



MotherSON Electronic Components Private Limited

**Financial Statements
2025-26**

Motherson Electronic Components Private Limited
Balance Sheet as at March 31, 2026
CIN: U26109DL2023PTC411085

(All amounts in INR Million, unless otherwise stated)

	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	7,459	2,644
Capital work in progress	3	9,482	2,661
Right of use assets	4	2,598	2,673
Intangible assets	5	55	47
Intangible assets under development	6	6	-
Financial assets			
Other financial assets	7	112	87
Deferred tax assets (net)	8	132	0
Other non-current assets	9	2,030	679
Total non-current assets		21,874	8,791
Current assets			
Inventories	10	3,574	548
Financial assets			
i. Trade receivables	11	5,812	1,473
ii. Cash and cash equivalents	12	1,952	0
iii. Other financial assets	7	3	1
Other current assets	9	1,069	671
Current tax assets (net)	13	4	1
Total current assets		12,414	2,694
Total assets		34,288	11,485
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	9,736	4,650
Instruments entirely equity in nature	14	517	-
Other equity	15	1,600	(578)
Total Equity		11,853	4,072
LIABILITIES			
Non current liabilities			
Financial liabilities			
i. Borrowings	16(a)	11,536	5,241
ii. Lease Liabilities	17	412	448
Employee benefit obligations	18	51	25
Other non-current liabilities	21	271	344
Total non-current liabilities		12,270	6,058
Current liabilities			
Financial liabilities			
i. Borrowings	16(b)	3,913	159
i. Lease Liabilities	17	35	26
ii. Trade payables	19		
Total outstanding dues of micro and small enterprises		141	15
Total outstanding dues of creditors other than micro and small enterprises		4,824	881
iii. Other financial liabilities	20	985	85
Employee benefit obligations	18	3	1
Other current liabilities	21	264	188
Total current liabilities		10,165	1,355
Total liabilities		22,435	7,413
Total equity and liabilities		34,288	11,485

Summary of material accounting policies

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The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

per Nikhil Gupta
Partner
Membership No. : 517577
Place: Gurugram
Date: 13.05.2026

For and on behalf of the Board of Directors
Motherson Electronic Components Private Limited

Vishal Swarupshyam Kabadi
Director
DIN : 07562946

Sukant Gupta
Director
DIN: 10355472

Prakash Katama
Chief Operating Officer & Manager
PAN : ARGPK1228H

Devinder Kansal
Chief Financial Officer
PAN : AFMPK5342Q

Date : 13.05.2026

Motherson Electronic Components Private Limited
Statement of Profit and Loss for year ended March 31, 2026
CIN: U26109DL2023PTC411085

(All amounts in INR Million, unless otherwise stated)

	Notes	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Revenue			
Revenue from contract with customers	22	12,908	1,751
Other operating revenue	23	7	1
Total revenue from operations		12,915	1,752
Other income	24	143	7
Total income		13,058	1,759
Expenses			
Cost of materials consumed	25	10,271	1,427
(Increase)/Decrease in inventory of finished goods and work-in-progress	26	(669)	(99)
Employee benefits expense	27	886	216
Depreciation and amortisation expense	28	734	248
Finance costs	29	513	197
Other expenses	30	1,525	302
Total expenses		13,260	2,291
Loss before tax		(202)	(532)
Tax expenses			
-Current tax		-	-
-Deferred tax Expense/ (Credit)	31	(132)	-
Total tax expense		(132)	-
Loss for the year		(70)	(532)
Other comprehensive income / (loss)			
Items not to be reclassified to profit or loss in subsequent period			
Remeasurements of employment benefit obligations		0	(8)
Deferred tax on remeasurements of post employment benefit obligations		-	-
Total Other comprehensive income		0	(8)
Total comprehensive income / (loss) for the year, net of taxes		(70)	(540)
Earnings/(Loss) per share			
Nominal value per share: INR 10/- (Previous year: INR 10/-)	32		
Basic		(0.14)	(2.44)
Diluted		(0.14)	(2.44)
Summary of material accounting policies	2		
The accompanying notes are an integral part of the financial statements			

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(All amounts in INR Million, unless otherwise stated)

A. Equity share capital

	Notes	As at March 31, 2026		As at March 31, 2025	
		No of shares	Amount	No of shares	Amount
Opening Balance	14	465,000,000	4,650	100,000,000	1,000
Add: Issue of equity share capital	14	508,551,000	5,086	365,000,000	3,650
Closing Balance		973,551,000	9,736	465,000,000	4,650

B. Instruments entirely equity in nature

	Notes	As at March 31, 2026		As at March 31, 2025	
		No of shares	Amount	No of shares	Amount
Opening Balance	14	-	-	-	-
Add: Issue of preference share capital	14	51,666,667	517	-	-
Closing Balance		51,666,667	517	-	-

C. Other equity

	Notes	Reserves and surplus		
		Security Premium	Retained earnings	Total
Balance as at April 1, 2024	15	-	(31)	(31)
Loss for the year	15	-	(532)	(532)
Other comprehensive income / (loss)		-	(8)	(8)
Stamp duty on increase in equity share capital	15	-	(7)	(7)
Balance as at March 31, 2025	15	-	(578)	(578)
Opening Balance as at April 1, 2025	15	-	(578)	(578)
Loss for the year		-	(70)	(70)
Other comprehensive income / (loss)		-	0	0
Stamp duty on increase in equity share capital	15	-	0	0
Issue of equity share capital at premium	15	2,248	-	2,248
Balance As at March 31, 2026		2,248	(648)	1,600

Summary of material accounting policies
The accompanying notes are an integral part of the financial statements

2

As per our report of even date

For S. R. Batliboi & Co. LLP
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PAN : AFMPK5342Q

Date : 13.05.2026

Motherson Electronic Components Private Limited
Statement of Cash Flow for the year ended March 31, 2026
CIN: U26109DL2023PTC411085

(All amounts in INR Million, unless otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flow from operating activities:		
Loss before tax	(202)	(532)
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and amortisation expense	734	248
Profit on sale of investments in Mutual Funds	(0)	(3)
Interest income	(5)	(4)
Finance cost	513	197
Unrealised foreign exchange loss /gain (net)	(102)	-
Operating Loss before working capital changes	938	(93)
Change in working capital:		
Increase in trade payables	3,898	859
Increase in other Current Liabilities	3	524
Increase / (Decrease) in other Financial Liabilities	6	(249)
Increase in employee benefits	28	6
Increase in receivables	(4,067)	(1,472)
Increase in inventories	(3,025)	(540)
Increase in other financial assets	(21)	(42)
Increase in other receivables	(239)	(992)
Cash used in operations	(3,417)	(1,906)
Income taxes paid / (refund)	(4)	1
Net cash used in operations (A)	(2,483)	(1,998)
Cash flow from investing activities:		
Payments for property, plant and equipment (including capital work in progress and capital advances)	(12,939)	(3,436)
Profit on sale of investments in Mutual Funds	-	3
Sale Proceeds of Mutual Funds	400	976
Investments in mutual funds	(400)	(675)
Net cash used in investing activities (B)	(12,939)	(3,132)
Cash flow from financing activities:		
Proceeds from issue of equity shares	7,333	3,650
Proceeds from issue of Preference shares	517	-
Fees for increase in authorized share capital	-	(7)
Interest paid	(454)	(165)
Proceeds from long term borrowings	7,422	6,470
Payment of Lease Liabilities	(71)	(2,300)
Repayment of long term borrowings	(100)	(2,670)
Proceeds from short term borrowings	2,727	100
Net cash generated from financing activities (C)	17,374	5,077
Net (decrease)/increase in cash and cash equivalents (A+B+C)	1,952	(54)
Net cash and cash equivalents at the beginning of the year	0	54
Cash and cash equivalents as at year end	1,952	0
Cash and cash equivalents comprise of the following (Note 12)		
Balances with banks	1,952	0
Cash on hand	-	-
Cash and cash equivalents as at year end	1,952	0

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 Outflows.

Summary of material accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date

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1 Company Overview

Motherson Electronic Components Private Limited (the Company) was incorporated on 15.03.2023 and has its registered office at F-7 Block, B-1, MCIE, Mohan Cooperative Industrial Estate, Mathura Road, Tugalkabad, New Delhi, South Delhi-110044. The Company has established manufacturing facilities

The Company has been setup primarily to engage in the business of manufacturing, design, development, assembly, marketing, sale of components, materials, for use in or with electronic device products, other electronic products and services related thereto.

1.01 Basis of preparation

- (a) The financial statements of the Company has 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.
- (b) 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 amounts- Refer Note 2.15
- (c) The financial statements are presented in INR and all values are rounded to the nearest million (₹000,000), unless otherwise stated.
- (d) The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.
- (e) The financial statements were authorised for issue in accordance with a resolution of the Board of directors on May 13, 2026.

2 Material accounting policies

2.01 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

The Company classifies all other assets 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.

2.02 Foreign currencies

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

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 is determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

2.03 Use of Estimates and Judgements

In preparation of these financial statements, the management makes estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results may differ from estimates. Any change in the estimates is accounted for in the year of change in estimates.

Useful life of property, plant and equipment

The Company uses its technical expertise and assessment of external chartered engineer 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.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation 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.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.04 Revenue from Contracts with Customers

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

Revenue from sale of components

Revenue from sale of components is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

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.

Cost to fulfill a contract

The Company recognises costs incurred to fulfil a contract as an asset if they relate directly to a specific contract, generate or enhance resources to be used in satisfying future performance obligations, and are expected to be recovered. These are disclosed as unamortised expenditure (refer note no 9).

Costs that do not meet these criteria—such as general and administrative expenses are expensed as incurred.

The Company amortises the recognised assets in line with the transfer of goods or services under the contract and assesses regularly for impairment if any.

Contract Balances

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.

2.05 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.

2.06 Government Grant

Government grants are recognised when there is reasonable assurance that the grant will be received and the entity will comply with the attached conditions.

Grants related to income are recognised in the statement of profit and loss on a systematic basis over the periods in which the related costs are incurred.

Grants related to assets are recognised over the useful life of the asset. As per the applicable accounting standard, such grants can be presented in the following ways -

- By recording the grant as deferred income and recognising it in profit or loss over time.
- By deducting the grant from the carrying amount of the asset and recognising it through reduced depreciation.

The entity has opted for the first approach, whereby the grant is recognised as deferred income and recognised in P & L account over the useful life of the assets.

2.07 Inventories:

Raw Materials, stores and spares, work in progress, stock in trade and finished goods are stated at the lower of cost and net realisable value. Cost of raw material comprise cost of purchase and is determined after rebate and discounts. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other cost incurred in brining the inventories to their present location and condition. Cost are determined on weighted average cost basis.

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

2.08 Property, Plant & Equipment

a) Property, Plant & 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, net of any subsequent sale proceeds of items produced over the cost of testing, that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of 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

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

Category of property, plant and equipment	Useful life as per Schedule II (Years)	Estimated Useful Life (Years)
Leasehold Improvements	Over the period of lease or useful life, whichever is lower	Over the period of lease or useful life, whichever is lower
Plant & Machinery*	15 Years	3 to 15 Years
Furniture & fixtures*	10 Years	6 Years
Electrical Fittings	10 Years	10 Years
Office Equipments	5 Years	5 Years
Computers	3 Years	3 Years
Servers & Hardware	6 Years	6 Years
Factory Equipments	6 Years	6 Years

* Useful life of certain assets are different than the life prescribed under Schedule II to the Companies Act 2013 and those has been determined based on technical evaluation by chartered engineer. The assessment has been performed during the current year (refer note 3).

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.

b) Intangible Assets

Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gain or loss arising on such de-recognition is recognised in Statement of profit or loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

Amortisation

Amortisation is recognised on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets that are not available for use are amortised from the date they are available for use. The estimated useful life and the amortisation method for intangible assets with a finite useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The use life of the Intangible assets are as follows:

Computer Software	3 Years
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Retirement / Disposal:

An item of property, plant and equipment and intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment and intangible asset is determined as the difference between the sales proceeds and the carrying amount of property, plant and equipment and intangible asset and is recognised in the Statement of profit or loss. Further in cases where the depreciation on the assets have been fully written off, the residual value of 5% or the value continued in the books are carried forward without applying further depreciation on the same.

2.09 Employee Benefits

Short Term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. Benefits such as salaries, short term compensated absences and bonus is recognized in the period in which the employee renders the related services. Short Term Employee benefits include performance incentives. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit sharing plans, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long Term Employee Benefits

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks are borne by the employee. The expenditure for defined contribution plans is recognised as an expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks are borne by the Company. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit plans

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

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurement gains/losses are immediately taken to the P&L and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

2.10 Borrowing Cost

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 (Qualifying Assets) 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.

2.11 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.

Land	99 years
Building	10 years
Vehicle	3 to 5 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies note 2.14, 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.

2.12 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.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.13 Taxes

Current income tax

Tax expense comprises current tax expense and deferred tax.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

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

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

Deferred tax originating and reversing during the tax holiday period is not provided for. Deferred tax is provided for to the extent originating and reversing after the tax holiday period.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

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

2.14 Impairment of non-financial assets

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

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

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

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

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.

2.15 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 note 2.06 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.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

This category is the most relevant to the Company. 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.

Derecognition

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

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

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

Impairment of financial assets

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

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b. Financial assets that are debt instruments and are measured as at FVTOCI
- c. Lease receivables under Ind AS 116
- d. 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
- e. Loan commitments which are not measured as at FVTPL
- f. Financial guarantee contracts which are not measured as at FVTPL

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

- Trade receivables or contract revenue receivables;

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

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

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

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

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

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

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

Financial liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

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

- financial liabilities at fair value through profit and loss
- financial liabilities at amortised cost

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 recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost (loans and borrowings)

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. For more information, refer note 15

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.

2.16 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 values 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 2.04, 34)
- Quantitative disclosures of fair value measurement hierarchy (note 34)
- Financial Instruments (including those carried at amortised cost) (note 34)

2.17 Provisions and Contingent Liabilities

(a) Provisions

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

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

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

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

(b) 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.

(c) Contingent Assets

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized. However, The Company continuously evaluates such items based on developments in legal, contractual, or other relevant matters and records or discloses them appropriately, based on management's best estimates and professional judgment.

2.18 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker "CODM". The CODM is responsible for allocating resources and assessing performance of the operating segments. The Company has monthly review and forecasting procedure in place and CODM review the operation of the Company as a whole.

2.3 Changes in accounting policies and disclosures

New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Amendments to Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which include amendments to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates. The amendments introduce specific guidance on determining whether a currency is exchangeable into another currency and the determination of the spot exchange rate when exchangeability is lacking. The amendments do not have an impact on the Company's financial statements.

(ii) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current.

- What is meant by a right to defer settlement
 - That a right to defer must exist at the end of the reporting period
 - That classification is unaffected by the likelihood that an entity will exercise its deferral right
 - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification
- The Company has evaluated the impact of these amendments and concluded that they do not have a material impact on its financial statements.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

The amendments have resulted in additional disclosures in Note 16 but have not had an impact on the classification of Company's liabilities.

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3. Property, Plant and Equipment

Particulars	Leasehold Improvements	Server & Hardware	Factory Equipment	Plant & machinery	Furniture & fixtures	Electrical fittings	Office equipments	Computers	Total	Capital work in progress (Note 3)
Gross carrying amount										
Opening gross carrying amount April 1, 2024	68	106	0	1,291	4	189	2	17	1,676	433
Additions	23	35	16	1,043	15	12	2	26	1,172	3,346
Disposals / (Capitalisation)	-	-	-	-	-	-	-	-	-	(1,118)
Closing gross carrying amount March 31, 2025	90	141	17	2,334	19	200	4	43	2,848	2,661
Additions	140	14	66	4,981	16	158	2	100	5,477	12,230
Disposals / (Capitalisation)	-	-	-	-	-	-	-	-	-	(5,409)
Closing gross carrying amount March 31, 2026	230	155	83	7,315	35	358	6	143	8,324	9,482
Accumulated depreciation										
Opening gross carrying amount April 1, 2024	1	0	0	2	0	0	0	1	5	-
Depreciation charge during the year	7	20	1	140	2	19	1	9	199	-
Transfers/ adjustments	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation March 31, 2025	8	20	1	142	2	19	1	11	204	-
Depreciation charge during the year (refer note 4)	17	25	9	550	5	27	1	28	662	-
Transfers/ adjustments	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation March 31, 2026	25	45	10	692	7	46	2	39	865	-
Net carrying amount - March 31, 2026	205	110	73	6,623	28	312	4	104	7,459	9,482
Net carrying amount - March 31, 2025	82	120	16	2,192	17	181	4	32	2,644	2,661

Capitalised Borrowing costs.

Note 1: During the year ended March 31, 2026, the Company has capitalised borrowing costs amounting to INR 386 Million (March 31, 2025: INR 153 Million) related to Property Plant & Equipment and Capital Work-in-Progress.

Note 2: The Company has procured certain plant and machineries under the Manufacturing and Other Operations in Warehouse Regulations (MOOWR) Scheme and has availed deferred duty benefits amounting to INR 1,753 million (March 31, 2025: INR 202 million). As of the balance sheet date, the Company is in compliance with the relevant rules and regulations of the Scheme and does not anticipate any future economic outflows related to these duty benefits.

Note 3: Refer to Note 35 for disclosures on capital commitments related to the acquisition of property, plant, and equipment.

Note 4: During the current year, the Company reassessed the useful lives of certain property, plant and equipment based on a technical evaluation performed by an external chartered engineer. Management has assessed that the revised useful lives reflect the best expected pattern for the consumption of future economic benefits embodied in these assets. This has resulted in an increase in the depreciation expense by INR 9 million for the year ended March 31 2026.

Asset under construction

Besides Fixed assets capitalisation, capital work in progress as at 31 March 2026 comprises expenditure for the plant in the course of construction. Total amount of CWIP is INR 9,482 million (31 March 2025: 2,661 million).

Capital work in progress (CWIP) ageing schedule

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work in progress (CWIP) ageing schedule as at March 31, 2026					
- Projects in progress	8,271	1,211	-	-	9,482
Capital work in progress (CWIP) ageing schedule as at March 31, 2025					
- Projects in progress	2,661	-	-	-	2,661

4. Right of Use Assets

(All amounts in INR Million, unless otherwise stated)

Particulars	Buildings (Refer Note 1)	Vehicles	Land (Refer Note 2)	Total
Cost as at April 1, 2024	350	4	-	354
Additions	157	9	2,250	2,416
Disposals / Adjustments	-	-	-	-
Cost as at March 31, 2025	507	13	2,250	2,770
Additions	0	2	-	2
Disposals / Adjustments	-	-	-	-
Cost as at March 31, 2026	507	15	2,250	2,772
Accumulated Amortization as at April 1, 2024	23	0	-	24
Amortization for the year	54	3	17	73
Disposals / Adjustments - Amortization	-	-	-	-
Accumulated Amortization as at March 31, 2025	77	3	17	97
Amortization for the year	51	3	23	77
Disposals / Adjustments - Amortization	-	-	-	-
Accumulated Amortization as at March 31, 2026	128	6	39	174
Net carrying amount as at March 31, 2026	379	9	2,211	2,598
Net carrying amount as at March 31, 2025	430	10	2,233	2,673

Note 1: Building comprise premises taken on lease from a related party Motherson Auto Solution Limited at Motherson Industrial Park at Chennai for a period of 10 years.

Note 2: The Company has entered into a lease deed with Motherson Auto Solution Limited ('MASL') for a land parcel located at Motherson Industrial Park in Chennai for a period of 99 years as stipulated in lease deed.

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5 Intangible assets

	Software	Total
Opening gross carrying amount April 1, 2024	3	3
Additions	48	48
Closing gross carrying amount March 31, 2025	51	51
Additions	31	31
Closing gross carrying amount March 31, 2026	82	82
Accumulated Amortisation		
Opening accumulated amortisation as at April 1, 2024	0	0
Amortisation charge during the year	3	3
Closing accumulated amortisation as at March 31, 2025	4	4
Amortisation charge during the year	23	23
Closing accumulated amortisation as at March 31, 2026	27	27
Net carrying amount - March 31, 2026	55	55
Net carrying amount - March 31, 2025	47	47

6 Intangible assets under development

	As at March 31, 2026	As at March 31, 2025
Opening	-	-
Add: Additions during the year	6	-
Closing amount	6	-
Intangible assets under development ageing		
Within one year	6	-
1- 2 year	-	-
Total	6	-

7 Other financial assets

	March 31, 2026		March 31, 2025	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Security Deposit	3	112	1	87
Total	3	112	1	87

8 Deferred tax asset (net)

	As at March 31, 2026	As at March 31, 2025
Property, plant and equipment and Intangible assets	(95)	(52)
Right of use assets	(66)	(78)
Total deferred tax liabilities	(161)	(130)
Set-off of deferred tax assets pursuant to set-off provisions		
Lease liabilities	77	81
Employee benefits obligation	9	2
Business Loss	47	-
Unabsorbed depreciation	160	47
Total deferred tax assets	293	130
Net deferred tax assets	132	0

During the current year, management has assessed that it is probable that future taxable profit will be available against which the unused tax losses can be utilised based on the ongoing business growth and future business projections. Accordingly, deferred tax assets on unutilised business losses and depreciation have been recognised in these financial statements amounting to INR 207 million in accordance with the provisions of Ind AS 12, Income taxes.

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(All amounts in INR Million, unless otherwise stated)

9 Other assets

	March 31, 2026		March 31, 2025	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Capital advances	-	1,818	-	308
Unamortised expenditure (Refer note 2.05)	181	181	144	338
Prepaid expenses	24	31	12	33
Balances with government authorities	835	-	507	-
Other receivables	4	-	1	-
Advance to suppliers	25	-	8	-
Total	1,069	2,030	671	679

10 Inventories

At the lower of cost and net realisable value

	March 31, 2026	March 31, 2025
Raw materials	2,177	343
Work-in-progress	462	50
Finished goods	309	51
Stores and consumables	627	104
Total	3,574	548

Note 1: During the year ended March 31, 2026 write down of inventories on account of provision in respect of obsolete / slow moving items amounted to INR 58 Million (March 31, 2025 : INR 17 Million). These were recognised as an expense during the year and included in cost of materials consumed in statement of profit or loss.

Note 2: Raw materials includes goods in transit amounting into INR 17 million (March 31, 2025 : INR 38 million).

11 Trade receivables

	Trade receivables	
	March 31, 2026	March 31, 2025
Unsecured, considered good		
- others	5,812	1,473
Unsecured, credit impaired	-	-
Allowances for credit loss	-	-
Total	5,812	1,473

Trade Receivable ageing as at March 31, 2026 (outstanding for following periods from due date of payment)

Undisputed trade receivables ageing schedule

	Trade receivables	
	March 31, 2026	March 31, 2025
Current but not due	3,189	1,473
Outstanding for following periods from due date of payment		
Less than 6 Months	2,618	-
6 months – 1 year	5	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	5,812	1,473

During the financial year ended March 31, 2026 and March 31, 2025, there is no disputed trade receivable.

12 Cash and cash equivalents

	March 31, 2026	March 31, 2025
Balances with banks (On current accounts)	1,952	0
Total	1,952	0

13 Current tax assets (net)

	March 31, 2026	March 31, 2025
Tax Receivable	4	1
Total	4	1

14 Share Capital

	March 31, 2026	March 31, 2025
Authorised :		
1,25,00,00,000 Equity shares of INR 10 each (March 31, 2025 : 1,25,00,00,000)	12,500	12,500
10,00,00,000 Preference shares of INR 10 each (March 31, 2025 : 10,00,00,000)	1,000	1,000
Equity shares Issued, subscribed and paid up:		
97,35,51,000 Equity shares of INR 10 each (March 31, 2025 : 46,50,00,000)	9,736	4,650
Preference shares Issued, subscribed and paid up during the year:		
5,16,66,667 Preference shares of INR 10 each (March 31, 2025 : Nil)	517	-
	10,253	4,650

a. Movement in Authorised equity share capital

	Numbers	Amount
As at April 1, 2024	200,000,000	2,000
Add: Issued during the year	1,050,000,000	10,500
As at March 31, 2025	1,250,000,000	12,500
Add: Issued during the year	-	-
As at March 31, 2026	1,250,000,000	12,500

b. Movement in issued equity share capital

	Numbers	Amount
As at April 1, 2024	100,000,000	1,000
Add: Issued during the year	365,000,000	3,650
As at March 31, 2025	465,000,000	4,650
Add: Issued during the year	508,551,000	5,086
As at March 31, 2026	973,551,000	9,736

c. Movement in issued Preference share capital

	Numbers	Amount
As at April 1, 2024	-	-
Add: Issued during the year	-	-
As at March 31, 2025	-	-
Add: Issued during the year	51,666,667	517
As at March 31, 2026	51,666,667	517

d. Rights, preferences and restrictions attached to shares

Equity Shares:

The Company 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 held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

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

Preference Shares:

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

In the event of liquidation of the Company, the preference shareholders has first right over the equity shareholders to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

e. Details of Equity share held by promoters

As at March 31, 2026	No of shares at the beginning of the period	Change during the period	No of shares at the end of the period	% of Total Shares	% change during the year
Samvardhana Motherson Innovative Solution Limited (refer note 1 & 2)	465,000,000	457,695,900	922,695,900	95%	50%
BIEL Ctystal (Singapore) Private Limited (refer note 1)	-	50,855,100	50,855,100	5%	100%
Total	465,000,000	508,551,000	973,551,000	100%	52%

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.

Note 1: During the year, the Company has issued 508,551,000 equity shares of face value ₹10.00 each at a premium of ₹4.42 per share. Accordingly, an amount aggregating to INR 5,085 Million has been credited to Equity Share Capital and INR 2,248 Million has been credited to Securities Premium Reserve in accordance with the provisions of the Companies Act, 2013.

Note 2: including 6 shares held by nominees

f. Details of preferences share held by promoters

As at March 31, 2026	No of shares at the beginning of the period	Change during the period	No of shares at the end of the period	% of Total Shares	% change during the year
BIEL Crystal (Singapore) Private Limited	-	51,666,667	51,666,667	100%	100%
Total	-	51,666,667	51,666,667	100%	100%

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.

During the year, Company has issued compulsory convertible preference share. The CCPS shall be converted within a period of 5 (five) years from the date of their issuance and allotment. In the ratio one equity share for each one preference share.

15 Other equity

	March 31, 2026	March 31, 2025
Reserves and Surplus		
Retained earnings	(648)	(578)
Securities premium (refer note: 14.e)	2,248	-
Total reserves and surplus	1,600	(578)

(i) Retained earnings

	March 31, 2026	March 31, 2025
Opening balance	(578)	(31)
Stamp duty on increase in equity share capital	0	(7)
Accumulated Other Comprehensive Income	0	(8)
Loss for the period	(70)	(532)
Closing balance	(648)	(578)

(ii) Securities premium

	March 31, 2026	March 31, 2025
Opening balance	-	-
Addition on account of issue of equity shares (refer note 14 (e))	2,248	-
Closing balance	2,248	-

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16(a) Non-current borrowings

	March 31, 2026	March 31, 2025
Unsecured		
Loans from related parties (refer note 33)****	2,500	1,800
Long term borrowings*	9,036	3,441
Total	11,536	5,241

16(b) Current borrowings

	March 31, 2026	March 31, 2025
Unsecured		
Working capital loans - from banks**	2,536	100
Bank Overdraft***	-	9
Loans from related parties (refer note 33)****	300	-
Current maturities of long term borrowings*	1,077	50
Total	3,913	159

Note 1: Samvardhana Motherson International Limited (Ultimate Holding Company) has provided a guarantee for the borrowing facility availed with following terms.

*** Principal Terms - Term Loan**

Rate of Interest	3M T-bill+127 basis point
Tenor	5 years & 2 years
Moratorium Period	1 Year
Repayment	Quarterly
Interest Accrued and due	INR 2 Mn

**** Principal Terms - Working Capital Loan**

Rate of Interest	3M T-bill+ranging from 110 to 130 basis point
Tenor	Upto 6 Months
Interest Accrued and due	INR 7 Mn

***** Principal Terms - Bank Overdraft**

Rate of Interest	3M T-bill+110 basis point
Interest Payment frequency	Monthly
Interest Accrued and due	Nil

****** Principal Terms - Loans from related parties**

Rate of Interest	3M T-bill+spread
Tenor	1 to 3 years
Interest Payment frequency	Monthly
Interest Accrued and due	INR 11 Mn

Loan covenants

The secured bank loan is subject to the following covenants:

(i) Debit equity ratio should be less than 2:1. The Debt Equity ratio was 1.32 as at 31 March 2026 (31 March 2025: 1.44). Covenant are tested annually, at year end. The Company has no indication that it will have difficulty complying with these covenants. The Company has not defaulted on any loans payable and are fully compliant with all the material covenants.

17 Lease Liabilities

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

The Company has leases contracts for land, building, plant & machinery and vehicles. These lease arrangements for land are for a period upto 99 years, for building are for a period upto 10 years and vehicles are for a period upto 5 years.

	March 31, 2026	March 31, 2025
Current lease liabilities	35	26
Non-current lease liabilities	412	448
Total	447	474

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

	March 31, 2026	March 31, 2025
Interest expenses on lease liabilities (included in finance cost) ¹	38	32
Depreciation of Right-of-use assets ¹	50	45
Total	88	77

Note 1: During the year, Company has capitalised interest expense amounting to INR 2 million (March 31, 2025 INR 9 Million) and depreciation expense amounting to INR 27 million (March 31, 2025 INR 28 Million).

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18 Employee benefit obligations

	March 31, 2026		March 31, 2025	
	Non-current	Current	Non-current	Current
Gratuity	30	1	13	0
Leave Encashment	21	2	12	1
Total	51	3	25	1

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

A. Defined contribution plan

The Company makes contribution to Provident Fund and Employee State Insurance contributions for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised the following expenditure in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Amount recognised in the Statement of Profit and Loss is as follows (refer note 27)

	For the year ended	
	March 31, 2026	March 31, 2025
Provident Fund	32	7
Employee State Insurance Fund	0	0
	32	7

B. Defined benefit plan

Gratuity

The Company has a defined gratuity plan wherein every employee is entitled to a benefit in accordance with Code on Social Security, 2020. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The gratuity plan is unfunded.

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

	For the year ended	
	March 31, 2026	March 31, 2025
Obligations at year beginning	14	7
Service cost - current	12	3
Interest expense	1	0
Past Service Plan Amendment Cost	3	-
Amount recognised in profit or loss*	16	4
Remeasurements		
Actuarial (gain) / loss	(0)	3
Amount recognised in other comprehensive income	(0)	3
Less: Benefit payouts	-	(0)
Addition due to transfer of employees	1	-
Obligations at year end	31	14

* Above does not include amortisation of gratuity expense recognised as cost to fulfil contract amounting to INR 1 million (March 2025 INR 0 million)

(ii) Assets and Liabilities recognized in the Balance Sheet

	For the year ended	
	March 31, 2026	March 31, 2025
Present Value of the defined benefit obligations	31	14
Fair value of the plan assets	-	-
Amount recognized as Liability	31	14

(iii) Defined benefit obligations cost for the year:

	For the year ended	
	March 31, 2026	March 31, 2025
Service Cost - Current	12	3
Interest Cost (Net)	1	0
Amount recognised in statement of profit and loss	13	4
Actuarial (gain)/ loss	(0)	3
Amount recognised in statement of other comprehensive income	(0)	3
Net defined benefit obligations cost	13	7

(iv) Actuarial assumptions:

	For the year ended	
	March 31, 2026	March 31, 2025
Discount Rate per annum	7.10%	6.60%
Future salary increases	8.00%	8.00%
Withdrawal rate	5.00%	3.00%

v) Sensitivity Analysis

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions (movement by 100 basis point) :

March 31, 2026	Change in Assumption		Present value of obligation	
	Increase by (%)	Decrease by (%)	due to increase in %	due to decrease in %
Discount Rate per annum	0.50%	0.50%	(2)	2
Future salary increases	0.50%	0.50%	2	(2)

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.

vi) Risk exposure

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

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

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

(c) **Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

vii) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 11 years.

Expected benefit payment is as follows:

	Less than a year	Between 1-2 years	Between 2-3 years	Over 3 years	Total
March 31, 2026					
Defined benefit obligation (gratuity)	1	1	1	98	101
March 31, 2025					
Defined benefit obligation (gratuity)	0	0	2	11	14

(All amounts in INR Million, unless otherwise stated)

19 Trade payables

	March 31, 2026	March 31, 2025
Total outstanding dues of micro and small enterprises		
- Related parties (refer Note 33)	-	0
- Others	141	15
Total outstanding dues of creditors other than micro and small enterprises		
- Related parties (refer Note 33)	2,522	91
- Others	2,302	790
Total	4,965	896

Trade payables ageing schedule as on March 31, 2026

Particulars	Not due	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	132	9	0	-	-	-	141
(ii) Others	1,312	3,512	0	0	-	-	4,824
(iii) Disputed dues – MSME*	-	-	-	-	-	-	-
(iv) Disputed dues - Others*	-	-	-	-	-	-	-
Total	1,444	3,521	0	0	-	-	4,965

Trade payables ageing schedule as on March 31, 2025

Particulars	Not due	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	15	0	0	-	-	-	15
(ii) Others	793	88	1	-	-	-	881
(iii) Disputed dues – MSME*	-	-	-	-	-	-	-
(iv) Disputed dues - Others*	-	-	-	-	-	-	-
Total	808	88	1	-	-	-	896

*During the year ended March 31, 2026 and March 31, 2025, there are no disputed trade payables.

20 Other financial liabilities

	March 31, 2026	March 31, 2025
Current		
Interest accrued but not due on borrowings (refer note 16)	20	0
Payable related to purchase of fixed assets*	929	56
Accrued Salaries and Benefits	3	2
Bonus Payable	20	9
Accrued expenses	9	17
Security Deposits Received	1	0
Others	3	1
Total	985	85

* For payables to related parties, refer Note 33.

21 Other liabilities

	March 31, 2026	March 31, 2025
Non-current		
Unearned revenue	271	344
	271	344
Current		
Statutory dues	78	42
Unearned revenue	186	146
Total	264	188

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(All amounts in INR Million, unless otherwise stated)

	March 31, 2026	March 31, 2025
22 Revenue from contract with customers		
Sales of products		
Finished goods		
Domestic Sales	2,565	1,733
Export Goods	10,343	17
Total revenue from contract with customers	12,908	1,751
Contract balances		
Particulars	March 31, 2026	March 31, 2025
Trade receivable	5,812	1,473
Contract liabilities (Note 21)	456	490
Contract assets (Note 9)	362	482
Total	6,630	2,444
Note: There is no material difference between the contract price and the revenue from contract with customers.		
23 Other operating revenue		
	March 31, 2026	March 31, 2025
Sale of Scrap	7	1
Total Other operating revenue	7	1
24 Other income		
	March 31, 2026	March 31, 2025
Interest income from financial assets at amortised cost	5	4
Interest income from income tax refund	-	0
Exchange fluctuation (net)	138	-
Profit on sale of investments in Mutual Funds	0	3
Miscellaneous income	0	-
Total	143	7
25 Cost of raw materials and components consumed		
	March 31, 2026	March 31, 2025
Opening stock of raw materials & components	343	5
Add : Purchases of raw materials & components	12,105	1,764
Less: Closing stock of raw materials & components	2,177	343
Total	10,271	1,427
26 Changes in inventory of finished goods and work in progress		
	March 31, 2026	March 31, 2025
(Increase)/ decrease in stocks		
Stock at the opening of the year:		
Finished goods	51	0
Work-in-progress	50	3
Total (A)	101	3
Stock at the end of the year:		
Finished goods	309	51
Work-in-progress	462	50
Total (B)	771	101
(Increase)/ decrease in stocks (A-B)	(669)	(99)
27 Employee benefits expense		
	March 31, 2026	March 31, 2025
Salary, wages & bonus	720	174
Contribution to provident and other funds (refer note 18)	32	7
Gratuity expense (refer note 18)	17	1
Staff welfare expenses	117	33
Total	886	216
28 Depreciation and amortisation expense		
	March 31, 2026	March 31, 2025
Depreciation on property, plant and equipment (refer note 3)	661	199
Amortisation on intangible assets (refer note 5)	23	3
Depreciation on right of use assets (refer note 4)	50	45
Total	734	248
29 Finance costs		
	March 31, 2026	March 31, 2025
Interest on loans from related parties (refer note 33)	96	73
Corporate guarantee commission (refer note 33)	59	11
Interest on loans from banks	315	79
Bank charges	5	1
Interest on Lease Liabilities	38	32
Total	513	197

(All amounts in INR Million, unless otherwise stated)

	March 31, 2026	March 31, 2025
30 Other expenses		
Consumption of stores and spare parts	461	84
Electricity, water and fuel	199	43
Housekeeping Expenses	46	25
Freight and Forwarding	33	5
Legal & professional expenses (refer note (a) below)	193	19
Hire charges and conveyance	90	18
Security charges	38	16
Rates & taxes	2	15
Software & IT Related Expenses	63	14
Insurance	32	12
Travelling expenses	45	15
Repairs & Maintenance		
Building	24	6
Plant & Machinery	10	1
Other	3	2
Exchange fluctuation (net)	-	3
On-Site Sorting Charges	85	-
Royalty Expense (refer note no: 33)	63	-
Service Fee Expense (refer note no: 33)	63	-
Miscellaneous Expenses	75	24
Total	1,525	302
(a) Payment to auditors:		
As Auditor:		
Audit fees	3	2
Certification and Other services Charges	0	-
Reimbursement of expenses	0	-
Total	3	2
31 Income tax expense		
(a) Deferred tax (refer note 8)		
Increase in deferred tax assets	(293)	(130)
Increase in deferred tax liabilities	161	130
Total deferred tax expense / (credit)	(132)	-
(b) Deferred tax		
Property, plant and equipment and Intangible assets	(95)	(52)
Right of use assets	(66)	(78)
Total deferred tax liabilities	(161)	(130)
Set-off of deferred tax assets pursuant to set-off provisions		
Lease liabilities	77	81
Employee benefits obligation	9	2
Business Loss	47	-
Unabsorbed depreciation	160	47
Total deferred tax assets	293	130
Net deferred tax assets	132	0
(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Loss before tax	(202)	(532)
Tax rate	17.16%	17.16%
Tax as per Indian Tax Rate	(35)	(91)
Adjustments for tax of prior period	-	(3)
Deferred Tax asset recognised on carry forward loss and unabsorbed depreciation due to virtual certainty of set off with future taxable profits	(97)	-
Deferred Tax asset not recognised on account of virtual uncertainty of set off with future taxable profits	-	94
Income tax expense	(132)	(0)
32 Earnings/(Loss) per share		
a) Basic earning per share		
Net loss after tax available for equity share holders	(70)	(532)
Weighted average number of equity shares of INR 10 each (March 31, 2025: INR 10 each)	517,329,960	218,273,973
Basic earning per share of INR 10 each (March 31, 2025: INR 10 each)	(0.14)	(2.44)
b) Diluted earning per share		
Net loss after tax available for equity shareholders	(70)	(532)
Weighted average number of equity shares of INR 10 each (March 31, 2025: INR 10 each)	517,329,960	218,273,973
Diluted earning per share of INR 10 each (March 31, 2025: INR 10 each)	(0.14)	(2.44)

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33 Related Party Disclosures

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

a. Ultimate holding Company

1. Samvardhana Motherson International Limited

b. Holding Company

1. Samvardhana Motherson Innovative Solution Limited

c. Share holder entity having significant influence over the Company

1. Biel Crystal (Singapore) Private Limited

d. Fellow Subsidiaries with whom transactions have taken placed

1. Motherson Techno Tools Limited
2. Motherson Machinery and Automations Limited
3. Motherson Auto Solution Limited
4. Motherson Technology Services Limited
5. SMR Automotive Systems Limited
6. Motherson Air Travels Agencies Limited
7. Samvardhana Motherson Global Carriers Limited

e. Joint Ventures of Ultimate holding, Holding and fellow subsidiary of the Company with whom transactions have taken placed

1. Marelli Motherson Automotive Lighting India Private Limited
2. Anest Iwata Motherson Private Limited

f. Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the company

1. Motherson Lease Solutions Limited
2. Systematic Conscom Limited

g. Other Companies in which a Director or manager of His/Her relative is a member or Director

1. Nirvana Niche Products Private Limited
2. Salo Tech Motherson Solar Energy India Pvt Ltd.,
3. Biel Crystal (HK) Manufacturing Limited
3. Biel Crystal Technology Manufactory Company Limited

h. Directors of the Company

- Mr. Laksh Vaaman Sehgal (Appointment as Additional Director as of March 10, 2026)
Mr. Vishal Kabadi
Mr. Sukant Gupta
Mr. Naveen Ganzu (Appointed as Independent Directors as of July 14, 2025)
Mr. Madhu Baskar (Appointed as Independent Directors as of July 14, 2025)
Mr. Simon Chun Kin Yeung (Appointment as Additional Director as of March 10, 2026)
Mr. Rajesh Goel (Resigned from Directors as of July 14, 2025)
Mr. Lata Unnikrishnan (Resigned from Directors as of July 14, 2025)

i. Other Key Management Personnel of the Company

- Mr. Prakash Katama, COO & Manager
Mr. Devinder Kansal, CFO
Mr. Shubham Arora CS (Resigned as of January 30, 2026)

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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 29 (I) above

a. Transactions during the year

S.No	Particulars	Relationship	Nature of Transactions	Transaction amount FY 25-26	Transaction amount FY 24-25
1	Marelli Motherson Automotive Lighting India Pvt Ltd	Joint Ventures of Holding Company	Legal & professional expenses	-	0
			Travelling expenses	0	2
2	Motherson Air Travel Agencies Limited	Fellow Subsidiary	Miscellaneous expenses	2	2
			Travelling expenses	49	18
3	Motherson Auto Solutions Limited	Fellow Subsidiary	Lease of land	11	2,164
			Lease rent	71	64
			Repair & Maintenance - Building	11	10
			Miscellaneous Expenses	5	5
			Electricity, water and fuel	5	3
4	Motherson Lease Solution Limited	Other related party	Vehicle Lease rent	4	5
			Security Deposit Paid	3	3
5	Motherson Technology Services Limited	Fellow Subsidiary	Miscellaneous Expenses	-	1
			Purchase of Property, Plant and Equipment	103	114
			Software & IT Related Expenses	72	24
			Legal & professional expenses	6	11
6	Nirvana Niche Products Private Ltd	Other related party	Purchase of Property, Plant and Equipment	-	0
7	Samvardhana Motherson Global Carriers Limited	Fellow Subsidiary	Freight and Forwarding	3	3
8	Samvardhana Motherson Innovative Solution Limited	Holding Company	Repayment	-	1,000
			Interest paid	-	50
9	Samvardhana Motherson International Limited	Ultimate holding Company	Corporate Guarantee	-	14,000
			Guarantee Commission	140	64
			Purchase of Property, Plant and Equipment	33	6
			Insurance Expenses	0	0
			Staff welfare expenses	-	0
			Professional & Consultancy	19	-
			Service Fee Expense	20	-
			Manpower support service	1	-
			Software & IT Related Expenses	-	1
			Loans received	1,830	1,170
			Repayment	1,830	1,670
Interest paid	12	47			
10	SMR Automotive Systems India Limited	Fellow Subsidiary	Loans received	300	1,800
			Interest paid	116	6
11	Samvardhana Motherson Innovative Solutions Limited	Holding Company	Issued Equity Shares	6,600	3,650
			Service Fee Expense	43	-
12	Systematic Conscom Limited	Other related party	Purchase of Property, Plant and Equipment	6,000	1,825
13	Salo Tech Motherson Solar Energy India Pvt Ltd	Other related party	Miscellaneous expenses	3	-
14	Anest Iwata Motherson Private Limited	Joint Ventures of Holding Company	Purchase of Property, Plant and Equipment	11	-
15	Motherson Machinery and Automations Limited	Fellow Subsidiary	Consumption of stores and spare parts	0	-
16	Motherson Techno Tools Limited	Fellow Subsidiary	Purchase of Property, Plant and Equipment	2	-
			Loans received	700	-
			Interest paid	8	-
17	Biel Crystal Technology Manufactory Company Limited	Other related party	Purchase of Property, Plant and Equipment	142	-
18	Biel Crystal (HK) Manufacturing Limited	Other related party	Purchase of Property, Plant and Equipment	441	-
			Import of Raw Materials	7,469	-
19	Biel Crystal (Singapore) Private Limited	Other Share Holders	Royalty	63	-
			Issued equity shares	733	-
			Issued Preference Shares	517	-
20	Mr. Madhu Baskar	Independent Director	Directors Sitting Fees	0	-
21	Mr. Naveen Ganzu	Independent Director	Directors Sitting Fees	0	-
22	Key Management Personnel (refer note 2)	Key Management Personnel	Remuneration Paid	26	23

b. Balance outstanding as at year end

S.No	Particulars	Relationship	Classification as per financials	Balance as at March 31, 2026	Balance as at March 31, 2025
1	Motherson Air Travel Agencies Limited	Fellow Subsidiary	Trade Payable	5	1
2	Motherson Auto Solutions Limited	Fellow Subsidiary	Trade Payable	1	0
3	Motherson Lease Solution Limited	Other related party	Trade Payable	0	-
4	Motherson Technology Services Limited	Fellow Subsidiary	Trade Payable	65	14
5	Samvardhana Motherson Global Carriers Limited	Fellow Subsidiary	Trade Payable	0	0
6	Samvardhana Motherson International Limited	Ultimate holding Company	Trade Payable	-	76
			Capital Creditor	6	2
7	SMR Automotive Systems India Limited	Fellow Subsidiary	Loan Payable	2,100	1,800
			Interest Payable	11	-
8	Samvardhana Motherson Innovative Solutions Limited	Holding Company	Trade Payable	12	-
9	Systematic Conscom Limited	Other related party	Capital Creditors	365	-
			Capital Advance	-	190
10	Salo Tech Motherson Solar Energy India Pvt Ltd	Other related party	Trade Payable	3	-
11	Motherson Techno Tools Limited	Fellow Subsidiary	Trade Payable	2	-
			Loan Payable	700	-
12	Biel Crystal Technology Manufactory Company Limited	Other related party	Trade Payable	43	-
13	Biel Crystal (HK) Manufacturing Limited	Other related party	Capital Advance	77	-
			Trade Payable	2,329	-
14	Biel Crystal (Singapore) Private Limited	Other Share Holders	Trade Payable	63	-

Note 1: The ultimate holding company has issued a bank guarantee for a amount of INR 1,400 million in respect of bank facility availed by the Company (refer note 16).

Note 2: Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. Provision for contribution to gratuity and leave encashments are determined by actuary on an overall Company basis at the end of each year and accordingly , have not been considered in the above information. The same is included above on payment basis.

Note 3: Transactions with related parties during the year are based on the arms length. All other transactions were made on normal commercial terms and conditions and at market rates.

34 Ratio Analysis and its elements

Key financial ratios for the year ended March 31, 2026 is as follows:

	For the period ended March 31, 2026	For the period ended March 31, 2025	% change	Reason for variance (in case of variation of 25% or more from
Current Ratios (in times) (Current Assets / Current Liabilities)	1.22	1.99	-39%	Refer note below
Debt- Equity Ratio (in times) [(Long term borrowing including current maturities + short term borrowing) / Shareholders equity]	1.34	1.44	-7%	
Debt Service Coverage ratio (in times) [(Earnings before interest, but after tax) / (Interest expense on short term and long term borrowings + scheduled principal repayment of long term borrowing	1.74	(0.74)	-336%	Refer note below
Return on Equity ratio (in %) (Net Profit after taxes / Average Shareholder's Equity)	-0.88%	-21.09%	-96%	Refer note below
Inventory Turnover ratio (in times) (Cost of goods sold / Average inventories)	4.66	4.78	-3%	
Trade Receivable Turnover Ratio (in times) (Revenue from contract with customers / Average trade receivables)	3.55	2.38	49%	Refer note below
Trade Payable Turnover Ratio (in times) (Purchase of raw materials / Average trade payable)	4.13	3.78	9%	
Net Working Capital Turnover Ratio (in times) (Revenue from contract with customers / Average working capital)	7.20	2.19	229%	Refer note below
Net Profit ratio (in %) (Profit / (loss) for the period / Revenue from contract with customers)	-0.54%	-3035.00%	-100%	Refer note below
Return on Capital Employed (in %) (Earnings before interest expenses, dividend income, interest income and taxes / Average capital employed)	1.67%	-5.67%	-129%	Refer note below

Note: The Company commenced commercial operations in a phased manner and commissioned an additional production lines during the current financial year, resulting in a significant ramp-up in operational capacity. Accordingly, ratios in the current year are showing significant changes as compared to last year.

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35 Contingent liabilities and Capital Commitments

(a) Contingent Liabilities

	March 31, 2026	March 31, 2025
Bank Guarantee*	-	727
Total	-	727

* In the previous year the Company issued Bank Guarantee, with Samvardhana Motherson Innovative Solutions Limited the holding company acting as a confirming party, in favor of BIEL Crystal Technology Manufactory Company for installation of an assemble line in Vietnam for the business purpose and subsequently transferred to the Company in India. During the current year, the BG has expired on March 31, 2026.

(b) Capital commitments

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

	March 31, 2026	March 31, 2025
Property, plant and equipment		
Estimated value of contracts in capital account remaining to be executed (net of advances of INR 1,818 Million (March 31, 2025: INR 308 Million))	8,595	3,982
Total	8,595	3,982

36 Leases

The Company has entered into lease agreements for its manufacturing facilities and vehicles used in its operations. The leases for manufacturing facilities typically have terms of approximately 10 years, while vehicle leases generally range from 3 to 5 years. The Company's lease obligations are secured by the lessors' ownership of the leased assets. In all cases, the Company is prohibited from assigning or subleasing these assets.

The Company has leases contracts for office equipments such as printers and coffee machine, the period for which is 12 months or less. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The effective interest rate applied to lease liabilities is 9.5% for buildings and 12% for vehicles.

Following is the movement in lease liabilities during the year ended March 31, 2026

Particulars	Factory Building	Vehicles	Total
Balance as at April 1, 2025	464	10	474
Additions during the year	-	2	2
Deletions during the year	-	-	-
Interest expense on lease liabilities	41	1	42
Payment of lease liabilities	(67)	(4)	(71)
Balance as at March 31, 2026	438	9	447
Current	32	3	35
Non-current	406	6	412

Following is the movement in lease liabilities during the year ended March 31, 2025

Particulars	Factory Building	Vehicles	Total
Balance as at April 1, 2024	340	4	344
Additions during the year	147	9	156
Deletions during the year	-	-	-
Interest expense on lease liabilities	40	1	41
Payment of lease liabilities	(64)	(4)	(67)
Balance as at March 31, 2025	464	10	474
Current	24	2	26
Non-current	440	8	448

Following are the amount recognised in profit or loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation expense of right-of-use assets (refer note no 17)	50	45
Interest expense on lease liabilities (refer note no 17)	38	32
Total amounts recognised in profit or loss	88	77

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37 Segment Information:

Description of segments and principal activities

The Company is primarily in the business of manufacturing electronic components.

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

A. Disaggregated revenue information

i) Revenue from customers

India
Outside India (based on location)

	March 31, 2026	March 31, 2025
India	2,565	1,733
Outside India (based on location)	10,343	17
	12,908	1,751

ii) Segment Assets

Total of non-current assets other than deferred tax assets broken down by location of the assets, is shown below:

India
Outside India

	March 31, 2026	March 31, 2025
India	21,742	8,791
Outside India	-	-
	21,742	8,791

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

Customer 1
Customer 2

	March 31, 2026	March 31, 2025
Customer 1	10,343	-
Customer 2	2,565	1,751
	12,908	1,751

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38 Fair value measurements
Financial instruments by category

	Note	March 31, 2026			Amortised Cost*
		Carrying Value	FVTPL	FVOCI	
Financial assets					
Trade receivables	11	5,812	-	-	5,812
Cash and cash equivalents	12	1,952	-	-	1,952
Other financial assets	7	114	-	-	114
Total financial assets		7,879	-	-	7,879
Financial Liabilities					
Borrowings	15	15,449	-	-	15,449
Trade payables	19	4,965	-	-	4,965
Other financial liabilities	20	985	-	-	985
Total financial liabilities		21,399	-	-	21,399
March 31, 2025					
	Note	Carrying Value	FVTPL	FVOCI	Amortised Cost*
Financial assets					
Trade receivables	11	1,473	-	-	1,473
Cash and cash equivalents	12	0	-	-	0
Other financial assets	7	88	-	-	88
Total financial assets		1,561	-	-	1,561
Financial Liabilities					
Borrowings	15	5,400	-	-	5,400
Trade payables	19	896	-	-	896
Other financial liabilities	20	85	-	-	85
Total financial liabilities		6,381	-	-	6,381

* The carrying amounts of trade receivables, borrowings, cash and cash equivalents, other financial assets, trade payables and other financial liabilities are considered to be the same as their face values.

i. Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
- the fair value of the remaining financial instruments covered under level 3 is determined using discounted cash flow analysis.

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

	March 31, 2026		March 31, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Other financial assets	112	112	87	87
	112	112	87	87
Financial liabilities				
Borrowings	11,536	11,536	5,241	5,241
	11,536	11,536	5,241	5,241

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

Note: The carrying amounts of current financial assets and current financial liabilities i.e. trade receivables, 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.

39 (a) Financial risk management objectives and policies

The Company in its capacity as an active supplier for the electronic industry is exposed to various risks i.e., market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. Below are the major risks which can impact the Company:

A Market risk:

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

a. Price risk:

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company in its various products segment. The key raw materials for the Company's business is Back glass. The Company has arrangements with vendors to secure supplies at competitive rates.

b. Foreign currency risk:

The Company operates internationally and a major portion of the sales, raw material purchases are transacted in USD. Other transactions such borrowings, travelling and other transactions in the ordinary course of business is made in INR. Consequently the Company is exposed to foreign exchange risk to the extent that there is mismatch between the currencies in which its sales and purchases are in US Dollars, whereas other transactions are largely made locally. The exchange rate between the Rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Over the past years, rupee has depreciated against the USD. However, as the Company's earnings are in USD and purchase of raw materials is in USD, the Company is not adversely effected on account of foreign exchange as it is naturally hedged.

The unhedged foreign currency exposure is as follows:

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

	March 31, 2026		March 31, 2025	
	Payable / (Receivable)		Payable / (Receivable)	
	Amount in Foreign currency in million	Amount in INR in million	Amount in Foreign currency in million	Amount in INR in million
USD - Payable / (Receivable)	(15)	(1,427)	8	698
CNY - Payable	0	1	-	-

Foreign currency sensitivity on unhedged exposure

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

	Impact on profit before tax	
	March 31, 2026	March 31, 2025
USD		
Increase by 1% in forex rate	14	(7)
Decrease by 1% in forex rate	(14)	7

c. Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. During March 31, 2026, the Company's borrowings at variable rate were mainly denominated in INR.

(i) Interest rate risk exposure

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

	March 31, 2026	March 31, 2025
Variable rate borrowings	15,449	5,400
Fixed rate borrowings	-	-
Total borrowings	15,449	5,400

An analysis by maturities is provided in Note [C (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 before tax	
	March 31, 2026	March 31, 2025
Interest rates-increase by 50 basis points*	(77)	(27)
Interest rates-decrease by 50 basis points*	77	27

* Holding all other variables constant

B Credit risk:

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

Trade receivables

The Company has developed guidelines for the management of credit risk from trade receivables. The adherence to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default and impairment.

C Liquidity risk:

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

(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 and derivative financial liabilities:

For the period ended March 31, 2026	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Long Term Borrowings (including current maturities)	1,077	11,536	-	12,613
Short Term Borrowings	2,836	-	-	2,836
Lease Liability	39	117	26	182
Trade payables	4,965	-	-	4,965
Other financial liabilities	985	-	-	985
Total non-derivative liabilities	9,903	11,653	26	21,581
For the period ended March 31, 2025	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Long Term Borrowings (including current maturities)	50	5,241	-	5,291
Short Term Borrowings	9	-	-	9
Lease Liability	83	196	196	474
Trade payables	896	-	-	896
Other financial liabilities	85	-	-	85
Total non-derivative liabilities	1,122	5,437	196	6,755

40 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 (excluding lease liabilities) net of cash and cash equivalents) divided by EBITDA (Earnings before interest and depreciation).

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, 2026	March 31, 2025
Net Debt	13,497	5,399
EBITDA	1,040	(91)
Net Debt to EBITDA	13	(59)

The Company commenced commercial operations in a phased manner and commissioned an additional production lines during the current financial year, resulting in a significant ramp-up in operational capacity. Consequently, revenue from operations increased substantially from INR 1,751 million in the previous year to INR 12,908 million in the current year. The enhanced capacity utilization and operating leverage arising from the scale-up of operations have contributed to a corresponding improvement in EBITDA during the year.

(b) Loan covenants

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

41 Dues to micro, small and medium enterprises

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

	March 31, 2026	March 31, 2025
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	141	15
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0	0
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	0	0

42 Change in Labour Code

On 21 November 2025, the Government of India notified four Labour Codes, namely the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively, the "Labour Codes"), consolidating 29 erstwhile labour laws. Subsequently, the Ministry of Labour & Employment issued draft Central Rules and FAQs to facilitate assessment of the financial implications arising from changes in the regulatory framework.

Based on management's assessment of the impact of the notified provisions of the Labour Codes, supported by draft Rules, FAQs and external legal opinion, the Company has determined that these changes do not result into a material impact on obligation towards gratuity and compensated absences liabilities.

The Company continues to monitor the issuance and finalisation of Central and State Rules and further clarifications from the Government in respect of other aspects of the Labour Codes. Any additional impact arising from such developments will be assessed and appropriately accounted for in the Financial Statements as and when such rules are notified or clarifications are issued.

43 Other Statutory Information

i) There are no proceedings that have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules thereunder.

(ii) The Company has a transaction with struck off company, which is listed below:

Name of struck off company	Nature of transaction with struck off company	Balance as at March 31, 2026
Multitech System Industrial Automation Pvt Ltd	Payables	0

(iii) The Company has not obtained any borrowings which require registration of charge or satisfaction of charge with the ROC.

(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 has not been declared as wilful defaulter by any bank or financial institutions or any other lender.

(ix) The Company has not revalued its Property, Plant and equipment (including Right-of-Use Assets) and intangible assets during the year.

(x) The Company does not own any immovable property.

44 Incentives

The Company has received in principle approvals for incentive schemes from the Central Government and State Government which are covered under Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS), Structured Package of Assistance (SPA) and Electronics Component Manufacturing Scheme (ECMS). These incentives are subject to the fulfillment of specified conditions. As at 31 March 2026, certain conditions required for recognition of these incentives are yet to be fulfilled, and/or the amounts eligible for reimbursement are yet to be determined with reasonable certainty and further applicable approvals will be required. Accordingly, the Company has not recognised any grant income in respect of the above incentives in these financial statements.

45 Amounts appearing as "0" in financials are below the rounding off norm adopted by the Company.

46 The Company has used two accounting softwares (SAP and ePay) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of relevant prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

47 Previous year's figures have been regrouped/reclassified, wherever necessary, in order to conform to current year's classification. Such reclassification did not have any material impact on the current year financial statements.

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

per Nikhil Gupta
 Partner
 Membership No. : 517577
 Place: Gurugram
 Date: 13.05.2026

For and on behalf of the Board of Directors
Motherson Electronic Components Private Limited

Vishal Swarupshyam Kabadi **Sukant Gupta**
 Director Director
 DIN : 07562946 DIN: 10355472

Prakash Katama **Devinder Kansal**
 Chief Operating Officer & Manager Chief Financial Officer
 PAN : ARGPK1228H PAN : AFMPK5342Q

Date : 13.05.2026