	-	-	1,095.0	-
13	Interest on ICD obtained	58.0	25.2	13.0	0.7	-	-	-	-	-	-	71.0	25.9
14	ICD given	-	-	305.3	171.7	-	-	-	-	-	-	305.3	171.7
15	ICD impaired	-	-	94.0	165.6	-	-	-	-	-	-	94.0	165.6
16	Interest on ICD given	-	-	25.9	15.6	-	-	-	-	-	-	25.9	15.6
17	Interest on ICD given Impaired	-	-	27.5	-	-	-	-	-	-	-	27.5	-
18	ICD received back	-	-	8.7	-	-	-	-	-	-	-	8.7	-
19	Investment in subsidiary	-	-	-	19.2	-	-	-	-	-	-	-	19.2
20	Security deposits given	-	-	-	-	-	-	7.3	10.3	-	-	7.3	10.3
21	Security deposits refund received	-	-	-	-	-	-	3.9	9.0	-	-	3.9	9.0
22	Deferred Revenue (net)	(2.6)	7.4	61.4	41.9	-	-	(21.0)	(91.7)	-	-	37.8	(42.4)
23	Investment Impaired	-	-	12.3	28.2	-	-	-	-	-	-	12.3	28.2



(c) Outstanding balances arising from sales / purchases of goods and services

S. No.	Particulars	Holding company		Subsidiary & Fellow Subsidiary Companies		Joint ventures		Other related parties		Key Management personnel			Total	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
1	Trade receivables (gross)	134.0	99.8	720.4	538.1	-	-	96.4	72.6	-	-	950.8	710.5	
2	Trade payables	3.6	2.2	7.4	1.9	0.5	-	1.8	1.4	-	-	13.3	5.5	
3	Creditors for capital goods	-	-	-	-	-	-	-	10.2	-	-	-	10.2	
4	Security deposits (given)	-	-	-	-	-	-	79.8	76.5	-	-	79.8	76.5	
5	Security deposits received	-	-	-	41.9	-	-	-	-	-	-	-	41.9	
6	ICD payable	-	315.0	300.0	140.0	-	-	-	-	-	-	300.0	455.0	
7	Interest accrued on ICD payable	-	60.2	2.0	0.6	-	-	-	-	-	-	2.0	60.8	
8	ICD receivable (excluding provision for impairment)	-	-	595.1	291.0	-	-	-	-	-	-	595.1	291.0	
9	Interest accrued on ICD receivable	-	-	29.2	15.6	-	-	-	-	-	-	29.2	15.6	
10	Investments (excluding provision for diminution)	-	-	140.5	158.1	-	-	-	-	-	-	140.5	158.1	
11	Advances recoverable	0.0	-	6.9	1.2	-	-	-	1.3	-	-	6.9	2.5	
12	Advances from customers	0.5	0.0	0.6	0.3	-	-	0.4	0.4	-	-	1.5	0.7	
13	Advances to creditors for capital goods	-	-	-	-	-	-	42.0	-	-	-	42.0	-	
13	Employee expenses payable	-	-	-	-	-	-	-	-	7.2	3.7	7.2	3.7	
14	Employee expenses receivable	-	-	-	-	-	-	-	-	0.1	3.6	0.1	3.6	

Note (i): The Company has given letters of support to its subsidiaries, refer note 38 (i).

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36. Segment Information:

Description of segments and principal activities

The Company is primarily an IT and engineering design services Company with a global footprint providing consulting and outsourcing services

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments examines the Company's performance categorised in to following segments:

Information about geographical areas:

The following information discloses revenue based on geographical areas:

i) Revenue from operations

India (Note 23)

Outside India (Note 23)

March 31, 2023	March 31, 2022
3,107.7	1,815.8
3,178.7	2,439.1
6,286.4	4,254.9

ii) Segment Assets

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

India

Outside India

March 31, 2023	March 31, 2022
1,420.7	1,391.3
-	-
1,420.7	1,391.3

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

SMP Deutschland GMBH

March 31, 2023	March 31, 2022
830.2	-

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37. Assets pledged as security

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

	March 31, 2023	March 31, 2022
Current:		
First charge		
Inventory	4.5	15.0
Financial assets		
Trade receivables	1,383.4	914.4
Cash and cash equivalents	9.9	7.7
Other bank balances	222.0	0.3
Deposits	9.1	3.0
Other financial assets	167.1	104.6
Other current assets	325.6	221.5
Total current assets pledged as security	2,121.6	1,266.5
Non-current:		
First charge		
Leasehold land	85.2	85.2
Buildings	474.4	350.0
Movable fixed assets	197.6	195.1
Total non-current assets pledged as security	757.2	630.3
Total assets pledged as security	2,878.8	1,896.8

38. Capital and other commitments

(I) Letter of support

The Company has given letters of support to following group companies to enable the said companies to continue their operations:

March 31, 2023
a) Motherson Technology Services United Kingdom Limited (Formerly Known as Motherson Infotech and Solutions UK Limited)
b) Motherson Technology Service SG Pte Ltd. (formerly known as MothersonSumi Infotech and Designs SG Pte. Ltd.)
March 31, 2022
a) Motherson Auto Engineering Service Limited
b) Motherson Technology Service SG Pte Ltd. (formerly known as MothersonSumi Infotech and Designs SG Pte. Ltd.)

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

	March 31, 2023	March 31, 2022
Property, plant and equipment		
Estimated value of contracts in capital account remaining to be executed,	464.2	123.0
Total	464.2	123.0
Other commitments		
Bank guarantee	55.6	70.9
Total	55.6	70.9

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39. Leases**As a lessee**

The company has lease contracts for various items of land, vehicles and building used in its operations. Leases of land generally have lease terms of 90 years, vehicles generally have lease terms of 4-5 years and building generally have lease terms of 3-6 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.

The company also has certain leases of building with lease terms of 12 months or less and leases of other equipment with low value. The company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases respectively.

a) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Right-of-use assets

Particulars	Leasehold Land	Buildings	Vehicles	Total
Gross carrying amount				
as at April 01, 2021	579.1	4.2	67.6	650.9
Additions during the year*	-	-	16.1	16.1
as at April 01, 2022	579.1	4.2	83.7	667.0
Addition during the year*	5.0	-	25.8	30.8
Disposals	-	-	(16.3)	(16.3)
as at March 31, 2023	584.1	4.2	93.2	681.5
Accumulated depreciation				
as at April 01, 2021	14.9	3.2	34.3	52.4
Depreciation charge during the year	6.6	0.8	14.8	22.2
as at April 01, 2022	21.5	4.0	49.1	74.6
Depreciation charge during the year	6.7	0.2	15.4	22.3
Disposals	-	-	(10.9)	(10.9)
as at March 31, 2023	28.2	4.2	53.6	86.0
Net carrying amount as at March 31, 2023	555.9	0.0	39.6	595.5
Net carrying amount as at March 31, 2022	557.6	0.2	34.7	592.5

* During the year ended March 31, 2023, the company has capitalised borrowing costs amounting to INR 5.0 million as qualifying assets (March 31, 2022 : Nil). Borrowing costs were capitalised at specific borrowing rate of 11.0 %.

b) Set out below are the carrying amounts of lease liabilities and the movements during the period:

Lease liabilities

Particulars	Leasehold Land	Buildings	Vehicles	Total
Recognised as at April 01, 2021	214.4	1.2	36.7	252.3
Additions	-	-	16.1	16.1
Accretion of interest	20.3	0.1	3.9	24.3
Payments	(74.3)	(0.9)	(18.7)	(93.8)
Recognised as at April 01, 2022	160.4	0.4	38.0	198.8
Additions	-	-	25.8	25.8
Accretion of interest*	14.0	0.0	4.9	18.9
Payments	(74.3)	(0.4)	(19.6)	(94.3)
Deletion	-	-	(6.3)	(6.3)
Lease liabilities as at March 31, 2023	100.1	-	42.8	142.9
Classification of Lease liabilities as at March 31, 2023				
Current	0.0	-	13.6	13.6
Non-current	100.1	-	29.2	129.3
Classification of Lease liabilities as at March 31, 2022				
Current	60.0	0.2	15.6	75.8
Non-current	100.5	0.1	22.5	123.1

The company had total cash outflows for leases of INR 174.5 million in March 31, 2023 (includes cash outflows of INR 80.2 million relating to short term leases and low value assets) (March 31, 2022: INR 170.7 Million).

The maturity analysis of lease liabilities is disclosed in Note 33.

The weighted average incremental borrowing rate applied to lease liabilities is 11.0 %

c) The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets
Interest expense on lease liabilities* (Note 28)
Expense relating to short-term leases (included in other expenses) (Note 29)
Total amount recognised in profit or loss

For the year ended	For the year ended
March 31, 2023	March 31, 2022
22.3	22.2
14.3	24.3
80.2	76.9
116.8	123.4

* interest expense net of borrowing cost capitalised during the year March 31, 2023 of INR 5.0 million (March 31, 2022: Nil).



40. Contingent liabilities:

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

	March 31, 2023	March 31, 2022
Claims against the Company not acknowledged as debts		
Standby letter of credit	-	300.0
Income tax matters*	186.2	186.2
Custom matter	1.5	1.5
Sales tax matters	0.1	0.5

*This Includes transfer pricing matters amounting to INR 71.27 million pertaining to AY 2018-19 and INR 114.90 million pertaining to AY 2016-17 which is pending against CIT (Appeals), out of which INR 40.68 million is paid against protest.

Notes:

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

41. Due 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:

Particulars	March 31, 2023	March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	20.0	21.3
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	-	-

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42. Ratio analysis and its elements

	Ratio	March 31, 2023	March 31, 2022	% Variance	Note reference
(a)	Current ratio	1.1	0.7	64.50%	(a)
(b)	Debt-Equity ratio	0.9	3.5	-73.34%	(b)
(c)	Debt service coverage ratio	0.6	0.2	182.87%	(c)
(d)	Return on equity ratio	(0.3)	(0.6)	-56.29%	(d)
(e)	Inventory turnover ratio	69.7	38.6	80.23%	(e)
(f)	Trade receivables turnover ratio	5.5	5.6	-1.96%	(f)
(g)	Trade payables turnover ratio	7.0	7.5	-6.22%	(g)
(h)	Net capital turnover ratio	(87.9)	(18.6)	372.07%	(h)
(i)	Net profit ratio	(0.0)	(0.1)	-54.08%	(i)
(j)	Return on capital employed	(0.1)	(0.2)	-70.75%	(j)
(k)	Return on investment	0.0	0.1	-62.94%	(k)

(a)	Current ratio	$\frac{\text{Current assets}}{\text{Current liability}}$
-----	---------------	--

During the current year, there is increase in trade receivable, fixed deposits and loans to subsidiaries (current) which led to increase in ratio.

(b)	Debt-Equity ratio	$\frac{\text{Total Debt (Long term borrowing, current maturities of long term borrowing and short term borrowing including Ind AS 116 liabilities)}}{\text{Equity attributable to equity share holder}}$
-----	-------------------	--

During the current year, Company has Issued right shares which led to decrease in the ratio.

(c)	Debt service coverage ratio	$\frac{\text{Net Profit/(loss) after taxes + Non-Cash operating expenses (Including depreciation and amortization, Provision for doubtful debts / advances, Unrealised foreign exchange (gain) / loss (net)) + interest expenses + other adjustments like loss on sale of fixed assets}}{\text{Current maturities of long term borrowing, Interest expense (except Ind AS 116 finance cost) and lease payment}}$
-----	-----------------------------	--

During the year, there was an increase in revenue and reduction in impairment loss as compared to the previous year which resulted in positive EBITDA; hence the increase in the ratio.

(d)	Return on equity ratio	$\frac{\text{Profit/ (loss) for the year}}{\text{Average Equity attributable to equity share holder}}$
-----	------------------------	--

There has been a decrease in losses during the current year. Simultaneously during the current year, company has Issued rights shares at premium which led to increase in average equity; hence the increase in ratio.

(e)	Inventory turnover ratio	$\frac{\text{Change in Inventory and Purchase of traded goods}}{\text{Average of opening and closing inventories}}$
-----	--------------------------	---

Due to increase in purchases on account of increased sales for trading; the ratio has increased as compare to FY 21-22.

(f)	Trade receivables turnover ratio	$\frac{\text{Revenue from contract with customers (excluding other operating revenue)}}{\text{Average Trade Receivables}}$
-----	----------------------------------	--

(g)	Trade payables turnover ratio	$\frac{\text{Purchase of Stock-in- Trade and other expenses}}{\text{Average Trade Payable}}$
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(h)	Net capital turnover ratio	$\frac{\text{Revenue from contract with customers (excluding other operating revenue)}}{\text{Average working capital}} \\ \text{[Current Assets less current liabilities (except current maturities of long term borrowings)]}$
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Due to Increase in revenue and decrease in negative average working capital, there has been a change in the ratio.

(i)	Net profit ratio	$\frac{\text{Profit/ (loss) for the year}}{\text{Revenue from contract with customers (excluding other operating revenue)}}$
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Due to decrease in losses incurred in the current year as compared to the previous year and on account of increase in revenue, net profit ratio is increased.

(j)	Return on capital employed	$\frac{\text{EBIT i.e. Profit/ (loss) before tax + Finance cost}}{\text{Average capital employed (i.e. Tangible net worth, Total Debt and Deferred Tax Liability)}}$
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Due to decrease in losses incurred in the current year as compared to the previous year, increase in equity and reduction in loans given, ROCE has increased in the current year.

(k)	Return on investment	$\frac{\text{Dividend Income + Interest Income}}{\text{Investment}}$
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Due to fixed deposit investments made towards the end of the financial year, which led to a increase in the denominator and hence decrease in the ratio.



43. Other statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (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 currency or Virtual Currency 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 fund 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 has 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 wilful defaulter by any bank or financial institution or other lender.

44. The Company has a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company appoints independent consultants for conducting a Transfer Pricing Study to determine whether the transactions with associate enterprises are undertaken, during the financial year, on an "arm's length basis". Adjustments, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed for the current financial year. However, the management is of the opinion that its International and domestic transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

45. Amounts appearing as zero "0" in financial are below the rounding off norm adopted by the Company. Previous years figures have been regrouped wherever necessary to conform with current year's classification.

46. Standard Issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 01, 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

The Company is currently revisiting its accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the Initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 01, 2023.

The Company is currently assessing the impact of the amendments.

As per our report on even date.

For S. R. Batliboi & Co. LLP

Chartered Accountants

Firm registration number: 301003E / E300005

For and on behalf of the Board of Directors of

Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited)

per Anil Mehta

Partner

Membership No: 095812



Laksh Vaaman Sehgal

Director

DIN 00048584

Rajesh Thakur

Chief Executive Officer

PAN ACSPT8411E

Lata Unnikrishnan

Director

DIN 08391470

Ashish Bhagat

Chief Financial Officer

PAN AFIP85613D

Surbhi Sehgal

Company Secretary

PAN CJPCK2696F

