

**Motherson Macauto Solutions Limited**  
**CIN :- U29300MH2025PLC457038**  
**(All amounts in INR Thousands, unless otherwise stated)**

**Balance Sheet as at March 31, 2026**

Particulars	Note	As at March 31, 2026
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	3	56,568.53
<b>Total Non-Current Assets</b>		<b>56,568.53</b>
<b>Current Assets</b>		
Inventories	4	22,506.28
<b>Financial Assets</b>		
Trade receivables	5	11,523.05
Cash and Cash Equivalents	6	136,392.12
Other Bank Balances	7	25.00
Other Financial Assets	8	5,100.00
Other Current Assets	9	21,137.13
<b>Total Current Assets</b>		<b>196,683.58</b>
<b>Total Assets</b>		<b>253,252.11</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Equity Share Capital	10	210,000.00
Other Equity	11	(24,681.80)
<b>Total Equity</b>		<b>185,318.20</b>
<b>Liabilities</b>		
<b>Non Current Liabilities</b>		
Provisions for Employee Benefits	14	2,708.23
<b>Total Non Current Liabilities</b>		<b>2,708.23</b>
<b>Current Liabilities</b>		
<b>Financial liabilities</b>		
i. Trade Payables	12	
a total outstanding dues of micro and small enterprises		3,049.37
b total outstanding dues of creditors other than micro and small enterprises		31,323.12
ii. Other Current Financial Liabilities	13	23,864.87
Provision for employee benefits	14	202.02
Other Current Liabilities	15	6,786.30
<b>Total Current Liabilities</b>		<b>65,225.68</b>
<b>Total Liabilities</b>		<b>67,933.91</b>
<b>Total Equity and Liabilities</b>		<b>253,252.11</b>
Corporate information and summary of material accounting policies	1-2	

The accompanying notes are an integral part of these Ind-AS financial statements.

As per our report of even date

**For R.N.Marwah & Co. LLP**  
Chartered Accountants  
FRN 001211N/N500019

**For and on behalf of the Board of Directors of  
Motherson Macauto Solutions Limited**

**Manoj Gupta**  
Partner  
Membership No.: 096776

**Amit Bhakri**  
Director  
DIN: 08230325

**Roopak Dharmvir Sharma**  
Director  
DIN: 08441325

Place: New Delhi  
Date: 30/04/2026

Place: Noida  
Date: 30/04/2026

**Motherson Macauto Solutions Limited**  
**CIN :- U29300MH2025PLC457038**  
**(All amounts in INR Thousands, unless otherwise stated)**

**Statement of Profit and Loss for the period September 12, 2025 to March 31, 2026**

Particulars	Note	For the period September 12, 2025 to March 31, 2026
<b>Revenue</b>		
Revenue from Operations	16	9,601.94
Other Income	16A	713.28
<b>Total Income</b>		<b>10,315.22</b>
<b>Expenses</b>		
Cost of materials consumed	17	8,796.38
Changes in inventory of finished goods and work-in-progress	18	(2,641.22)
Employee Benefits Expenses	19	9,133.01
Depreciation & Amortization Expenses	20	1,112.37
Other Expenses	21	19,443.19
<b>Total Expenses</b>		<b>35,843.73</b>
<b>Profit/(Loss) before tax</b>		<b>(25,528.51)</b>
- Current tax		-
- Deferred tax expense/ (credit)		-
- Short/(excess) for earlier periods		-
<b>Total tax expenses</b>		<b>-</b>
<b>Profit/(Loss) for the year</b>		<b>(25,528.51)</b>
<b>Other comprehensive income / (loss):</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Gain/(loss) on remeasurements of post-employment benefit obligations		846.71
Deferred tax on remeasurements of post-employment benefit obligations		-
<b>Other Comprehensive Income for the period, net of tax</b>		<b>846.71</b>
<b>Total Comprehensive Income/(loss) for the period</b>		<b>(24,681.80)</b>
<b>Earnings per share</b>		
Nominal value per share : INR 10	22	
Basic : INR per share		(12.95)
Diluted : INR per share		(12.95)
Corporate information and summary of material accounting policies	1-2	

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**(All amounts in INR Thousands, unless otherwise stated)**

**Cash Flow Statement for the period September 12, 2025 to March 31, 2026**

Particulars	For the period September 12, 2025 to March 31, 2026
<b>A Cash flow from Operating Activities</b>	
Net Profit/ (loss) before tax	(25,528.51)
<b>Adjustments for:</b>	
Depreciation and Amortization Expenses	1,112.37
<b>Operating Loss before Working Capital changes</b>	<b>(24,416.14)</b>
<b>Changes in Working Capital:</b>	
(Increase)/Decrease in Other Financial/Current Assets	(26,262.13)
(Increase)/Decrease in Inventory	(22,506.28)
(Increase)/Decrease in Trade Receivables	(11,523.05)
Increase/(Decrease) in Provisions	2,910.26
Increase/(Decrease) in Other Financial/Current Liabilities	31,497.87
Increase/(Decrease) in Trade Payables	34,372.49
<b>Cash Generated from Operations</b>	<b>(15,926.98)</b>
Income Taxes paid (Net of refunds)	-
<b>Net Cash used in Operating Activities-A</b>	<b>(15,926.98)</b>
<b>B Cash flow from Investing Activities</b>	
Payments for Property, Plant and Equipment	(57,680.90)
<b>Net Cash used in Investing Activities-B</b>	<b>(57,680.90)</b>
<b>C Cash flow from Financing Activities</b>	
Proceeds from issue of share capital	210,000.00
<b>Net Cash Flow from Financing Activities-C</b>	<b>210,000.00</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>136,392.12</b>
Cash and Cash Equivalents at the beginning of year	-
<b>Cash and Cash Equivalents at the end of year</b>	<b>136,392.12</b>
<b>Cash and Cash Equivalents comprise of:</b>	
Cash on hand	-
Balance with banks - on current account	136,392.12
FD with original maturity of less than three months	-
<b>Total Cash and Cash Equivalents</b>	<b>136,392.12</b>

Notes:

1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Indian Accounting Standard - 7 "Statement of Cash Flows" notified under section 133 of Companies Act, 2013.
2. Figures in brackets indicate cash outflow.
3. Corporate information and summary of material accounting policies-Refer Note 1-2.
4. The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For R.N.Marwah & Co. LLP**  
Chartered Accountants  
FRN 001211N/N500019

**For and on behalf of the Board of Directors of**  
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**Motherson Macauto Solutions Limited**  
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(All amounts in INR Thousands, unless otherwise stated)

**Statement of Changes in Equity as at March 31, 2026**

<b>A. Equity share capital</b>	<b>Note</b>	<b>No. of shares</b>	<b>Amount</b>
<b>As at September 12, 2025</b>		50,000	500
Changes in equity share capital	10	20,950,000	209,500.00
<b>As at March 31, 2026</b>		<b>21,000,000</b>	<b>210,000.00</b>

<b>B. Other Equity</b>	<b>Note</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>As at September 12, 2025</b>		-	-
Profit/(Loss) for the year	11	(24,681.80)	<b>(24,681.80)</b>
Other Comprehensive Income		-	-
<b>As at March 31, 2026</b>		<b>(24,681.80)</b>	<b>(24,681.80)</b>

Corporate information and summary of material accounting policies-Refer Note 1-2

The accompanying notes are an integral part of these Ind-AS financial statements.

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## **Motherson Macauto Solutions Limited**

**CIN: - U29300MH2025PLC457038**

**Notes to the Financial Statements for the period ended 31<sup>st</sup> March 2026**

**(All amounts in INR Thousands, unless otherwise stated)**

### **1. Corporate Information**

Motherson Macauto Solutions Limited is a joint venture between Samvardhana Motherson International Limited, India and Macauto Industrial Co., Limited, Taiwan. The Company was incorporated in India on September 12<sup>th</sup>, 2025. The address of its registered office is Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra. These are Company's separate financial statements.

The Company is engaged in designing, developing, manufacturing, assembling, engineering, selling, supplying, importing, exporting, trading, distributing and servicing all types of automotive interior and exterior accessories, including but not limited to sunshades for roof systems, luggage cover systems, side window sunshades, wind deflectors, rear window sunshades, front windscreen sunshades, divider net systems, sun visor rolls, and all allied, ancillary, composite or substitute products, components, assemblies, sub-assemblies and modules whether used individually or in combination, for use in passenger vehicles, commercial vehicles, electric vehicles, micro vehicles, two-wheelers, three-wheelers, four-wheelers and any other automotive applications.

### **2 Material accounting policies**

#### **(a) Basis of preparation of financial statements**

##### **(i) Compliance with Ind AS**

The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 "the Act" Companies (Indian Accounting Standards) Rules, 2015 (as amended time to time) and the presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the financial statements.

The Financial Year ending 31<sup>st</sup> March 2026 is the first period of operations of the company and so there is no comparative financial statements year ending 31<sup>st</sup> March 2025.

The financial statements are presented in INR Thousands and have been rounded off to two (2) decimal points, unless otherwise stated.

The Company has prepared the financial statement on the basis that it will continue to operate as a going concern.

#### **New and amended IND-AS adopted by the Company:**

##### **1. Amendments to Ind AS 21 - Lack of exchangeability**

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

##### **2. 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. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period

**Motherson Macauto Solutions Limited**

**CIN: - U29300MH2025PLC457038**

**Notes to the Financial Statements for the period ended 31<sup>st</sup> March 2026**

**(All amounts in INR Thousands, unless otherwise stated)**

- 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

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

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

### **3. Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements**

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

### **4. International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12**

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026.

The amendments had no impact on the Company's financial statements as the Company is not in scope of the Pillar Two model rules.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

#### **(ii) Historical Cost Convention**

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

#### **(b) Significant accounting judgements, estimates and assumptions**

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

- Recognition of deferred tax assets: the timing differences arising in one period and reversing in one or more subsequent periods
- Impairment of assets being property, plant and equipment

**Motherson Macauto Solutions Limited**

**CIN: - U29300MH2025PLC457038**

**Notes to the Financial Statements for the period ended 31<sup>st</sup> March 2026**

**(All amounts in INR Thousands, unless otherwise stated)**

**Useful life of property, plant and equipment and intangible assets**

The Company uses its technical expertise along with historical and industry trends for determining the economic useful 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 amount is charged over the remaining useful life of the assets.

**Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment defined benefits are 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.

**(c) Segment reporting**

The managerial personnel review the operations of the Company as a single operating segment and therefore, there are no reportable segments.

**(d) Statement of Cash flows**

Cash Flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flow from operating, investing and financing activities of the Company are segregated.

**(e) Property, Plant and Equipment (Including Capital Work In Progress)**

**i.** The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if 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.

Freehold land is carried at historical cost less accumulated impairment losses, if any. All other items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment, if any. Cost of an item of property, plant and equipment comprises of purchase price, including import duties and non-refundable taxes on purchase (goods and service tax, value added tax), after deducting trade discounts and rebates and any other directly attributable cost of bringing the item to its working condition for its intended use, estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Capital Work-in-progress includes expenditure incurred till the assets are put into intended use. Capital Work-in-Progress are measured at cost less accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items 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. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

**ii. Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

**iii. Depreciation**

Depreciation on property, plant and equipment has been provided on the straight-line method on the basis of estimated useful life determined based on technical advice, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation on additions is being provided on a pro-rata basis from the date of such additions. Similarly, depreciation on assets sold/ disposed off during the year is being provided up to the dates on which such assets are sold/ disposed off. Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

**Depreciation methods and useful lives**

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

<b>Assets</b>	<b>Useful life (Years)</b>
Building	30
Plant & Machinery	7.5
Factory Equipment	7.5
Moulds & Dies	7.5
Electricals	10
Office equipment	5
Computers	3
Furniture & fixtures	6

The economic useful life of certain assets has been determined based on a technical evaluation by the management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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

**(f) Intangible Assets**

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

<b>Assets</b>	<b>Useful life</b>
Computer software	3 years

**Motherson Macauto Solutions Limited****CIN: - U29300MH2025PLC457038****Notes to the Financial Statements for the period ended 31<sup>st</sup> March 2026****(All amounts in INR Thousands, unless otherwise stated)**

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

Amortisation expense is charged on a pro-rata basis for assets purchased during the year. The appropriateness of the amortisation period and the amortisation method is reviewed at each financial year-end.

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

**Research and Development costs**

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

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

**(g) Current and non-current classification**

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

**(h) Foreign currency translation****(i) Functional and presentation currency**

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

**Motherson Macauto Solutions Limited**

**CIN: - U29300MH2025PLC457038**

**Notes to the Financial Statements for the period ended 31<sup>st</sup> March 2026**

**(All amounts in INR Thousands, unless otherwise stated)**

*(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 recognised in Statement of profit or loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. 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).

**(i) Revenue from contracts with customers**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Sale of goods**

Revenue from sale of goods in the course of ordinary activities is recognised when property in the goods or all significant risks and rewards of their ownership is transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount recognised as revenue at fair value of the consideration received or receivable exclusive of goods and services tax and is net of returns, trade discounts and quantity discounts.

**Sale of services**

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

**Tooling Revenue**

The Company develops various tools for its customers. The Company recognises revenue at the point in time or over the time based on completion of performance obligation.

**Significant financing component**

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

**Warranty obligations**

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in section (h) Provisions and contingent liabilities.

**Contract Assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

**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 recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

The Company has applied the practical expedient under Ind AS 115 for incremental cost of obtaining a contract and has recognized such cost as an expense when incurred if the amortization period of the asset is one year or less.

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**(j) 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 EIR, 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.

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

Interest income is generally recognized on an **accrual basis**. The income is included in the Statement of Profit and Loss under the head "**Other Income**" when it is probable that the economic benefits will flow to the Company and the amount of income can be reliably measured.

**Dividend**

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

**Export benefits:**

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

**(k) Trade Receivables**

Trade Receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables of the Company, are recognised initially at the transaction price as they do not contain significant financing components. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**(l) Government grants**

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

Government grants relating to the purchase of property, plant and equipment are presented in the balance sheet by deducting it from the assets carrying amount.

Government grants related to income are those not relating to the purchase of property, plant and equipment. They are presented in profit or loss, either separately or under a general heading like Other Income, or deducted when reporting related expenses.

**(m) Inventories**

Inventories comprise raw materials, work-in-progress, finished goods, traded goods and stores and spares which are carried at the lower of cost and net realizable value.

Cost incurred in bringing each product to its present location and conditions are accounted for as follows:

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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 latter being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Costs are determined on weighted average 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. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

**(n) Income tax**

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

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

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

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

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

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.

**(o) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

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

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**(q) Borrowing Costs**

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Other borrowing costs are expensed in the period in which they are incurred.

**(r) Provisions and Contingent Liabilities****1. 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.

Long-term provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money. Short term provisions are carried at their redemption value and are not offset against receivables from reimbursements.

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Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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.

## **2. Warranty provisions**

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

## **3. 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.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

## **4. Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### **(s) Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

### **(t) Earnings per share**

#### *(i) Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares.
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

#### *(ii) Diluted earnings per share*

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

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

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

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

**(v) 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

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plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (h) 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.

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 in market.

**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**

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

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

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

**Debt instrument at FVTOCI**

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

- 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.

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

**Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. The Company elected to classify irrevocably its non-listed equity investments under this category.

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

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

**De-recognition**

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

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

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

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

**Impairment of financial assets**

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

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

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f) Lease receivables under Ind AS 116

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

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

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognised during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'Other expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- (a) Financial assets measured at amortised cost, contractual revenue 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.
- (b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

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 includes other payables.

### **Subsequent measurement**

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

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

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

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

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

**Loans and borrowings**

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

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

This category generally applies to borrowings and other payables.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**Embedded derivatives**

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

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

**Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its

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operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**Offsetting of financial instruments**

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

**Fair value measurement**

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

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

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

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

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

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

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

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

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

**Motherson Macauto Solutions Limited**

**CIN: - U29300MH2025PLC457038**

**Notes to the Financial Statements for the period ended 31<sup>st</sup> March 2026**

**(All amounts in INR Thousands, unless otherwise stated)**

**(w) Leases**

(i) 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 for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- (iii) the Company has the right to direct the use of the asset.

**(ii) Company as a lessee**

At the inception of a contract which is or contains a lease, the Company recognises lease liability at the present value of the future lease payments for non-cancellable period of a lease which is not short term in nature except for lease of low value items. The future lease payments for such non-cancellable period is discounted using interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments include fixed payments, i.e. amounts expected to be payable by the Company under residual value guarantee, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise termination option. The Company also recognises a right of use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or Statement of profit and loss, as the case may be.

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.

The right-of-use assets are also subject to impairment as per accounting policy of Impairment of non-financial assets.

The Company has elected to account for short-term leases and leases of low-value assets using the exemption given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Company's benefit.

**(iii) Company as a lessor**

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

**(x) Employee benefits**

**Short-term employee benefits**

All employee benefits payable wholly within twelve months of receiving services are classified as short-term employee benefits. Benefits such as salaries, allowances, short-term compensated absences and the expected cost of other benefits is recognised in the period in which the employee renders the related service.

**Motherson Macauto Solutions Limited****CIN: - U29300MH2025PLC457038****Notes to the Financial Statements for the period ended 31<sup>st</sup> March 2026****(All amounts in INR Thousands, unless otherwise stated)****Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Employees' Provident Fund and Employees' State Insurance schemes, which are defined contribution plans. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Provident Fund

**Defined benefit plans**

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

The Company recognizes all actuarial gains and losses arising from defined benefit plans immediately in the statement of profit and loss. All expenses related to defined benefit plans are recognized in employee benefits expense in the statement of profit and loss. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognized in statement of profit and loss on a straight-line basis over the average period until the benefits become vested. The Company recognizes gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

**Other long-term employee benefits**

Benefits under compensated absences constitute other long-term employee benefits. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation during service or on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method carried out as at the year end.

**Motherson Macauto Solutions Limited**  
**CIN :- U29300MH2025PLC457038**  
**Notes to the Financial Statements**  
**(All amounts in INR Thousands, unless otherwise stated)**

**Note 3: Property, plant and equipment**

Particulars	Plant and Machinery	Factory Equipment	Tools and Moulds	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
<b>Gross carrying amount</b>								
As at September 12, 2025	-	-	-	-	-	-	-	-
Addition/ capitalisation for the period September 12, 2025 to March 31, 2026	25,922.27	9,473.83	17,507.40	2,759.02	423.27	1,595.11	-	57,680.90
<b>As at March 31, 2026</b>	<b>25,922.27</b>	<b>9,473.83</b>	<b>17,507.40</b>	<b>2,759.02</b>	<b>423.27</b>	<b>1,595.11</b>	<b>-</b>	<b>57,680.90</b>
<b>Accumulated depreciation</b>								
As at September 12, 2025	-	-	-	-	-	-	-	-
Depreciation charge for the period September 12, 2025 to March 31, 2026	540.78	199.42	198.21	85.94	13.68	74.34	-	1,112.37
<b>As at March 31, 2026</b>	<b>540.78</b>	<b>199.42</b>	<b>198.21</b>	<b>85.94</b>	<b>13.68</b>	<b>74.34</b>	<b>-</b>	<b>1,112.37</b>
<b>Net carrying amount as at March 31, 2026</b>	<b>25,381.49</b>	<b>9,274.41</b>	<b>17,309.19</b>	<b>2,673.08</b>	<b>409.59</b>	<b>1,520.77</b>	<b>-</b>	<b>56,568.53</b>

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**Motherson Macauto Solutions Limited**  
**CIN :- U29300MH2025PLC457038**  
**Notes to the Financial Statements**  
**(All amounts in INR Thousands, unless otherwise stated)**

<b>4. Inventories</b>	<b>As at March 31, 2026</b>
a) Raw materials	6,826.78
b) Work-in-progress	2,641.20
c) Finished goods	0.02
d) Others*	13,038.28
e) Provision for inventory	-
<b>Total</b>	<b>22,506.28</b>

\*Others consists of Tooling Inventory

<b>5. Trade receivables</b>	<b>As at March 31, 2026</b>
a) Trade receivables considered good - secured	-
b) Trade receivables considered good - unsecured	11,523.05
C) Trade receivables which have significant increase in credit risk	-
d) Trade receivables - credit impaired	-
<b>Total</b>	<b>11,523.05</b>

**Trade receivables ageing schedule:**

Particulars	Outstanding for 31 March 2026 from the due date of payment						Total
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	10,730.48	792.57	-	-	-	-	11,523.05
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(i) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(ii) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>10,730.48</b>	<b>792.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,523.05</b>

**6. Cash and Cash Equivalents**

Particulars	As at March 31, 202
Balance with banks - on current account	136,392.12
<b>Total</b>	<b>136,392.12</b>

**7. Other Bank Balances**

Particulars	As at March 31, 202
Deposits with original maturity of more than three months but less than twelve months*	25.00
<b>Total</b>	<b>25.00</b>

\*Fixed deposits held as lien by the bank against guarantee issued to Maharashtra Pollution Control Board

**8. Other Financial Assets**

Particulars	As at March 31, 202
Security deposits	5,100.00
<b>Total</b>	<b>5,100.00</b>

**9. Other Current Assets**

Particulars	As at March 31, 202
Prepaid Expenses	115.65
GST Input	17,521.48
Supplier Advance	3,500.00
<b>Total</b>	<b>21,137.13</b>

**Motherson Macauto Solutions Limited**  
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**Notes to the Financial Statements**  
**(All amounts in INR Thousands, unless otherwise stated)**

**10. Equity Share Capital**

Particulars	As at March 31, 2026
<b>Authorised</b> 4,00,00,000 equity shares of INR 10/- each	400,000.00
<b>Issued, subscribed and fully paid up</b> 2,10,00,000 equity shares of INR 10/- each fully paid up	210,000.00
<b>Total</b>	<b>210,000.00</b>

**a. Reconciliation of the equity shares outstanding at the beginning and end of the reporting period**

Particulars	As at March 31, 2026	
	No. of shares	Amount
<b>Equity shares</b> As at September 12, 2025	50,000	500.00
Add: Shares issued during the period	20,950,000	209,500.00
<b>Balance as at the end of the reporting period</b>	<b>21,000,000</b>	<b>210,000.00</b>

**b. Rights, preferences & restrictions attached to shares**

**Equity**

The Company currently has one class of equity shares having a par value of INR 10/- per share. Each Shareholder is eligible to one vote per share held. The dividend 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 shareholdings.

**c. Shares held by holding company**

Particulars	As at March 31, 2026	
	No. of shares	Amount
<b>Equity shares of INR 10 each fully paid up</b> Samvardhana Motherson International Limited (along with nominees)	10,500,001	105,000.01

**d. Number of shares held by each shareholder holding more than 5% shares in the company/details of promoter's shareholding are as follows:**

Particulars	As at March 31, 2026	
	No. of shares	% of holding
<b>Equity shares of INR 10 each fully paid up</b> Samvardhana Motherson International Limited (along with nominees)	10,500,001	50%
Macaoto Industrial Co., Ltd (along with nominees)	10,499,999	50%
<b>Total</b>	<b>21,000,000</b>	<b>100%</b>

**e. Details of shares held by promoters**

As at March 31, 2026

Promoter Name	% Change during the reporting period	No. of shares at the end of the reporting period
Samvardhana Motherson International Limited (along with nominees)	50%	10,500,001

**11. Other Equity**

Particulars	As at March 31, 2026
<b>Retained Earnings</b> Balance as at beginning of the reporting period	-
Profit/(Loss) for the period September 12, 2025 to March 31, 2026	(24,681.80)
<b>Balance as at the end of the reporting period</b>	<b>(24,681.80)</b>

**Motherson Macauto Solutions Limited**  
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**Notes to the Financial Statements**  
**(All amounts in INR Thousands, unless otherwise stated)**

**12. Trade Payables**

Particulars	As at March 31, 2026
Trade Payables	
- Total outstanding dues of micro enterprises and small enterprises	3,049.37
- Total outstanding dues of creditors other than micro enterprises and small enterprises	31,323.12
<b>Total</b>	<b>34,372.49</b>

#Refer Note 23 for Ageing Schedule

**The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act,**

Particulars	As at March 31, 2026
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at end of the reporting period	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at end of the reporting period	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the reporting period	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the reporting period	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the reporting period	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-

**13. Other Financial Liabilities**

Particulars	As at March 31, 2026
Expenses payable	2,291.53
Other Payable	914.61
Capital Creditors	20,658.73
<b>Total</b>	<b>23,864.87</b>

**Motherson Macauto Solutions Limited**  
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**Notes to the Financial Statements**  
**(All amounts in INR Thousands, unless otherwise stated)**

**14. Provisions for Employee Benefits**

Particulars	As at March 31, 2026
<b>Current</b>	
Gratuity	139.56
Leave Encashment	62.46
<b>Total</b>	<b>202.02</b>
<b>Non-Current</b>	
Gratuity Provisions	1,910.01
Leave Encashment Provisions	798.22
<b>Total</b>	<b>2,708.23</b>

**15. Other Current Liabilities**

Particulars	As at March 31, 2026
Statutory Dues	1,791.30
Advance From Customers	4,995.00
<b>Total</b>	<b>6,786.30</b>

**16. Revenue from operations**

Particulars	For the period September 12, 2025 to March 31, 2026
Sale of products	
Finished Goods	9,601.94
Traded Goods	-
	<b>9,601.94</b>

**16A. Other Income**

Particulars	For the period September 12, 2025 to March 31, 2026
Actuarial Gain on Leave Encashment Obligation	713.28
<b>Total</b>	<b>713.28</b>

**Motherson Macauto Solutions Limited**  
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**Notes to the Financial Statements**  
**(All amounts in INR Thousands, unless otherwise stated)**

**17. Cost of materials consumed**

Particulars	For the period September 12, 2025 to March 31, 2026
Opening stock of raw materials	-
Add : Purchases of raw materials	28,661.44
Less: Closing stock of raw materials *	(19,865.06)
	<b>8,796.38</b>

\*Others consists of Tooling Inventory

**18. Changes in inventory of finished goods & work in progress**

Particulars	For the period September 12, 2025 to March 31, 2026
<b>(Increase)/ decrease in stocks</b>	
<b>A) Stock at the opening of the period:</b>	
Finished goods	-
Work-in-progress	-
<b>Total (A)</b>	-
<b>B) Stock at the end of the period:</b>	
Finished goods	0.02
Work-in-progress	2,641.20
<b>Total (B)</b>	<b>2,641.22</b>
<b>(Increase)/ decrease in stocks (A-B)</b>	<b>(2,641.22)</b>

**19. Employee Benefits Expenses**

Particulars	For the period September 12, 2025 to March 31, 2026
Salary , wages and bonus	7,827.69
Contribution to provident and other funds	281.98
Gratuity	346.88
Leave Encashment	206.13
Staff Welfare expenses	470.33
<b>Total</b>	<b>9,133.01</b>

**20. Depreciation & Amortization Expenses**

Particulars	For the period September 12, 2025 to March 31, 2026
Depreciation on property, plant and equipment	1,112.37
<b>Total</b>	<b>1,112.37</b>

**Motherson Macauto Solutions Limited**  
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**Notes to the Financial Statements**  
**(All amounts in INR Thousands, unless otherwise stated)**

**21. Other Expenses**

Particulars	For the period September 12, 2025 to March 31, 2026
Payment to auditor:	
Audit fees	500.00
Legal and professional charges	4,860.33
Rates and taxes	4,320.74
Travelling	670.15
Software Charges	2,612.88
Rent Expenses	2,550.00
Lease Rent- Vehicle	426.59
Repair & Maintenance	316.20
Freight Outward	106.00
Technical Fees	91.25
Management Fees	91.25
Security Expenses	448.72
Business Promotion expenses	1,526.92
Miscellaneous expenses	922.16
<b>Total</b>	<b>19,443.19</b>

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**Motherson Macauto Solutions Limited**  
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**Notes to the Financial Statements**  
**(All amounts in INR Thousands, unless otherwise stated)**

**22. Earnings per share**

<b>Particulars</b>	<b>For the period September 12, 2025 to March 31, 2026</b>
Net loss after tax available for the equity shareholders	(25,528.51)
Weighted average number of equity shares used to compute the basic earnings per share (Restated)*	1,971,644
Basic earnings (in INR) per share of INR 10 each*	(12.95)
Diluted earnings (in INR) per share of INR 10 each*	(12.95)

\*The weighted average number of equity shares for the current year has been computed by taking into account the opening balance of Nil equity shares and the allotment of 50,000 equity shares on September 12, 2025 and 2,09,50,000 equity shares on February 27, 2026, on a pro-rata basis from the date of allotment.

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

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**Motherson Macauto Solutions Limited**  
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**Notes to the Financial Statements**  
**(All amounts in INR Thousands, unless otherwise stated)**

**23. Trade Payables Ageing Schedule**

Particulars	Outstanding for following periods from the due date of payment					Total
	Not Due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
i) MSME						
As at March 31, 2026	3,049.37	-	-	-	-	3,049.37
ii) Others						
As at March 31, 2026	13,187.80	18,135.32	-	-	-	31,323.12
iii) Disputed dues - MSME						
As at March 31, 2026	-	-	-	-	-	-
iv) Disputed dues - Others						
As at March 31, 2026	-	-	-	-	-	-
<b>Total (As at March 31, 2026)</b>	<b>16,237.17</b>	<b>18,135.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,372.49</b>

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**Motherson Macauto Solutions Limited**  
**CIN :- U29300MH2025PLC457038**  
**Notes to the Financial Statements**  
**(All amounts in INR Thousands, unless otherwise stated)**

**24. Related party disclosures**

**I. Related party disclosures, as required by Ind AS 24, “Related party disclosures”, are given below:**

**(a) Entities with control or joint over the entity**

S. No.	Name	Place of Incorporation	Ownership Interest
			March 31, 2026
1	Samvardhana Motherson International Limited (along with nominees)	India	50.00%
2	Macauto Industrial Co., Ltd (along with nominees)	Taiwan	50.00%

**(b) Entities with significant influence over the entity:**

- 1 Motherson Technology Services Limited (Formerly known as Mothersonsumi Infotech and Designs Limited)
- 2 Motherson Air Travel Agencies Ltd.
- 3 Marelli Motherson Automotive Lighting India Pvt. Ltd.
- 4 Motherson Lease Solution Limited
- 5 SMRC Automotive Products India Limited

**(c) Companies in which key managerial personnel or their relatives have control/ significant influence and transactions during the period:**

Nil

**(d) Key Management Personnel:**

- 1 Amit Bhakri (Director) ( w.e.f. 12.09.2025)
- 2 Rajat Jain (Director) ( w.e.f. 12.09.2025)
- 3 Roopak Dharmvir Sharma (Director) ( w.e.f. 12.09.2025)
- 4 Meng Yu Lin (Director) ( w.e.f. 27.02.2026)
- 5 Yu Shan Lin Chou (Director) ( w.e.f. 27.02.2026)

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**Motherson Macauto Solutions Limited**  
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**Notes to the Financial Statements**  
**(All amounts in INR Thousands, unless otherwise stated)**

**II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 24 (I) above are mentioned below :**

S. No.	Particulars	Entities with control or joint over the entity	Entities with significant influence over the entity
		March 31, 2026	March 31, 2026
<b>1</b>	<b>Purchase of goods</b>	<b>33,459.79</b>	<b>-</b>
	Samvardhana Motherson International Limited (along with nominees)	33,073.65	-
	Macauto Industrial Co., Ltd (along with nominees)	386.14	-
<b>2</b>	<b>Sale of goods</b>	<b>(9,540.54)</b>	<b>(224.36)</b>
	Samvardhana Motherson International Limited (along with nominees)	(9,540.54)	-
	SMRC Automotive Products India Limited	-	(224.36)
<b>3</b>	<b>Rent paid</b>	<b>2,550.00</b>	<b>-</b>
	Samvardhana Motherson International Limited (along with nominees)	2,550.00	-
<b>4</b>	<b>Service charges</b>	<b>2,969.33</b>	<b>364.27</b>
	Motherson Air Travel Agencies Ltd.	-	336.92
	Samvardhana Motherson International Limited (along with nominees)	2,878.08	-
	Macauto Industrial Co., Ltd (along with nominees)	91.25	-
	Motherson Lease Solution Limited	-	27.35
<b>5</b>	<b>Reimbursement of expenses - paid</b>	<b>11,874.21</b>	<b>127.08</b>
	Samvardhana Motherson International Limited (along with nominees)	11,874.21	-
	Marelli Motherson Automotive Lighting India Pvt. Ltd.	-	82.94
	SMRC Automotive Products India Limited	-	44.14
<b>6</b>	<b>Purchase of capital goods</b>	<b>39,560.50</b>	<b>-</b>
	Samvardhana Motherson International Limited (along with nominees)	39,560.50	-
<b>7</b>	<b>Professional Expenses</b>	<b>1,380.00</b>	<b>-</b>
	Samvardhana Motherson International Limited (along with nominees)	1,380.00	-

**III. Outstanding balances arising from sales / purchases of goods and services**

S. No.	Particulars	Entities with control or joint over the entity	Entities with significant influence over the entity
		March 31, 2026	March 31, 2026
	<b>Trade receivables</b>	<b>11,257.83</b>	<b>264.75</b>
	Samvardhana Motherson International Limited (along with nominees)	11,257.83	-
	SMRC Automotive Products India Limited	-	264.75
	<b>Trade payables (including payable for capital goods)</b>	<b>(38,074.58)</b>	<b>(3,353.09)</b>
1	Samvardhana Motherson International Limited (along with nominees)	(37,597.19)	-
2	Motherson Technology Services Limited (Formerly known as Mothersonsumi Infotech and Designs Limited)	-	(2,821.91)
3	Motherson Air Travel Agencies Ltd.	-	(397.57)
4	Marelli Motherson Automotive Lighting India Pvt. Ltd.	-	(81.54)
5	SMRC Automotive Products India Limited	-	(52.08)
6	Macauto Industrial Co., Ltd (along with nominees)	(477.39)	-
	<b>Security Deposit</b>	<b>5,100.00</b>	<b>-</b>
1	Samvardhana Motherson International Limited (along with nominees)	5,100.00	-
	<b>Capital advance</b>	<b>-</b>	<b>(4,995.00)</b>
1	SMRC Automotive Products India Limited	-	(4,995.00)

**IV. Loans to key management personnel**

Nil

**V. Key management personnel compensation**

Particulars	March 31, 2026
Short term employee benefits	-
<b>Total</b>	<b>-</b>

**Motherson Macauto Solutions Limited**  
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**Notes to the Financial Statements**  
**(All amounts in INR Thousands, unless otherwise stated)**

**25. Ratio Analysis and its elements\***

Particulars	March 31, 2026 Ratios
1 <b>Current Ratios</b>	3.02
2 <b>Debt- Equity Ratio</b>	-
3 <b>Debt Service Coverage ratio</b>	-
4 <b>Return on Equity ratio</b>	(13.78)
5 <b>Inventory Turnover ratio</b>	0.43
6 <b>Trade Receivables Turnover Ratio</b>	0.83
7 <b>Trade Payables Turnover Ratio</b>	0.83
8 <b>Net Capital Turnover Ratio</b>	0.07
9 <b>Net Profit Ratio</b>	(247.48)
10 <b>Return on Capital Employed</b>	(13.78)
11 <b>Return on Investment</b>	N/A

\*Since the Company was incorporated during the current financial year, year-on-year (YOY) percentage changes are not applicable and have not been presented.

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**26. Financial Risk Management**

The Company's principal financial liabilities comprise provisions and other payables. The main purpose of these financial liabilities is to meet the company's operations. The Company's principal financial assets include cash and cash equivalents and other financial assets. The Company is mainly not exposed to risks resulting from interest rate movements, (interest rate risk), liquidity risk, market risk & foreign currency risk.

**A Price risk:**

Since the Company is yet to commence its operations, hence the Company is not exposed to external price risk.

**B Foreign Currency risk:**

The unhedged foreign currency exposure is as follows:

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

	As at March 31, 2026	
	Payable / Receivable	
	Amount in Foreign currency (absolute)	Amount in INR
Trade Receivables(USD)	-	-
Trade Payables(USD)	7,274.50	672.89

**(ii) Sensitivity Analysis**

The Company does not take any steps to hedge the foreign currency exposure as mentioned above as the Management believes that there is natural hedge to some extent and balance exposure not really having significant impact on the financial health of the Company.

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

	As at March 31, 2026	
	Payable / Receivable	
	Change in exchange rate	Effect on profit before tax (INR)
USD against INR	+5%	33.64
	(5%)	(33.64)

**Foreign currency sensitivity**

The Company uses the sensitivity rate of 5% when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. In the opinion of the management, the sensitivity of increase or decrease against the relevant foreign currencies is not material to the financial statements.

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**C Interest risk:**

Interest rate risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in market interest rates.

The risks arising from interest rate movements arise from borrowings with variable interest rates. Currently, the company has no borrowings, hence interest rate risk is insignificant.

**(i) Interest rate risk exposure**

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

	<b>March 31, 2026</b>
Borrowings	-
<b>Total borrowings</b>	-

**(ii) Sensitivity analysis**

Since, the company has no borrowings, there is no sensitivity to profit and loss. Hence sensitivity is not disclosed.

**D Credit risk:**

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

Currently, the Company has no trade receivables outstanding.

**E Liquidity risk:**

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings. The company has unconditional financial support from holding company/ ultimate holding company.

**Maturities of financial liabilities**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted:

<b>Year Ended March 31, 2026</b>	<b>Less than 1 year</b>		<b>Total</b>
<b>Non-derivatives</b>			
Borrowings	-	-	-
Lease Liabilities	-	-	-
Trade Payables	34,372.50	-	34,372.50
Other financial liabilities	23,864.87	-	23,864.87
<b>Total non-derivative liabilities</b>	<b>58,237.37</b>	<b>-</b>	<b>58,237.37</b>
<b>Derivatives (net settled)</b>			
Foreign exchange forward contracts	-	-	-
principal swaps	-	-	-
<b>Total derivative liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**27 Fair value measurements**

	As at March 31, 2026		
	FVPL	FVOCI	Amortised Cost
<b>Financial Assets</b>			
Trade receivables	-	-	11,523.05
Cash and Cash Equivalents	-	-	136,392.12
Other Bank Balances	-	-	25.00
Other Financial Assets	-	-	5,100.00
<b>Total Financial Assets</b>	<b>-</b>	<b>-</b>	<b>153,040.17</b>
<b>Financial Liabilities</b>			
Trade payables	-	-	34,372.50
Other Financial Liabilities	-	-	23,864.87
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>58,237.37</b>

The company's principal financial assets include cash and cash equivalents and other financial assets. The company's principal financial liabilities comprise of trade payables & other financial liabilities. The main purpose of these financial liabilities is to meet the company's operations.

**i. Fair value hierarchy**

Financial assets and liabilities measured at fair value:

	As at March 31, 2026		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
<b>Financial Investments at FVTOCI / FVTPL</b>			
Investments in Mutual Funds (Liquid/Overnight Funds)- Quoted	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

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

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

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

	March 31, 2026	
	Carrying amount	Fair value
<b>Financial Assets</b>	-	-
<b>Total Financial Assets</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>

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**28. Leases (Ind AS -116)**

The Company confirms that it had no lease contracts in place during the period ended March 31, 2026, that would require recognition as Right-of-Use (ROU) assets or Lease Liabilities under Ind AS 116.

Consequently, the amounts recognised in the Balance Sheet for ROU Assets and Lease Liabilities are ₹ Nil for both reporting periods.

**29. Segment Reporting (Ind AS -108)**

The Company primarily operates in the automotive segment. The automotive segment includes all activities related to development, design, manufacture and sale of automotive parts.

As defined in Ind AS 108, the chief operating decision maker (CODM), evaluates the Company's performance, allocates resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirement of Ind AS 108 "Operating Segments".

**30. Revenue from contracts with customers as per Ind AS 115**

**a The provision recognised on trade receivables arising from an entity's contracts with customers.**

There are no provisions recognised on trade receivables

	<b>As at March 31, 2026</b>
<b>Opening Balance</b>	-
<b>Less:-</b> Written back	-
<b>Add:-</b> Provided at the end of period	-
<b>Closing balance</b>	-

**b Disaggregation of revenue from contracts with customers**

	<b>As at March 31, 2026</b>
<b>Segments</b>	
<b>Revenue by geography</b>	
In India	9,601.94
Outside India	-
<b>Total revenue from contract with customers</b>	<b>9,601.94</b>

**Revenue by major product lines**

Sale of product	9,601.94
Sale of services	-
<b>Total revenue from contract with customers</b>	<b>9,601.94</b>

**Timing of revenue recognition**

At a point in time	9,601.94
Over the period of time	-
<b>Total revenue from contract with customers</b>	<b>9,601.94</b>

**c Contract Balances**

The following table provides information about receivables and contract liabilities from contracts with customers.

	<b>31-Mar-26</b>
Receivables (Unconditional right to consideration)	11,523.05
Contract liabilities	-

**d Revenue from contracts with customers**

	<b>31-Mar-26</b>
<b>Revenue recognised from</b>	
Amounts included in contract liabilities at the beginning of the period	-

**e Right of return assets and refund liabilities**

	<b>31-Mar-26</b>
Right of return assets	-
Refund liabilities Arising from rights of return	-

**f Performance obligations**

	<b>31-Mar-26</b>
Within one period	-

**g Contract Cost - Incremental costs of obtaining a contract**

There is no increment cost in contract executed during the period. -

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**31. Capital Risk Management**

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to shareholders. The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain creditors and market confidence and to sustain future development and growth of its business. For the purpose of capital management, capital includes equity capital and retained earnings. The Company maintains balance between debt and equity. The Company monitors its capital management by using a debt-equity ratio, which is total debt divided by total capital.

**The debt equity ratio of the Company is as follows:**

<b>Particulars</b>	<b>As at</b>
	<b>March 31, 2026</b>
Total Borrowings	-
Less: Cash and Cash Equivalentents	(136,392.12)
<b>Net Debt (A)</b>	<b>(136,392.12)</b>
<b>Total Equity (B)</b>	<b>185,318.20</b>
Total Equity and Net Debt (C =A+B)	<b>48,926.08</b>
<b>Net Debt to Total Equity</b>	<b>0%</b>

*(This space has been intentionally left blank)*

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**32 Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits**

**(i) Defined Contribution Plans**

The Company pays to the Government managed provident and pension fund for all the qualifying employees. Contribution to Defined Contribution Plans, recognized as expense and included in "Contribution to provident and other funds" in the Statement of Profit and Loss for the year (refer Note 19) as under:

Particulars	March 31, 2026	March 31, 2025
Contribution to Provident Fund	281.98	-
Contribution to Employee State Insurance Scheme	-	-
<b>Total</b>	<b>281.98</b>	<b>-</b>

**(ii) Defined Benefit Plans**

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-current	Current	Non-current
Gratuity	139.56	1,910.01	-	-
Leave Encashment	62.46	798.22	-	-
<b>Total</b>	<b>202.02</b>	<b>2,708.22</b>	<b>-</b>	<b>-</b>

**A. Gratuity**

Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The benefits vest after five years of continuous service. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

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

	March 31, 2026	March 31, 2025
<b>(i) Present Value of Defined Benefit Obligation</b>		
<b>Obligations at period beginning</b>	-	-
Service Cost - Current	346.88	-
<b>Amount recognised in profit or loss</b>	<b>-</b>	<b>-</b>
Transfer adjustment*	2,549.40	-
	<b>2,549.40</b>	<b>-</b>
<b>Remeasurements</b>		
Actuarial (gain) / loss from change in financial assumption	-	-
Actuarial (gain) / loss from change in demographic assumption	-	-
Actuarial (gain) / loss on arising from experience adjustment	(846.71)	-
Experience (gains)/losses	-	-
<b>Amount recognised in other comprehensive income</b>	<b>(846.71)</b>	<b>-</b>
<b>(ii) Assets and Liabilities recognized in the Balance Sheet</b>		
	March 31, 2026	March 31, 2025
Present Value of the defined benefit obligations	2,049.57	-
<b>Amount recognised as Liability</b>	<b>2,049.57</b>	<b>-</b>
Current	139.56	-
Non-Current	1,910.01	-
<b>Total</b>	<b>2,049.57</b>	<b>-</b>
<b>(iii) Amount recognised in Profit / Loss</b>		
	March 31, 2026	March 31, 2025
Service Cost	346.88	-
<b>Total amount recognised in Profit / Loss</b>	<b>346.88</b>	<b>-</b>

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	March 31, 2026	March 31, 2025
<b>(iv) Amount recognised in Other Comprehensive Income</b>		
Actuarial (gain) / loss	-	-
<b>Total amount recognised in Other Comprehensive Income</b>	-	-

\* This pertains to transfer of gratuity obligation of the employees transferred from the group company's on to the Company's payroll in the current period.

**(v) Actuarial assumptions:**

	March 31, 2026	March 31, 2025
Discount Rate per annum	7.90%	NA
Future salary increases	8.00%	NA
Retirement age	58	NA
	100%	NA
Mortality rate	IALM(2012-14)	NA
Employee attrition rate		NA
Upto 30 years	5.00%	NA
31 to 44 years	5.00%	NA
Above 44 years	5.00%	NA

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

**(vi) Expected contribution in the next year**

	March 31, 2026	March 31, 2025
Gratuity	642.35	-

**(vii) Sensitivity analysis**

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

	Change in Assumption		Impact	Increase in Assumption		Impact	Decrease in Assumption	
	March 31, 2026	March 31, 2025		March 31, 2026	March 31, 2025		March 31, 2026	March 31, 2025
Discount rate per annum	0.50%	NA	Increase by	(76.01)	NA	Decrease by	80.66	NA
Future salary increases	0.50%	NA	Increase by	21.94	NA	Decrease by	(21.85)	NA

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

**(viii) Risk exposure**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

- A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

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**(ix) Defined benefit liability and employer contributions**

	March 31, 2026	March 31, 2025
Weighted average duration of the defined benefit obligation in years	14.78	NA

Expected benefit payments are as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>March 31, 2026</b> Defined benefit obligation (gratuity)	139.56	94.56	278.01	1,537.44	2,049.57
<b>March 31, 2025</b> Defined benefit obligation (gratuity)	NA	NA	NA	NA	NA

**Employee Benefit Obligations and the Impact of the New Labour Code (specifically the Code on Wages, 2019)**

**1. Overview of the Regulatory Change**

The Code on Wages, 2019 (the "Code") received Presidential assent in August 2019 and was subsequently notified for implementation effective from **November 21, 2025**. The Code replaces four existing labor laws, including the Payment of Wages Act, 1936, and the Minimum Wages Act, 1948. The Code introduces a unified definition of "Wages," which significantly impacts the calculation of employee benefits such as Gratuity, Leave Encashment, and Provident Fund contributions. Under the new definition, certain allowances (such as HRA, overtime, and conveyance) are excluded from the definition of wages, provided that the sum of such exclusions does not exceed 50% of the total remuneration. If exclusions exceed this threshold, the excess amount is deemed to be "wages."

**2. Impact on Employee Benefit Liabilities**

The Company has evaluated the impact of the Code on its defined benefit obligations (DBO) as per **Ind AS 19 - Employee Benefits**. Since the Code became effective on November 21, 2025, the Company has remeasured its obligations as of the reporting date to reflect the revised "Wage" base. The impact is summarized below:

**Gratuity Liability:** The revised definition often leads to an increase in the basic salary component used for gratuity calculations.

**Leave Encashment:** Higher "wage" components have resulted in a proportionate increase in the provision for compensated absences.

**Provident Fund:** Contributions have been adjusted to align with the new statutory limits and definition of wages where applicable.

**3. Financial Statement Impact**

Due to a legislative amendment during the period, the resulting increase in the present value of the defined benefit obligation has been recognized within the Statement of Profit and Loss for the period ended March 31, 2026.

*(This space has been intentionally left blank)*

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**33 Capital Commitments**

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

	<u>As at March 31, 2026</u>
<b>Property, Plant and Equipment</b>	
Estimated value of contracts in capital account remaining to be executed (net of advances)	-
<b>Net Capital Commitments</b>	<u>-</u>

**34 Contingent Liabilities**

Fixed deposits amounting to Rs. 25,000 (absolute) held as lien by the bank against guarantee issued to Maharashtra Pollution Control Board.

**35 Other Statutory Information**

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company.
- (ii) The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial period.
- (v) The Company has not advanced or loaned or invested funds to any other person or entity, 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 or entity, 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 has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The Company is not declared as wilful defaulter by any bank or financial institutions.

**36 Deferred Tax Assets/Liabilities (Net)**

As per Ind AS-12, "Income Taxes" issued by The Institute of Chartered Accountants of India there must be virtual certainty supported by convincing evidence that the sufficient future taxable income is available against which deferred tax assets (DTA) can be adjusted. In the absence of such certainty, no deferred tax assets is recognised in the financial statement.

37 These being the first financial statements of the Company since incorporation, the financial statements are drawn for the period from September 12, 2025 to March 31, 2026 and hence there are not comparatives to present.

38 Amounts appearing as zero "0" in financial are below the rounding off norm adopted by the Company.

**For R.N.Marwah & Co. LLP**  
**Chartered Accountants**  
**FRN 001211N/N500019**

**For and on behalf of the Board of Directors of**  
**Motherson Macauto Solutions Limited**

**Manoj Gupta**  
**Partner**  
**Membership No.: 096776**

**Amit Bhakri**  
**Director**  
**DIN: 08230325**

**Roopak Dharmvir Sharma**  
**Director**  
**DIN: 08441325**

**Place: New Delhi**  
**Date: 30/04/2026**

**Place: Noida**  
**Date: 30/04/2026**