

**SMRC Automotive Products India Limited**

**Balance Sheet as at 31 Mar 2026**

**CIN: U34101MH2013FLC417942**

*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

ASSETS	Notes	As at 31 Mar 2026	As at 31 March 2025
<b>Non-current assets</b>			
Property, plant and equipment	3(a)	1,280.25	1,243.73
Capital work-in-progress	3(b)	2.25	38.72
Intangible assets under development	3(c)	17.10	-
Right-of-use assets	4(a)	212.03	237.64
<b>Financial assets</b>			
(i) Loans to related party	8(a)	500.00	200.00
(ii) Other financial assets	5(a)	249.70	435.19
Deferred tax assets (net)	13	105.14	83.58
Other Non-current assets	6(a)	222.26	203.06
Employee Benefit Assets	6(a)	-	8.94
<b>Total non-current assets</b>		<b>2,588.73</b>	<b>2,450.86</b>
<b>Current assets</b>			
Inventories	7	233.01	186.17
Contract assets	18	223.54	222.82
<b>Financial assets</b>			
(i) Trade receivables	8(b)	942.18	1,449.39
(ii) Cash and cash equivalents	9(a)	424.20	219.01
(iii) Other bank balances	9(b)	1.00	1.00
(iv) Other financial assets	5(b)	238.41	242.26
Other Current assets	6(b)	212.09	139.41
<b>Total current assets</b>		<b>2,274.43</b>	<b>2,460.06</b>
<b>Total assets</b>		<b>4,863.16</b>	<b>4,910.92</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	1,166.16	1,166.16
Other equity	11	1,293.33	1,128.30
<b>Total equity</b>		<b>2,459.49</b>	<b>2,294.46</b>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	34	31.11	53.86
Employee benefit obligations	16(b)	119.01	18.10
<b>Total Non-current liabilities</b>		<b>150.12</b>	<b>71.96</b>
<b>Current liabilities</b>			
<b>Contract liabilities</b>			
Contract liabilities	17	215.41	333.04
<b>Financial liabilities</b>			
(i) Borrowings	12	117.72	95.07
(ii) Lease liabilities	34	89.54	88.71
(iii) Trade payables	14		
Total outstanding dues of micro enterprises and small enterprises		83.95	65.30
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,379.05	1,597.70
(iv) Other payables	15	312.56	292.39
Employee benefit obligations	16(a)	29.22	72.29
Other Current liabilities	17	26.10	-
<b>Total current liabilities</b>		<b>2,253.55</b>	<b>2,544.50</b>
<b>Total equity and liabilities</b>		<b>4,863.16</b>	<b>4,910.92</b>
Corporate Information and summary of material accounting policies	1-2		

The accompanying notes are integral part of the financial statements

As per our report of even date

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

**Chartered Accountants**

ICAI Firm Registration number: 001211N/N500019

**For and on behalf of the Board of Directors of**

**SMRC Automotive Products India Limited**

CIN: U34101MH2013FLC417942

**Manoj Gupta**

Partner

Membership No.: 096776

Place: Noida

Date: 14th May, 2026

**Amit Bhakri**

Director

DIN : 08230325

Place: Noida

Date: 14th May, 2026

**Sushil Mehta**

Director

DIN : 11001351

Place: Noida

Date: 14th May, 2026

**Satish Narayan Ladwa**

Manager

PAN: ABZPL4601L

Place: Pune

Date: 14th May, 2026

**HariKrishna K S**

Chief Financial officer

PAN: AEBPH2199Q

Place: Noida

Date: 14th May, 2026

**SMRC Automotive Products India Limited**  
**Statement of profit and loss for the year ended 31 Mar 2026**  
**CIN: U34101MH2013FLC417942**  
*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

Particulars	Notes	Year Ended 31 March 2026	Year Ended 31 March 2025
<b>Income</b>			
Revenue from contract with customers	18	6,707.66	7,162.01
Other income	19	17.37	89.92
Finance income	20	28.68	29.66
<b>Total income</b>		<b>6,753.71</b>	<b>7,281.59</b>
<b>Expenses</b>			
Cost of raw-material and components consumed	21	3,692.79	3,585.62
Cost of tools sold	22	757.47	1,065.17
(Increase)/ decrease in inventories of finished goods and work-in-progress	23	(19.29)	(2.11)
Employee benefits expense	24	568.80	571.75
Finance costs	25	15.13	14.15
Depreciation and amortisation expense	4(b)	307.84	347.80
Other expenses	27	1,198.23	1,589.82
<b>Total expenses</b>		<b>6,520.97</b>	<b>7,172.20</b>
<b>Profit / (Loss) before tax</b>		<b>232.74</b>	<b>109.39</b>
- Current tax	29	71.33	30.23
- Tax pertaining to earlier years	29	(1.29)	(75.17)
- Deferred tax	29	(16.72)	1.80
<b>Income tax expense</b>		<b>53.32</b>	<b>(43.14)</b>
<b>Profit / (Loss) for the year</b>		<b>179.42</b>	<b>152.53</b>
<b>Other comprehensive income/(loss):</b>			
<b>Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:</b>			
Re-measurement loss on defined benefit plan	26	(19.23)	(3.41)
Income tax effect		4.84	0.86
<b>Other comprehensive loss, net of tax (II)</b>		<b>(14.39)</b>	<b>(2.55)</b>
<b>Total comprehensive loss, net of tax (I + II)</b>		<b>165.03</b>	<b>149.98</b>
<b>Earnings per share of Rs. 10 each (in Rs.)</b>			
Basic (₹ 10 per share), computed on the basis of profit for the year	30	1.54	1.31
Diluted (₹ 10 per share), computed on the basis of profit for the year		1.54	1.31

Corporate Information and summary of material accounting policies 1-2  
The accompanying notes are integral part of the financial statements

As per our report of even date  
**For R.N.Marwah & Co. LLP**  
**Chartered Accountants**

ICAI Firm Registration number: 001211N/N500019

**For and on behalf of the Board of Directors of**  
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CIN: U34101MH2013FLC417942

**Manoj Gupta**  
Partner  
Membership No.: 096776  
Place: Noida  
Date: 14th May, 2026

**Amit Bhakri**  
Director  
DIN : 08230325  
Place: Noida  
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**Sushil Mehta**  
Director  
DIN : 11001351  
Place: Noida  
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**Satish Narayan Ladwa**  
Manager  
PAN: ABZPL4601L  
Place: Pune  
Date: 14th May, 2026

**HariKrishna K S**  
Chief Financial officer  
PAN: AEBPH2199Q  
Place: Noida  
Date: 14th May, 2026

**SMRC Automotive Products India Limited**  
**Cash flow statement for the year ended 31 Mar 2026**  
**CIN: U34101MH2013FLC417942**

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
<b>A. Cash flow from / (used in) operating activities:</b>		
Profit before tax	232.74	109.39
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	307.84	347.80
Loss / (gain) on disposal of property, plant and equipment	(1.74)	(24.76)
Finance income	(23.62)	(26.20)
Finance costs	12.81	14.15
Net foreign exchange differences (unrealised)	2.67	3.70
Liability no longer required written back	(5.35)	(39.73)
<b>Operating profit before working capital changes</b>	<b>525.35</b>	<b>384.35</b>
<b>Changes in working capital:</b>		
- (Increase) / Decrease in inventories	(46.85)	(12.67)
- (Increase) / Decrease in trade receivables	507.20	(350.37)
- (Increase) / Decrease in other financial assets and contract assets	188.62	360.62
- (Increase) / Decrease in other assets	(66.75)	(8.38)
- Increase / (Decrease) in other trade payables	64.25	(94.74)
- Increase / (Decrease) in trade payables	(202.68)	(71.15)
- Increase / (Decrease) in contract liabilities	(117.63)	(265.27)
- Increase / (Decrease) in other current liabilities and employee benefit obligations	85.01	(65.45)
	<b>411.17</b>	<b>(507.41)</b>
<b>Cash generated from / (used in) operations</b>	<b>936.52</b>	<b>(123.06)</b>
Income tax paid (net of refunds)	(86.12)	(32.60)
<b>Net cash flow from / (used in) operating activities</b>	<b>850.40</b>	<b>(155.66)</b>
<b>B. Cash flow from / (used in) investing activities:</b>		
Purchase of property, plant and equipment	(382.44)	(324.21)
Changes in capital work in progress	(2.27)	(18.87)
Proceeds from sale of property, plant and equipment	57.56	75.84
Loans given to related party	(300.00)	(200.00)
Interest received (finance income)	23.62	26.20
<b>Net cash flow from / (used in) investing activities</b>	<b>(603.53)</b>	<b>(441.04)</b>
<b>C. Cash flow from / (used in) financing activities:</b>		
Payment of principal portion of lease liabilities	(28.88)	(72.23)
Interest paid	(12.81)	(14.15)
<b>Net cash flow from / (used in) financing activities</b>	<b>(41.69)</b>	<b>(86.38)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents [A+B+C]</b>	<b>205.19</b>	<b>(683.08)</b>
Cash and cash equivalents at the beginning of the year	220.01	903.09
<b>Cash and cash equivalents at year end</b>	<b>425.20</b>	<b>220.01</b>
<b>Components of cash and cash equivalents</b>		
Balances with bank:		
Cheques on Hand	2.10	18.61
- on current accounts	219.61	200.40
- Deposits with original maturity of less than three months	50.00	-
- Deposits with original maturity between three and twelve months	1.00	1.00
Investments in Mutual Funds (Liquid Funds -Quoted)	152.49	-
<b>Total cash and cash equivalents (note 9 &amp; note 9(a))</b>	<b>425.20</b>	<b>220.01</b>

Corporate Information and summary of material accounting policies  
The accompanying notes are integral part of the financial statements

1-2

As per our report of even date  
**For R.N.Marwah & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration number: 001211N/N500019

**On behalf of the Board of Directors**  
**SMRC Automotive Products India Limited**  
CIN: U34101MH2013FLC417942

**Manoj Gupta**  
Partner  
Membership No.: 096776  
Place: Noida  
Date: 14th May, 2026

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Place: Noida  
Date: 14th May, 2026

**Satish Narayan Ladwa**  
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PAN: ABZPL4601L  
Place: Pune  
Date: 14th May, 2026

**HariKrishna K S**  
Chief Financial officer  
PAN: AEBPH2199Q  
Place: Noida  
Date: 14th May, 2026

**SMRC Automotive Products India Limited****Statement of changes in equity for the year ended 31 March 2026**

CIN: U34101MH2013FLC417942

*(All amounts are in millions of Indian Rupees, unless otherwise stated)***a. Equity share capital:**

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

At 31 March 2024

At 31 March 2025

**At 31 March 2026**

	Number of shares	Amount
At 31 March 2024	11,66,16,312	1,166.16
At 31 March 2025	11,66,16,312	1,166.16
<b>At 31 March 2026</b>	<b>11,66,16,312</b>	<b>1,166.16</b>

**b. Other equity**

Particulars	Reserves and Surplus		Item of OCI	Total
	Securities Premium (Note 11)	Retained Earnings	Re-measurement gain / (loss) on defined benefit obligation	
<b>As at 01 April 2024</b>	<b>35.50</b>	<b>962.47</b>	<b>(19.65)</b>	<b>978.32</b>
Profit for the period	-	152.53	-	<b>152.53</b>
Other comprehensive gain / (loss)	-	-	(2.55)	<b>(2.55)</b>
<b>As at 31 March 2025</b>	<b>35.50</b>	<b>1,115.00</b>	<b>(22.20)</b>	<b>1,128.30</b>
<b>As at 01 April 2025</b>	<b>35.50</b>	<b>1,115.00</b>	<b>(22.20)</b>	<b>1,128.30</b>
Profit for the period	-	179.42	-	<b>179.42</b>
Other comprehensive gain / (loss)	-	-	(14.39)	<b>(14.39)</b>
<b>As at 31 March 2026</b>	<b>35.50</b>	<b>1,294.41</b>	<b>(36.59)</b>	<b>1,293.33</b>

Corporate Information and summary of material accounting policies - refer 1-2

The accompanying notes are integral part of the financial statements

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Chief Financial officer

PAN: AEBPH2199Q

Place: Noida

Date: 14th May, 2026

**SMRC Automotive Products India Limited**  
**Notes to financial statements for the year ended March 31, 2026**  
*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

**1. Corporate information**

SMRC Automotive Products India Limited ("the "Company") was incorporated on May 28, 2013 and is now a wholly owned subsidiary of MSSL Mauritius Holdings Ltd. The registered office of the Company is Plot no G-34, SIPCOT Industrial Park SF no 15FT 16F, Vallam Vadagal A village, Sriperumbudur, Kancheepuram TN 602105, India.

The Company is engaged in manufacturing and selling of instrument panel, door trims, and exteriors for passenger cars. The Company has manufacturing facilities at Pune, Anantapur and Chennai.

The Company has changed its legal status from a "Private limited" to "Public Limited" under Sec 18 of the Companies Act, 2013 with effect from May 4, 2020.

The Company's Financial Statements were authorised for issue in accordance with a resolution of the Directors on May 14, 2026.

**2. Material accounting policies**

**2.1. Basis of preparation**

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013. The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in INR and all values are rounded to the nearest millions (INR 000,000), except when otherwise indicated.

**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
- 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.

**SMRC Automotive Products India Limited**  
**Notes to financial statements for the year ended March 31, 2026**  
*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

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.

**2.2 Summary of material accounting policies**

**a) Current versus non-current classification**

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

- Expected to be realised or intended to 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.

**SMRC Automotive Products India Limited**  
**Notes to financial statements for the year ended March 31, 2026**  
*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of products / activities, the Company has determined its operating cycle as twelve months for the above purpose of classification as current and non-current.

**b) Property, plant and equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Material replacement cost is capitalized provided (a) it is probable that future economic benefits associated with the item will flow to the entity and (b) the cost of the item can be measured reliably. When replacement cost is eligible for capitalization, the carrying amount of those parts that are replaced in derecognized.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

The Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

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

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

Capital Work-in-Progress: Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and attributable interest. Once it has become available for use, their cost is re-classified to appropriate caption and subjected to depreciation.

**c) 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. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. Intangible assets acquired separately are measured on initial recognition at cost.

**SMRC Automotive Products India Limited**  
**Notes to financial statements for the year ended March 31, 2026**  
*(All amounts are in millions of Indian Rupees, 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.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognized.

**d) Depreciation and Amortisation**

Depreciation on Property, Plant and Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of all categories of assets other than buildings and office equipment as provided below, in whose case the life of the assets has been assessed as under, taking into account the nature of the asset, the estimated usage of the asset and the operating conditions of the asset. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The Company has used the following rates to provide depreciation on its fixed assets:

Particulars	Useful life (in years)
<b>Tangible</b>	
1. Leasehold land	Amortized over the lease period
2. Buildings	30 years
3. Improvements to leasehold buildings	Amortized over the lease period
4. Plant and Machinery (including Tools and Trolleys)	
a. Injection Molding Machines	15 years
b. Robots, Welding Machines, Hear Staking Machines & DG Sets	10 years
c. Other Machinery	7.5 years
d. Dunnages	3 years
5. Office Equipment	5 years
6. Computers	3 years
7. Furniture and Fixtures	5 years
8. Vehicles	5 years
<b>Intangible</b>	
1. Computer Software	1 to 3 years
2. Goodwill	5 years

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

**SMRC Automotive Products India Limited**  
**Notes to financial statements for the year ended March 31, 2026**  
*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

**e) Leases**

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

**Company as lessee**

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

**Right-of-use assets**

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

- Building – 3 and 5 years
- Other technical and production related equipment – 7 and 10 years

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

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

**Lease Liabilities**

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

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

The Company's lease liabilities are included under Financial Liabilities (see Note 32).

**Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be

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low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**f) 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.

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.

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 or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

**g) Inventories**

Raw materials, stores and spare parts are valued at lower of cost and estimated net realisable value. Cost is determined using the first in first out method. Cost includes freight, taxes and duties and is net of credit under GST, VAT and CENVAT scheme, where applicable.

Work-in-progress and finished goods are valued at lower of cost and estimated net realisable value. Cost includes all direct costs and appropriate proportion of overheads to bring the goods to the present location and condition.

Due allowance is made for slow/non-moving items. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

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

**h) Revenue from contract with customer**

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

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The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 36.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit terms is 30-90 days from the invoice date.

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

Sale of tools

The Company recognizes revenue from sale of tools over time, using percentage of completion to measure the progress towards complete satisfaction of the performance obligation, because the Company has an enforceable right to payment for performance completed to date.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The rights of return and volume rebates give rise to variable consideration.

Volume rebates

The Company provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Significant financing component

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

The Company does not receive any long-term advances from customers.

Consideration payable to a customer

Consideration payable to a customer includes cash amounts that an entity pays, or expects to pay, to the customer. The consideration payable to a customer is accounted for as a reduction of the transaction price unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the entity.

**Contract balances**

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.

## **SMRC Automotive Products India Limited**

### **Notes to financial statements for the year ended March 31, 2026**

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#### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (p) Financial instruments – initial recognition and subsequent measurement.

#### Contract liabilities

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

#### **i) Foreign currency transactions**

The financial statements are presented in Indian Rupees, which is the functional currency of the Company.

**Initial recognition:** Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date the transaction first qualifies for the recognition.

**Measurement as at Balance Sheet date:** Foreign currency monetary items of the Company outstanding at the Balance Sheet date are translated at the functional currency spot rates of exchange at the reporting date. 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.

**Treatment of Exchange Differences:** Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in profit or loss.

#### **j) 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 or subsidy from the Government relates to an expense item, it is recognised as income on a systematic basis in the statement of profit and loss over the period necessary to match them with the related costs, which they are intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset, i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value of the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

#### **k) Borrowing costs**

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

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**l) Retirement and Employee benefits**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss account of the year when the contributions to the respective fund is due. There are no other obligations other than the contribution payable to the respective fund.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit method made at the end of each financial year.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

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

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

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

**m) Taxes**

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in equity.

**Current income tax**

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

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Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company applies significant judgement in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it assessed whether the Appendix had an impact on its financial statements.

Upon adoption of the Appendix C to Ind AS 12, the company considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company's related parties' fillies taxes in different jurisdictions which include deductions taken related to such transfer pricing and the treatment of which may be challenged by the Indian tax authorities. The Company determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities.

**n) Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is estimated based on historical experience and technical estimates. The estimate of such warranty-related costs is reviewed annually.

**o) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**p) Fair Value Measurement**

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

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- ▶ 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.

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.

#### **q) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **Financial assets**

##### **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### **Subsequent measurement**

##### **Debt instruments at amortised cost**

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

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

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

##### **De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

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

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

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:

- ▶ Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

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. When estimating the cash flows, an entity is required to consider:

- ▶ All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- ▶ Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

- ▶ Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

### **Financial liabilities**

#### **Initial recognition and measurement**

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

The Company's financial liabilities include Borrowings, trade and other payables.

#### **Subsequent measurement**

##### **Loans and borrowings**

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

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

##### **De-recognition**

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 de-recognition 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 or loss.

##### **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

##### **r) Cash and Cash Equivalents**

Cash and Cash Equivalents in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the of cash flows, cash and cash equivalents consist of cash at banks and on hand, cheques on hand, investments in mutual funds (liquid funds) and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

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**s) Earnings Per Share (EPS)**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

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Note 3(a)

Property, plant and equipment (PPE)

Particulars	Freehold Land	Building	Plant and equipment*	Computer	Office Equipments	Furniture and fixture	Vehicles	Total
<b>Cost</b>								
At 01 April 2024	-	654.83	2,877.28	104.27	46.36	26.15	14.92	3,723.81
Additions	29.18	62.40	247.80	5.24	1.28	2.78	-	348.68
Disposals/write off	-	(56.60)	(732.59)	(20.69)	(8.28)	(14.90)	(0.88)	(833.95)
At 31 March 2025	29.18	660.63	2,392.48	88.82	39.36	14.03	14.04	3,238.54
Additions	-	63.21	291.91	9.73	1.55	-	-	366.40
Disposals/write off	-	(14.51)	(103.95)	(5.79)	(0.77)	(1.26)	(1.44)	(127.72)
At 31 Mar 2026	29.18	709.33	2,580.44	92.76	40.14	12.77	12.60	3,477.22
<b>Depreciation</b>								
At 01 April 2024	-	241.22	2,099.68	83.40	40.97	22.90	14.92	2,503.09
Depreciation for the year	-	26.54	233.87	10.85	1.99	1.36	-	274.60
Disposals/write off	-	(56.42)	(681.80)	(20.67)	(8.21)	(14.90)	(0.88)	(782.88)
At 31 March 2025	-	211.34	1,651.75	73.58	34.75	9.35	14.04	1,994.81
Depreciation for the year	-	27.39	233.57	9.68	2.11	1.31	-	274.06
Disposals/write off	-	(14.51)	(48.13)	(5.79)	(0.77)	(1.26)	(1.44)	(71.90)
At 31 Mar. 2026	-	224.22	1,837.18	77.47	36.09	9.40	12.60	2,196.97
<b>Net book value</b>								
At 31 March 2025	29.18	449.29	740.73	15.24	4.61	4.68	-	1,243.73
At 31 March 2026	29.18	485.10	743.26	15.29	4.05	3.37	-	1,280.25

\* Net book value of Plant & Equipment is net of gain on purchase of SHIS Scripts as at March 31, 2026 of Rs. 5.37 million (As at March 31, 2025 - Rs. 5.37 million).

Note 3(b)

Capital Work-in-progress

Particulars	As at 01 April 2025	Additions	Capitalised during the period	As at 31 Mar 2026
Capital Work-in-progress	38.72	329.93	366.40	2.25
<b>Total</b>	<b>38.72</b>	<b>329.93</b>	<b>366.40</b>	<b>2.25</b>

As at 31 Mar. 2026

Particulars	Amount of CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	2.25	-	-	-	2.25
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>2.25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.25</b>

As at 31 March 2025

Particulars	Amount of CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	38.72	-	-	-	38.72
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>38.72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38.72</b>

Capital Work in progress as at 31 March 2026 comprises expenditure for buildings, plant in the course of construction and machineries yet to be installed. There is no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2025-26.

Note 3(c)

Intangible assets under development

Particulars	As at 01 April 2025	Additions	Capitalised during the period	As at 31 Mar 2026
Intangible assets under development	-	17.10	-	17.10
<b>Total</b>	<b>-</b>	<b>17.10</b>	<b>-</b>	<b>17.10</b>

As at 31 Mar. 2026

Particulars	Amount of CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	17.10	-	-	-	17.10
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>17.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17.10</b>

There is no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2025-26.

**Note 4(a)**

**Right-of-use assets**

Particulars	Building	Other Equipments	Leasehold Land*	Total
<b>Cost</b>				
<b>At 01 April 2024</b>	<b>467.27</b>	<b>5.57</b>	<b>155.72</b>	<b>628.56</b>
Additions	8.54	14.03	-	22.56
Disposal	-	-	(27.45)	(27.45)
<b>At 31 March 2025</b>	<b>475.81</b>	<b>19.60</b>	<b>128.27</b>	<b>623.67</b>
Additions	-	13.36	-	13.36
Disposal	(296.22)	(2.85)	-	(299.07)
<b>At 31 March 2026</b>	<b>179.58</b>	<b>30.11</b>	<b>128.27</b>	<b>337.96</b>
<b>Depreciation</b>				
<b>At 01 April 2024</b>	<b>299.02</b>	<b>2.46</b>	<b>14.54</b>	<b>316.03</b>
Depreciation for the year	67.29	3.49	2.13	72.91
Disposal	-	-	(2.91)	(2.91)
<b>At 31 March 2025</b>	<b>366.31</b>	<b>5.96</b>	<b>13.76</b>	<b>386.03</b>
Depreciation for the year	25.30	7.18	1.30	33.78
Disposal	(291.52)	(2.35)	-	(293.87)
<b>At 31 March 2026</b>	<b>100.09</b>	<b>10.79</b>	<b>15.06</b>	<b>125.94</b>
<b>Net book value</b>				
<b>At 31 March 2025</b>	<b>109.50</b>	<b>13.64</b>	<b>114.51</b>	<b>237.64</b>
<b>At 31 March 2026</b>	<b>79.49</b>	<b>19.33</b>	<b>113.21</b>	<b>212.03</b>

\* The Company has obtained land on lease at Oragadam measuring 8.88 acres from SIPCOT for a period of 99 years. Title deed is pending to be updated in the name of the Company.

Description of Property	Gross carrying value (INR million)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Leasehold Land	128.27	Reydel Automotive Products India Private Limited	The erstwhile name of the Company	FY 2015-2026	The Company is in the process of registering the title deed in the new name of the Company

**Note 4(b)**

Particulars	Year Ended	Year Ended
	31 March 2026	31 March 2025
Depreciation of property, plant and equipment	274.06	274.60
Amortization of intangible assets	-	0.29
Depreciation of Right-of-use assets	33.78	72.91
<b>Depreciation Cost</b>	<b>307.84</b>	<b>347.80</b>

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**SMRC Automotive Products India Limited**

Notes to financial statements for the year ended 31 Mar 2026

CIN: U34101MH2013FLC417942

(All amounts are in millions of Indian Rupees, unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
<b>5 Other financial assets (at amortised cost unless otherwise specified)</b>		
<b>a) Non current</b>		
Unsecured considered good		
Security deposits	52.12	54.49
Contract asset - Unbilled revenue	197.58	380.70
	<b>249.70</b>	<b>435.19</b>
<b>b) Current</b>		
Unsecured considered good		
Contract asset - Unbilled revenue	111.60	147.19
Other receivables	126.81	95.07
	<b>238.41</b>	<b>242.26</b>
<b>Breakup of total financial assets carried at amortized cost:</b>		
Trade receivables (Refer Note 8b)	942.18	1,449.39
Cash and cash equivalents (Refer Note 9a)	424.20	219.01
Other financial assets (Refer Note 5)	488.11	677.45
<b>Total financial assets</b>	<b>1,854.49</b>	<b>2,345.85</b>
<b>6 Other assets</b>		
<b>a) Non current</b>		
Unsecured, considered good		
Others*	135.82	132.71
Balance with statutory authorities	86.44	70.36
Employee Benefit Assets - Gratuity	-	8.94
	<b>222.26</b>	<b>212.01</b>
<b>b) Current</b>		
Unsecured, considered good		
Prepaid expenses	1.55	4.56
Deferred revenue expenditure	16.00	11.50
Advances to vendors	147.03	104.74
Advance to employees	4.38	13.29
Balance with statutory authorities	43.13	3.91
Accrued Interest-Loan	-	1.41
	<b>212.09</b>	<b>139.41</b>
*Others includes amount paid under protest pertaining to income tax matters		
Unsecured, considered doubtful		
Advances to vendors	0.76	0.76
Less: Provision for doubtful advances	(0.76)	(0.76)
	<b>212.09</b>	<b>139.41</b>
<b>7 Inventories</b>		
Raw materials (at cost)	111.11	83.56
Work-in-progress (at cost)	95.67	77.78
Finished goods (at lower of cost and net realisable value)	26.23	24.83
<b>Total inventories at lower of cost and net realisable value</b>	<b>233.01</b>	<b>186.17</b>

**SMRC Automotive Products India Limited**
**Notes to financial statements for the year ended 31 Mar 2026**
**CIN: U34101MH2013FLC417942**
*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

	As at 31 March 2026	As at 31 March 2025
<b>8(a) Loans (Unsecured, considered good)</b>		
<b>Loans to related party</b>		
Loans given to related party (refer note 32(c))	500.00	200.00
	<b>500.00</b>	<b>200.00</b>

Included in loans and advance are intercorporate deposits, particulars of which are disclosed below as required by sec 186(4) of the Companies Act 2013.

Name of the loanee	Rate of interest	Due date	Secured / Unsecured	As at 31 March 2026	As at 31 March 2025
Yachiyo India Manufacturing Private Limited	Repo rate+ 3% spread	31-Jul-27	Unsecured	200.00	200.00
Yachiyo India Manufacturing Private Limited	Repo rate+ 3% spread	31-Mar-28	Unsecured	300.00	-
				<b>500.00</b>	<b>200.00</b>

**8(b) Trade receivables**

Receivables from related parties (refer note 32(c))	74.88	161.22
Receivable from others	867.30	1,288.17
	<b>942.18</b>	<b>1,449.39</b>

**Breakup for security details:**

Unsecured, considered good	942.18	1,449.39
Trade Receivables - credit impaired	10.16	10.16
	952.34	1,459.55
Less: Impairment Allowance (allowance for bad and doubtful debts- credit impaired)	(10.16)	(10.16)
	<b>942.18</b>	<b>1,449.39</b>

**Ageing schedule**

As at 31 Mar 2026	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade Receivables – considered good	765.52	176.02	0.50	0.14	-	-	942.18
Undisputed Trade receivable – credit impaired	-	-	-	-	0.31	9.85	10.16
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Less: Impairment Allowance (allowance for bad and doubtful debts- credit impaired)	-	-	-	-	(0.31)	(9.85)	(10.16)
<b>Total</b>	<b>765.52</b>	<b>176.02</b>	<b>0.50</b>	<b>0.14</b>	<b>-</b>	<b>-</b>	<b>942.18</b>

As at 31 March 2025	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade Receivables – considered good	1,060.27	375.92	12.50	0.70	-	-	1,449.39
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	0.31	0.33	9.51	10.16
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Less: Impairment Allowance (allowance for bad and doubtful debts- credit impaired)	-	-	-	(0.31)	(0.33)	(9.51)	(10.16)
<b>Total</b>	<b>1,060.27</b>	<b>375.92</b>	<b>12.50</b>	<b>0.70</b>	<b>-</b>	<b>-</b>	<b>1,449.39</b>

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Further, there are no trade or other receivable which are due from firms or private companies respectively in which any director is a partner, a director or a member.

For terms & conditions relating to related party receivables, refer Note 32C

Trade receivables are non-interest bearing and are generally on terms of 30-90 days.

**SMRC Automotive Products India Limited**

Notes to financial statements for the year ended 31 Mar 2026

CIN: U34101MH2013FLC417942

*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

	As at 31 March 2026	As at 31 March 2025
<b>9(a) Cash and cash equivalents</b>		
Cheques on Hand	2.10	18.61
Balances with banks:		
– On current accounts	219.61	200.40
– Deposits with original maturity of less than three months	50.00	-
Investments in Mutual Funds (Liquid Funds -Quoted)	152.49	-
	<b>424.20</b>	<b>219.01</b>

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

At 31 March 2026, the Company had available mINR 582.28 (31 March 2025: mINR 604.93) of undrawn committed borrowing facilities.

The Company has been sanctioned/renewed working capital limits (mINR 200) from banks during the year on the basis of security of current assets of the Company.

**9(b) Bank balances other than cash and cash equivalents**

Balances with banks:		
– Deposits with original maturity between three and twelve months	1.00	1.00
	<b>1.00</b>	<b>1.00</b>

*(This space has been intentionally left blank)*

**10 Equity Share capital**

	As at 31 March 2026	As at 31 March 2025
<b>Authorised share capital</b>		
146,781,849 (31 March 2025 : 146,781,849) equity shares of Rs. 10/- each	1,467.82	1,467.82
<b>Issued, subscribed and paid-up capital</b>		
116,616,312 (31 March 2025 : 116,616,312) equity shares of Rs. 10/- each	1,166.16	1,166.16
	<b>1,166.16</b>	<b>1,166.16</b>

**a) Reconciliation of share capital is given below:**

	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	Rs.	No. of Shares	Rs.
<b>Equity shares</b>				
At the beginning of the year	11,66,16,312	1,166.16	11,66,16,312	1,166.16
At the end of the year	<b>11,66,16,312</b>	<b>1,166.16</b>	<b>11,66,16,312</b>	<b>1,166.16</b>

**b) Terms/rights attached to class of shares****Equity shares**

The Company has only one class of shares referred to as Equity Shares having a par value of Rs.10 each. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Shares held by holding company and/or their fellow subsidiaries/associates**

Name of the shareholder	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	Rs.	No. of Shares	Rs.
<b>Equity shares of Rs. 10 each fully paid-up</b>				
(i) MSSL Mauritius Holdings Ltd	11,66,16,306	1,166.16	11,66,16,306	1,166
(ii) Motherson Electrical Wires Lanka Pvt. Ltd. - as nominee of MSSL Mauritius Holdings Ltd	1	*	1	*
(iii) Mr. Sanjiv Suri - as nominee of MSSL Mauritius Holdings Ltd	1	*	1	*
(iv) MSSL Mideast (FZE) - as nominee of MSSL Mauritius Holdings Ltd	1	*	1	*
(v) Mr. Bharat Garg - as nominee of MSSL Mauritius Holdings Ltd	1	*	1	*
(vi) Mr. Dhruv Mehra - as nominee of MSSL Mauritius Holdings Ltd	1	*	1	*
(vii) MSSL GMBH - as nominee of MSSL Mauritius Holdings Ltd	1	*	1	*

\* Value of shares is less than Rs. 10

**d) Details of shareholder(s) holding more than 5 percent of equity shares in the company**

Name of the shareholder	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	% of total shares in the class	No. of Shares	% of total shares in the class
<b>Equity shares of Rs. 10 each fully paid-up</b>				
(i) MSSL Mauritius Holdings Ltd	11,66,16,306	99.99%	11,66,16,306	99.99%

**e) Details of Shares held by Promoters**

**Promoter Name :** MSSL Mauritius Holdings Ltd the holding Company

Particulars	31 March 2026	31 March 2025
No. of shares at the beginning of the year	-	-
Change during the year	11,66,16,306	11,66,16,306
No. of shares at the end of the year	11,66,16,306	11,66,16,306
% of Total Shares	99.99%	99.99%
% change during the year	0.00%	0.00%

**11 Other equity**

	As at 31 March 2026	As at 31 March 2025
Securities premium account*	35.50	35.50
Retained earnings	1,294.41	1,115.00
Re-measurement gain / (loss) on defined benefit obligation	(36.59)	(22.20)
	<b>1,293.33</b>	<b>1,128.30</b>

\* Securities premium account is used to record the premium on issue of shares. It can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

	As at March 31, 2026	As at March 31, 2025
<b>12 Borrowings</b>		
<b>Current borrowings:</b>		
Factoring with Recourse - liabilities	117.72	95.07
<b>Total borrowings</b>	<b>117.72</b>	<b>95.07</b>

Nature of deferred tax assets / (liabilities)	Balance Sheet		Statement of Profit and Loss	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
<b>Deferred tax liability</b>				
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged in the financials	(47.09)	(31.13)	(15.96)	(8.58)
Re-measurement loss on defined benefit plan	(4.84)	-	(4.84)	2.30
<b>Gross deferred tax liability</b>	<b>(51.93)</b>	<b>(31.13)</b>	<b>(20.80)</b>	<b>(6.28)</b>
<b>Deferred tax assets</b>				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	27.32	17.60	9.72	2.80
Difference on account of timing difference in ROU Assets and Lease liabilities	8.80	7.57	1.23	0.17
Deferment of allowance of VRS payments to employees for 5 years under Sec. 35DDA (1)	14.53	24.72	(10.18)	(10.18)
Provision for doubtful debts	2.56	2.56	-	-
<b>Gross deferred tax asset</b>	<b>53.21</b>	<b>52.45</b>	<b>0.76</b>	<b>(7.22)</b>
<b>Net deferred tax liability / (asset)</b>	<b>(105.14)</b>	<b>(83.58)</b>	<b>(21.57)</b>	<b>0.94</b>

**Reconciliation of deferred tax liabilities (net):**

	As at 31 March 2026	As at 31 March 2025
Opening balance as of 1st April 2025	83.58	84.52
Tax income/(expense) during the period recognised in profit or loss	16.72	(1.80)
Tax income/(expense) during the period recognised in OCI	4.84	0.86
<b>Closing balance as at 31st March 2026</b>	<b>105.14</b>	<b>83.58</b>

	As at March 31, 2026	As at March 31, 2025
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**14 Trade payables**

Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	83.95	65.30
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,379.05	1,597.70
	<b>1,463.00</b>	<b>1,663.00</b>
Trade payables to Related parties (refer note 32c)	211.40	565.36
Trade payables to Others	1,251.60	1,097.64
	<b>1,463.00</b>	<b>1,663.00</b>

**Details of dues to Micro and Small Enterprises**

Based on the information available, the Company has outstanding dues and interest payable during the year ended and as at March 31, 2026 and March 31, 2025 that are required to be furnished under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 which is disclosed in Note no 35

**Terms and conditions of the above financial liabilities:**

Trade payables are non interest bearing and carry a credit period generally between 30 and 90 days. For terms and conditions with related parties, refer to Note 32C. For explanations on the Company's credit risk management processes, refer to Note 39.

**Ageing schedule**

As at Mar 31, 2026	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Current but not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	82.71	1.24	-	-	-	83.95
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	1,061.50	274.55	3.72	6.48	32.80	1,379.05
<b>Total</b>	<b>-</b>	<b>1,144.21</b>	<b>275.79</b>	<b>3.72</b>	<b>6.48</b>	<b>32.80</b>	<b>1,463.00</b>
As at March 31, 2025	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Current but not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	34.64	30.66	-	-	-	65.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	1,219.94	240.89	25.38	45.19	66.30	1,597.70
<b>Total</b>	<b>-</b>	<b>1,254.58</b>	<b>271.55</b>	<b>25.38</b>	<b>45.19</b>	<b>66.30</b>	<b>1,663.00</b>

	As at 31 March 2026	As at 31 March 2025
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**15 Other payables**

Payable on purchase of property, plant and equipment	15.82	54.56
Other Current liability payable	0.08	1.48
Provision for expenses	296.66	236.35
	<b>312.56</b>	<b>292.39</b>

**16(a) Current Employee benefit obligation**

Provision for compensated absences, bonus and others	29.22	72.29
	<b>29.22</b>	<b>72.29</b>

**16(b) Non-current Employee benefit obligation**

Provision for compensated absences, bonus and others	73.73	18.11
Provision for gratuity (refer note 31 A)	45.28	-
	<b>119.01</b>	<b>18.10</b>

**17 Other Current liabilities**

Statutory dues including provident fund and tax deducted at source	25.90	-
Other Deposit received	0.20	-
	<b>26.10</b>	<b>-</b>

**18 Revenue from contracts with customers**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

**Revenue from operations**

Sale of automotive parts - within India	5,484.26	5,453.85
Sale of automotive parts - outside India	180.77	83.75
Sale of services	230.49	346.55

**Other operating revenue**

Sale of tools	773.49	1,252.23
Sale of scrap	38.65	25.63

**Total revenue from contracts with customers**

	<b>6,707.66</b>	<b>7,162.01</b>
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**Timing of revenue recognition:**

Revenue recognised at a point in time	5,703.68	5,563.23
Revenue recognised over a period of time	1,003.98	1,598.78
	<b>6,707.66</b>	<b>7,162.01</b>

**Contract balances**

<b>Particulars</b>	<b>As at 31 March 2026</b>	<b>As at 31 March 2025</b>
Trade receivables (refer Note 8b)	942.18	1,449.39
Contract assets	223.54	222.82
Contract assets - Unbilled revenue (refer Note 5)	309.18	527.89
Contract liabilities	215.41	333.04

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Contract assets (Other than those pertaining to services) are initially recognised for revenue earned from development of tools and secondary equipment as receipt of consideration is conditional on successful completion and acceptance by the customer. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. The expected credit loss on contract assets is considered very low and hence no provision for credit loss is recorded in respect of contract assets.

The transaction price allocated to the remaining performance obligations related to tool development (unsatisfied or partially unsatisfied) are, as follows:

<b>Particulars</b>	<b>As at 31 March 2026</b>	<b>As at 31 March 2025</b>
Within one year	526.45	642.36
More than one year	196.21	348.75
	<b>722.66</b>	<b>991.11</b>

**19 Other income**

	<b>As at 31 March 2026</b>	<b>As at 31 March 2025</b>
Rental Income	1.50	1.50
Recovery of engineering cost	-	21.72
Liabilities no longer required written back *	5.35	39.73
Net gain on disposal of property, plant and equipment	1.74	24.76
Miscellaneous income	6.29	2.21
Income on change in value of investments in Mutual Funds (Liquid funds - Quoted)	2.49	-
	<b>17.37</b>	<b>89.92</b>

\*Represent payables / provision of prior years written back after completion of supplier reconciliation / customer negotiations or based on an internal review by management.

**20 Finance income**

	<b>As at 31 March 2026</b>	<b>As at 31 March 2025</b>
Interest income from		
- Bank deposits	3.31	10.95
- Loans given to related party	18.86	13.74
- Discounting of Security deposit	1.95	1.40
- Interest Income on Income tax refund	3.11	2.06
- Other Finance Income	1.45	1.51
	<b>28.68</b>	<b>29.66</b>

**SMRC Automotive Products India Limited**

Notes to financial statements for the year ended 31 Mar 2026

CIN: U34101MH2013FLC417942

*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

	<b>Year Ended 31 March 2026</b>	<b>Year Ended 31 March 2025</b>
<b>21 Cost of raw material and components consumed</b>		
Inventory at the beginning of the year	83.56	70.08
Add: Purchases	3,720.34	3,599.10
	<b>3,803.90</b>	<b>3,669.18</b>
Less: Inventory at the end of the year	111.11	83.56
Cost of raw material and components consumed	<b>3,692.79</b>	<b>3,585.62</b>
<b>22 Cost of tools sold</b>		
Purchases	757.47	1,065.17
Cost of tools sold	<b>757.47</b>	<b>1,065.17</b>
<b>23 Changes in inventories of finished goods, work-in-progress and traded goods</b>		
<b>Inventory at the end of the year</b>		
Work in progress	95.67	77.78
Finished goods	26.23	24.83
	<b>121.90</b>	<b>102.61</b>
<b>Inventory at the beginning of the year</b>		
Work in progress	77.78	74.56
Finished goods	24.83	25.94
	<b>102.61</b>	<b>100.50</b>
	<b>(19.29)</b>	<b>(2.11)</b>
<b>24 Employee benefits expense</b>		
Salaries, wages and bonus	398.62	452.32
Contribution to provident and other funds	29.90	30.61
Gratuity expense (refer note 31)	49.52	6.59
Staff welfare expense	90.76	82.23
	<b>568.80</b>	<b>571.75</b>

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**SMRC Automotive Products India Limited**

Notes to financial statements for the year ended 31 Mar 2026

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*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

	Year Ended 31 March 2026	Year Ended 31 March 2025
<b>25 Finance costs</b>		
Bank charges	2.32	-
Interest on lease liabilities (note 34)	12.81	14.15
	<b>15.13</b>	<b>14.15</b>
<b>26 Components of Other Comprehensive Income (OCI)</b>		
The disaggregation of changes to OCI is shown below:		
Re-measurement gains (losses) on defined benefit plans transferred to retained earnings	<b>19.23</b>	<b>3.41</b>
<b>27 Other expenses</b>		
Site maintenance and purchased services	46.71	29.80
Wages - Contractor	249.13	323.09
Power and fuel	164.72	201.87
Development and testing charges	137.98	259.82
Freight & forwarding charges (outbound)	68.95	89.10
Repairs - plant and machinery	186.20	248.48
Legal & professional fees	23.25	12.93
Information technology and service charges	46.38	111.63
Management Consultancy Expenses	114.85	111.69
Consumption of stores and spares and consumable tools	41.40	55.90
Travelling & conveyance	30.40	44.95
Rent	20.09	37.21
Insurance expense	14.61	27.25
Exchange [realised / unrealised] loss	22.56	13.26
Rates and taxes	15.76	3.54
Corporate social responsibility expenditure (refer note 28)	5.09	5.46
Payment to auditors (refer note A)	1.39	1.25
Printing & stationery	4.09	3.98
Communication costs	0.66	0.71
Miscellaneous expenses	4.01	7.91
	<b>1,198.23</b>	<b>1,589.83</b>
<b>A. Payment to auditor</b>		
As auditor :		
Statutory audit fee	0.60	0.60
Quarterly review for group reporting	0.60	0.45
Tax audit fee	0.15	0.15
Reimbursement of expenses	0.04	0.05
	<b>1.39</b>	<b>1.25</b>

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

28. Corporate social responsibility

Details of CSR expenditure:		Year Ended 31 March 2026	Year Ended 31 March 2025
a) Gross amount required to be spent by the Company during the year		5.09	5.46
b) Amount approved by the Board to be spent during the year		5.09	5.46
<b>c) Amount spent during the year ending on 31 Mar 2026:</b>			
	<b>In cash</b>	<b>Yet to be paid in cash</b>	<b>Total</b>
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	7.56	-	7.56
<b>d) Amount spent during the year ending on 31 March 2025:</b>			
	<b>In cash</b>	<b>Yet to be paid in cash</b>	<b>Total</b>
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	3.00	2.46	5.46
<b>e) Details related to spent / unspent obligations:</b>		<b>31-Mar-26</b>	<b>31-Mar-25</b>
i) Contribution to Public Trust		-	-
ii) Contribution to Swarn Lata Motherson Trust		7.56	3.00
iii) Unspent amount in relation to:		-	-
Ongoing project ^^		-	2.46
Other than ongoing project		-	-

^^ In respect of the unspent CSR amount for the previous year, the Company has, during the current year FY 2025-26, spent Rs. 2.46 Mn from the earmarked Unspent CSR A/c to Swarn Lata Motherson Trust. In respect of ongoing projects in the FY 2024-2025, the Company has transferred remaining unspent under sub-section (5) of section 135 of the Companies Act, to a special account in a scheduled bank earmarked for CSR fund on April 30, 2025 in compliance with the provision of sub-section (6) of section 135 of the said Act.

Details of ongoing project and other than ongoing project :

In case of Sec. 135(6) (Ongoing Project)							
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance		
With Company	In Separate CSR Unspent A/c		From Company's Bank account	From Separate CSR Unspent A/c	With company	In Separate CSR Unspent A/c	
<b>FY 2025-2026</b>							
-	2.46	5.09	5.09	2.46	-	-	
<b>FY 2024-2025</b>							
-	5.42	5.46	3.00	5.42	-	2.46	

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**SMRC Automotive Products India Limited**

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**29 Income tax expense**

The major components of income tax expense for the years ended 31 March 2026 and 31 March 2025 are:

**Profit or loss section**

Current Income tax:

Current income tax charge

**Deferred tax:**

Relating to the origination and reversal of temporary differences

**Income tax expense reported in the statement of the profit and loss**

**OCI section**

Deferred tax related to items recognised in OCI during the year:

Net (loss)/gain on remeasurements of defined benefit plans

**Deferred tax charged to OCI**

	<b>Year Ended 31 March 2026</b>	<b>Year Ended 31 March 2025</b>
	71.33	30.23
	(16.72)	1.80
	<b>54.61</b>	<b>32.03</b>
	4.84	0.86
	<b>4.84</b>	<b>0.86</b>

**Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate applicable for 31 March 2026 and 31 March 2025**

Accounting profit before income tax\*

Profit before tax multiplied by statutory income tax rate in India of 25.168%

(March 31, 2025: 25.168%)

**Effects of**

Impact of tax rate variation

CSR expenditure

Others

	232.74	109.39
	58.58	27.53
	-	-
	1.29	1.37
	(5.26)	3.14
	<b>54.61</b>	<b>32.03</b>

\*Other comprehensive income and related tax consequences not considered

**30 Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

		<b>Year Ended 31 March 2026</b>	<b>Year Ended 31 March 2025</b>
Profit / (loss) after tax		179.42	152.53
Net profit attributable to equity holder of the Company used in calculating earning per share	(A)	179.42	152.53
Weighted average number of equity shares for calculating basic EPS	(B)	11,66,16,312	11,66,16,312
<b>Effect of dilution</b>			
Potential convertible equity shares	(C)	-	-
Weighted average number of equity shares for calculating diluted EPS	(D=B+C)	11,66,16,312	11,66,16,312
- Basic EPS (in Rs.)	(A/B)	1.54	1.31
- Diluted EPS (in Rs.)	(A/D)	1.54	1.31

**31 A. Gratuity plan**

The Company has a defined gratuity plan (funded). Every employee who has completed five years or more of service gets a gratuity on departure equivalent to 15 days salary (last drawn salary) for each completed year of service or part thereof in excess of 6 months. The scheme is funded with a Public insurance company in the form of a qualifying insurance policy.

The following tables summarises the components of net benefit expense recognised in the statement of profit and loss, the funded status and amounts recognised in the balance sheet for the respective plans.

	As at 31 March 2026	As at 31 March 2025
<b>Non-Current</b>		
Provision for gratuity (net)	45.28	-
	<b>45.28</b>	<b>-</b>
<b>Current</b>		
Provision for gratuity (net)	-	-
	<b>-</b>	<b>-</b>

**Statement of profit and loss****Net employee benefit expense (recognized in employee benefit expenses)**

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
Current service cost	7.23	6.60
Interest cost on benefit obligation	(1.06)	(0.01)
Past service cost	43.35	-
<b>Net benefit expense</b>	<b>49.52</b>	<b>6.59</b>

**Amount recognised in the statement of other comprehensive income**

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
Actuarial (gain) / loss due to DBO experience	22.53	(0.84)
Actuarial (gain) / loss due to DBO assumption changes	(3.30)	4.59
<b>Actuarial (gain) / loss arising during period</b>	<b>19.23</b>	<b>3.75</b>
Return on plan assets (greater)/less than discount rate	-	(0.34)
Total actuarial (gains)/losses	19.23	3.41
<b>Actuarial (gains)/ losses recognized in OCI</b>	<b>19.23</b>	<b>3.41</b>

**Balance sheet****Benefit liability**

Particulars	As at 31 March 2026	As at 31 March 2025
Present value of defined benefit obligation	117.36	58.33
Fair value of plan assets	(72.08)	(67.27)
<b>Plan liability</b>	<b>45.28</b>	<b>(8.94)</b>

**Changes in the present value of the defined benefit obligation are as follows:**

Particulars	As at 31 March 2026	As at 31 March 2025
Net defined benefit asset/ (liability) at end of prior period	58.33	66.45
Current service cost	7.23	6.59
Interest cost	3.33	4.37
Benefit paid	-	(0.29)
Settlement cost	-	-
Benefit paid directly by company	(14.11)	(7.79)
Actuarial (gains) / losses on obligation	22.54	3.75
Actuarial (gains) / losses on Financial Assumptions	(3.30)	-
Past service cost	43.35	(14.75)
<b>Closing defined benefit obligation</b>	<b>117.36</b>	<b>58.33</b>

**Changes in the defined benefit obligation and fair value of plan assets are as follows:**

Particulars	As at 31 March 2026	As at 31 March 2025
Fair value of plan assets at the beginning of the year	67.28	62.72
Expected return on plan assets	4.39	4.38
Contributions	0.42	0.12
Benefits paid	-	(0.29)
Actuarial gain / (loss) on plan assets	-	0.34
<b>Fair value of plan assets at the end of the year</b>	<b>72.09</b>	<b>67.28</b>

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The major categories of plan assets as a percentage of the fair value of total plan assets are as follows :

	As at 31 March 2026	As at 31 March 2025
Investments with the insurer	100%	100%

Amounts for the current year and previous year are as follows :

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
Defined benefit obligation	117.36	58.33
Fair value of Plan assets	(72.09)	(67.27)
Deficit/ (surplus)	45.29	(8.94)
Service cost	7.23	6.59
Defined benefit cost recognised in Profit or loss	49.52	6.59
Remeasurements recognised in Other Comprehensive Income (OCI) Loss/(Gains)	19.23	3.41

The principal assumptions used in determining gratuity benefit obligations for the Company's plan are shown below:

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
Discount rate	7.00%	6.50%
Expected return on plan assets	7.00%	7.20%
Salary escalation	8.00%	8.00%
Employee Turnover	2% - 8.5%	2% - 8.5%
Mortality rate	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.

The estimates of future salary increases, considered in actuarial valuation, take account of price inflation, regular increments and promotions and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

A quantitative sensitivity analysis for significant assumptions is as shown below:

Sensitivity level	Impact on defined benefit obligation	
	31 Mar 2026	31 March 2025
Defined Benefit Obligation - Discount Rate + 100 basis points	(4.98)	(4.98)
Defined Benefit Obligation - Discount Rate - 100 basis points	5.71	5.71
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	4.60	4.60
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(4.25)	(4.25)

Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	Expected benefit payment 31 Mar 2026	Expected benefit payment 31 March 2025
Within the next 12 months (next annual reporting period)	9.48	3.17
Between 2 and 5 years	37.79	17.06
Between 5 and 10 years	97.86	51.69
Beyond 10 years	-	-
<b>Total Expected payment</b>	<b>145.13</b>	<b>71.92</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (31 March 2025: 10 years).

**B. Other Long term Employee Benefits**

Actuarial assumptions for Long-term compensated absences	31 March 2026	31 March 2025
Discount rate	7.00%	6.50%
Expected return on plan assets	7.00%	7.20%
Salary escalation	8.00%	8.00%
Employee Turnover	2% - 8.5%	2% - 8.5%
Mortality rate	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.

The estimates of future salary increases considered in the actuarial valuation takes into account the inflation, seniority, promotions and other relevant factors. The discount rate is based on the prevailing market yields of the government of India securities as at Balance sheet date for the estimated term of the obligations.

**SMRC Automotive Products India Limited**

**Notes to financial statements for the year ended 31 Mar 2026**

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*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

**32 Related party disclosure**

**a) Names of related parties and related party relationship**

<b>Description of relationship</b>	<b>Name of the party</b>
Ultimate holding company	Samvardhana Motherson International Limited - India (formerly known as Motherson Sumi Systems Limited)
Holding company	MSSL Mauritius Holdings Ltd
Fellow subsidiaries/body corporates	SMRC Automotives Techno Minority Holdings B.V. - Netherlands SMRC Automotive Holdings Netherlands B.V. - Netherlands SMRC Automotive Interiors Japan Ltd. - Japan SMRC Automotive Technology RU LLC - Russia Samvardhana Motherson Reydel Autotecc Morocco SAS - Morocco Yujin SMRC Automotive Techno Corp. - Korea SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltda. - Brazil SMRC Automotive Interior Modules Croatia d.o.o. - Croatia PT SMRC Automotive Technology Indonesia - Indonesia SMRC Automotive Modules France SAS - France SMRC Automotive Smart Interior Tech (Thailand) Ltd. - Thailand Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U. - Spain SMRC Automotive Interiors Products Poland SA - Poland SMRC Smart Interior Systems Germany GmbH - Germany SMRC Smart Automotive Interior Technologies USA, LLC - USA SMRC Automotive Solutions Slovakia s.r.o. - Slovakia SMRC Automotive Interiors Spain S.L.U. - Spain SMRC Automotives Technology Phil Inc. - Philippines SMRC Automotive Tech Argentina S.A. - Argentina SMR Automotive Systems India Limited - India Samvardhana Motherson Innovative Engineering Limited [A unit of SAMIL] - India SMIIEI(A Unit Of SAMIL) Samvardhana Motherson Global Management Services - India Anest Iwata Motherson Coating Equipment Private Limited - India Anest Iwata Motherson Pvt. Ltd. CTM India Limited - India Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India Samvardhana Motherson Global Carriers Limited - India Samvardhana Motherson International Limited SMP Automotive Produtos Automotivos Do Brasil Ltda - Brazil Motherson Technology Service Limited - India Motherson Air Travel Agencies Limited - India Motherson Consultancies Services Limited - India Motherson Sumi Wiring India Limited - India Motherson Lease Solutions Limited - India Motherson Automotive Lighting Toolroom Motherson Machinery and Automations Ltd - India Samvardhana Motherson Global (FZE) Motherson Auto Limited - India Systematic Conscom Limited - India Marelli Motherson Automotive Lighting India Private Limited - India Matsui Technologies India Ltd - India Saddles International Automotive & Aviation Interiors Private Limited - India Motherson Automotive Elastomers Technologies - India MSSL GmbH Motherson Global Investments B.V. Yachiyo India Manufacturing Private Ltd - India Motherson Macuato Solutions Limited Motherson Moulds and Diecasting Ltd - India
Key management personnel ('KMP')	Mr. Amit Bhakri - Director Mr. Sushil Mehta - Director Mr. Roopak Sharma -Director Mrs. Lata Unikrishanan - Director Mr. Satish Ladwa - Manager Mr. HariKrishna K S - Chief Financial Officer Mr. Vishwas Jain - Company Secretary resigned with effect from 12th August 2025

**SMRC Automotive Products India Limited**  
**Notes to financial statements for the year ended 31 Mar 2026**  
**CIN: U34101MH2013FLC417942**

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**b. Details of related party transactions during the year ended Mar 31, 2026 and March 31, 2025 and balance as at Mar 31, 2026 and March 31, 2025:**

Particulars	Holding / Ultimate holding company		Fellow subsidiaries/body corporate		Key managerial personnel		Total	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
<b>Transactions during the year</b>								
SMRC Automotive Modules France SAS - France	-	-	-	18.74	-	-	-	18.74
SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltda. - Brazil	-	-	-	13.55	-	-	-	13.55
Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India	782.16	835.61	-	-	-	-	782.16	835.61
Motherson Moulds and Diecasting Ltd - India	-	-	-	-	-	-	-	-
Saddles International Automotive & Aviation Interiors Private Limited - India	-	-	19.78	48.66	-	-	19.78	48.66
<b>Sales of automotive parts</b>	<b>782.16</b>	<b>835.61</b>	<b>19.78</b>	<b>80.95</b>	-	-	<b>801.94</b>	<b>916.56</b>
Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India	2.75	13.25	-	-	-	-	2.75	13.25
SMRC Automotive Interiors Japan Ltd. - Japan	-	-	-	16.80	-	-	-	16.80
Yujin SMRC Automotive Techno Corp. - Korea	-	-	3.82	3.73	-	-	3.82	3.73
SMRC Automotive Modules France SAS - France	-	-	-	14.07	-	-	-	14.07
SMRC Automotives Technology Phil Inc. - Philippines	-	-	3.00	2.36	-	-	3.00	2.36
SMRC Automotive Smart Interior Tech (Thailand) Ltd. - Thailand	-	-	6.81	12.09	-	-	6.81	12.09
Motherson Technology Service Limited - India	-	-	2.04	1.19	-	-	2.04	1.19
<b>Sale of services</b>	<b>2.75</b>	<b>13.25</b>	<b>15.67</b>	<b>50.24</b>	-	-	<b>18.42</b>	<b>63.49</b>
Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India	53.95	61.71	-	-	-	-	53.95	61.71
Saddles International Automotive & Aviation Interiors Private Limited - India	-	-	-	1.96	-	-	-	1.96
<b>Sale of assets</b>	<b>53.95</b>	<b>61.71</b>	-	<b>1.96</b>	-	-	<b>53.95</b>	<b>63.67</b>
Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India	1.50	1.50	-	-	-	-	1.50	1.50
<b>Other Income</b>	<b>1.50</b>	<b>1.50</b>	-	-	-	-	<b>1.50</b>	<b>1.50</b>
Motherson Sumi Wiring India Limited - India	-	-	-	2.62	-	-	-	2.62
Anest Iwata Motherson Coating Equipment Private Limited - India	-	-	-	4.63	-	-	-	4.63
Matsui Technologies India Ltd - India	-	-	-	6.54	-	-	-	6.54
Motherson Technology Service Limited - India	-	-	-	1.18	-	-	-	1.18
Motherson Automotive Lighting Toolroom	-	-	10.97	-	-	-	10.97	-
Motherson Sumi Wiring India Limited - India	-	-	5.00	-	-	-	5.00	-
Matsui Technologies India Ltd - India	-	-	0.10	-	-	-	0.10	-
SMRC Automotive Solutions Slovakia s.r.o. - Slovakia	-	-	0.01	-	-	-	0.01	-
Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India	828.86	720.14	-	-	-	-	828.86	720.14
Motherson Machinery and Automations Ltd - India	-	-	-	0.06	-	-	-	0.06
Motherson Automotive Elastomers Technologies - India	-	-	2.24	1.84	-	-	2.24	1.84
Saddles International Automotive & Aviation Interiors Private Limited - India	-	-	202.60	103.59	-	-	202.60	103.59
Anest Iwata Motherson Pvt. Ltd.	-	-	0.01	-	-	-	0.01	-
Motherson Macuato Solutions Limited	-	-	0.22	-	-	-	0.22	-
Systematic Conscom Limited - India	-	-	-	1.35	-	-	-	1.35
<b>Purchase of automotive parts and spares</b>	<b>828.86</b>	<b>720.14</b>	<b>221.16</b>	<b>121.81</b>	-	-	<b>1,050.02</b>	<b>841.95</b>
Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India	127.94	62.25	-	-	-	-	127.94	62.25
SMIIEI(A Unit Of SAMIL)	-	-	-	-	-	-	-	-
CTM India Limited - India	-	-	62.18	83.72	-	-	62.18	83.72
Marelli Motherson Automotive Lighting India Private Limited - India	-	-	-	14.50	-	-	-	14.50
Motherson Moulds and Diecasting Ltd - India	-	-	-	34.28	-	-	-	34.28
<b>Purchase of Tools</b>	<b>127.94</b>	<b>62.25</b>	<b>62.18</b>	<b>132.50</b>	-	-	<b>190.12</b>	<b>194.75</b>
Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India	55.95	41.16	-	-	-	-	55.95	41.16
Motherson Technology Service Limited - India	-	-	40.48	42.64	-	-	40.48	42.64
SMRC Automotive Modules France SAS - France	-	-	-	34.11	-	-	-	34.11
Samvardhana Motherson Global (FZE)	-	-	61.09	49.47	-	-	61.09	49.47
<b>Administration, Information Technology and Service Charges</b>	<b>55.95</b>	<b>41.16</b>	<b>101.57</b>	<b>126.23</b>	-	-	<b>157.52</b>	<b>167.39</b>
Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India	28.50	224.75	-	-	-	-	28.50	224.75
<b>Development and testing charges</b>	<b>28.50</b>	<b>224.75</b>	-	-	-	-	<b>28.50</b>	<b>224.75</b>

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

**b. Details of related party transactions during the year ended Mar 31, 2026 and March 31, 2025 and balance as at Mar 31, 2026 and March 31, 2025:**

Particulars	Holding / Ultimate holding company		Fellow subsidiaries/body corporate		Key managerial personnel		Total	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Systematic Conscom Limited - India	-	-	10.67	17.62	-	-	10.67	17.62
Motherson Lease Solutions Limited - India	-	-	7.54	5.37	-	-	7.54	5.37
Motherson Air Travel Agencies Limited - India	-	-	14.80	28.24	-	-	14.80	28.24
Motherson Consultancies Services Limited - India	-	-	-	0.14	-	-	-	0.14
Samvardhana Motherson Global Carriers Limited - India	-	-	45.09	55.88	-	-	45.09	55.88
Samvardhana Motherson Global Management Services - India	-	-	11.70	0.19	-	-	11.70	0.19
SMRC Automotive Interiors Japan Ltd. - Japan	-	-	-	9.90	-	-	-	9.90
Matsui Technologies India Ltd - India	-	-	0.95	-	-	-	0.95	-
Anest Iwata Motherson Coating Equipment Private Limited - India	-	-	0.89	-	-	-	0.89	-
CTM India Limited - India	-	-	0.26	-	-	-	0.26	-
<b>Purchase of Services</b>	-	-	<b>91.90</b>	<b>117.34</b>	-	-	<b>91.90</b>	<b>117.34</b>
Yachiyo India Manufacturing Private Ltd - India	-	-	18.31	12.46	-	-	18.31	12.46
<b>Interest received from loans given to Related Party</b>	-	-	<b>18.31</b>	<b>12.46</b>	-	-	<b>18.31</b>	<b>12.46</b>
Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India	8.15	22.18	-	-	-	-	8.15	22.18
MSSL Mauritius Holdings Ltd	-	0.73	-	-	-	-	-	0.73
<b>Reimbursement of expenses</b>	<b>8.15</b>	<b>22.91</b>	-	-	-	-	<b>8.15</b>	<b>22.91</b>
Short term employee benefit (Including Provident fund paid as employer contribution)	-	-	-	-	13.94	12.91	13.94	12.91
<b>Remuneration to KMP #</b>	-	-	-	-	<b>13.94</b>	<b>12.91</b>	<b>13.94</b>	<b>12.91</b>
Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India	74.25	188.71	-	-	-	-	74.25	188.71
Anest Iwata Motherson Pvt. Ltd.	-	-	6.39	-	-	-	6.39	-
Motherson Moulds and Diecasting Ltd - India	-	-	-	-	-	-	-	-
Matsui Technologies India Ltd - India	-	-	8.72	15.23	-	-	8.72	15.23
Motherson Technology Service Limited - India	-	-	19.64	6.21	-	-	19.64	6.21
Samvardhana Motherson Global Carriers Limited - India	-	-	4.51	24.08	-	-	4.51	24.08
Systematic Conscom Limited - India	-	-	66.69	93.95	-	-	66.69	93.95
CTM India Limited - India	-	-	4.35	-	-	-	4.35	-
<b>Purchase of Capital Goods</b>	<b>74.25</b>	<b>188.71</b>	<b>110.30</b>	<b>139.47</b>	-	-	<b>184.54</b>	<b>328.18</b>
Yachiyo India Manufacturing Private Ltd - India	-	-	300.00	200.00	-	-	300.00	200.00
<b>Loans given to related party</b>	-	-	<b>300.00</b>	<b>200.00</b>	-	-	<b>300.00</b>	<b>200.00</b>
Motherson Lease Solutions Limited - India	-	-	0.58	-	-	-	0.58	-
<b>Capital advances</b>	-	-	<b>0.58</b>	-	-	-	<b>0.58</b>	-

# The remuneration to KMP includes remuneration paid to all the KMPs in the Company. Also, as the future liability for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, and the amount pertaining to the KMP is not ascertainable and hence not included above.

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**SMRC Automotive Products India Limited**
**Notes to financial statements for the year ended 31 Mar 2026**
**CIN: U34101MH2013FLC417942**
*(All amounts are in millions of Indian Rupees, unless otherwise stated)*
**c. Details of related party transactions during the year ended March 31, 2026 and March 31, 2025 and balance as at March 31, 2026 and March 31, 2025:**

Particulars	Holding / Ultimate holding company		Fellow subsidiaries / body corporate		Key managerial personnel		Total	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
<b>Balance receivable as at the year end:</b>								
SMRC Automotive Modules France SAS - France	-	-	-	44.61	-	-	-	44.61
SMRC Automotive Smart Interior Tech (Thailand) Ltd. - Thailand	-	-	-	1.50	-	-	-	1.50
SMRC Automotive Interiors Japan Ltd. - Japan	-	-	-	5.13	-	-	-	5.13
Motherson Technology Service Limited - India	-	-	-	2.12	-	-	-	2.12
SMRC Automotives Technology Phil Inc. - Philippines	-	-	-	1.15	-	-	-	1.15
Saddles International Automotive & Aviation Interiors Private Limited - India	-	-	-	40.83	-	-	-	40.83
SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltda. - Brazil	-	-	-	2.92	-	-	-	2.92
Yujin SMRC Automotive Techno Corp. - Korea	-	-	0.93	2.94	-	-	0.93	2.94
CTM India Limited - India	-	-	116.17	-	-	-	116.17	-
Saddles International Automotive & Aviation Interiors Private Limited - India	-	-	1.20	-	-	-	1.20	-
Motherson Lease Solutions Limited - India	-	-	0.41	-	-	-	0.41	-
Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India	169.10	156.16	-	-	-	-	169.10	156.16
Yachiyo India Manufacturing Private Ltd - India	-	-	500.00	201.41	-	-	500.00	201.41
<b>Total</b>	<b>169.10</b>	<b>156.16</b>	<b>618.71</b>	<b>302.61</b>	-	-	<b>787.81</b>	<b>458.77</b>
<b>Balance payable as at the year end:</b>								
SMRC Automotive Holdings Netherlands B.V. - Netherlands	-	-	-	100.95	-	-	-	100.95
Motherson Global Investments B.V.	-	-	9.00	-	-	-	9.00	-
SMRC Automotive Modules France SAS - France	-	-	-	11.06	-	-	-	11.06
SMRC Automotive Interiors Japan Ltd. - Japan	-	-	-	6.44	-	-	-	6.44
Anest Iwata Motherson Pvt. Ltd.	-	-	0.15	1.74	-	-	0.15	1.74
Samvardhana Motherson Global (FZE)	-	-	9.95	12.11	-	-	9.95	12.11
Marelli Motherson Automotive Lighting India Private Limited - India	-	-	-	0.81	-	-	-	0.81
Motherson Technology Service Limited - India	-	-	8.25	11.11	-	-	8.25	11.11
Motherson Sumi Wiring India Limited - India	-	-	0.94	-	-	-	0.94	-
Samvardhana Motherson Global Carriers Limited - India	-	-	9.22	3.47	-	-	9.22	3.47
MSSL GmbH	-	-	0.36	0.30	-	-	0.36	0.30
Motherson Air Travel Agencies Limited - India	-	-	1.79	7.42	-	-	1.79	7.42
Motherson Machinery and Automations Ltd - India	-	-	-	0.05	-	-	-	0.05
Matsui Technologies India Ltd - India	-	-	3.12	2.55	-	-	3.12	2.55
Systematic Conscom Limited - India	-	-	7.62	24.38	-	-	7.62	24.38
Motherson Automotive Lighting Toolroom	-	-	0.37	-	-	-	0.37	-
Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India	140.28	446.79	-	-	-	-	140.28	446.79
Saddles International Automotive & Aviation Interiors Private Limited - India	-	-	30.30	30.15	-	-	30.30	30.15
Motherson Lease Solutions Limited - India	-	-	-	5.57	-	-	-	5.57
Motherson Automotive Elastomers Technologies - India	-	-	0.20	-	-	-	0.20	-
<b>Total</b>	<b>140.28</b>	<b>446.79</b>	<b>81.26</b>	<b>218.11</b>	-	-	<b>221.54</b>	<b>664.90</b>
<b>Advance paid to vendors open as on year end:</b>								
CTM India Limited - India	-	-	116.17	41.26	-	-	116.17	41.26
Motherson Automotive Technologies and Engineering [A Division of SAMIL] - India	0.54	-	-	-	-	-	0.54	-
Motherson Lease Solutions Limited - India	-	-	0.85	-	-	-	0.85	-
Motherson Macuato Solutions Limited	-	-	4.78	-	-	-	4.78	-
	<b>0.54</b>	-	<b>121.81</b>	<b>41.26</b>	-	-	<b>122.34</b>	<b>41.26</b>

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2025: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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**33 Segment reporting**

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".

**Geographical information**

The "Geographical Segments" comprises of domestic sales to customers located in India and overseas sales to customers located outside India.

Particulars	As at 31 Mar 2026	As at 31 March 2025
<b>Revenue from contract with customers</b>		
- India	6,526.89	7,078.26
- Outside India	180.77	83.75
<b>Total revenue per Statement of profit and loss</b>	<b>6,707.66</b>	<b>7,162.01</b>

**34 Leases****Finance lease commitments:**

Land represents land obtained on finance lease. The lease term is for 99 years and there is no escalation clause in the lease agreement. The lease deed provides for certain restrictions over the usage and subleasing of land, subject to conditions contained therein.

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

**Company as lessee**

The Company has lease contracts for various items of building and other equipment used in its operations. Leases of building generally have lease terms between 3 and 5 years, while other equipment generally have lease terms between 7 and 10 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios.

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

Particulars	Building	Other Equipments	Leasehold Land	Total
<b>As at 01 April 2024</b>	<b>168.25</b>	<b>3.10</b>	<b>141.18</b>	<b>312.53</b>
Additions	8.54	14.03	-	22.57
Depreciation Expense	67.29	3.49	2.13	72.91
Disposal	-	-	(24.54)	-24.54
<b>As at 31 March 2025</b>	<b>109.50</b>	<b>13.64</b>	<b>114.51</b>	<b>237.64</b>
<b>As at 01 April 2025</b>	<b>109.50</b>	<b>13.64</b>	<b>114.51</b>	<b>237.64</b>
Additions	-	13.36	-	13.36
Depreciation Expense	25.30	7.18	1.30	33.77
Disposal	(4.70)	(0.50)	-	(5.20)
<b>As at 31 Mar 2026</b>	<b>79.50</b>	<b>19.32</b>	<b>113.21</b>	<b>212.03</b>

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

Particulars	Building	Other Equipments	Leasehold Land	Total
<b>As at 01 April 2024</b>	<b>197.49</b>	<b>3.27</b>	-	<b>200.76</b>
Additions	-	14.03	-	14.03
Accretion of Interest	13.08	1.07	-	14.15
Rental Expense	82.12	4.25	-	86.38
<b>As at 01 April 2025</b>	<b>128.44</b>	<b>14.12</b>	-	<b>142.57</b>
Additions	-	6.97	-	6.97
Accretion of Interest	10.45	2.36	-	12.81
Rental Expense	32.89	8.79	-	41.69
<b>As at 31 Mar 2026</b>	<b>106.00</b>	<b>14.65</b>	-	<b>120.65</b>
		<b>31 Mar 2026</b>		<b>31 March 2025</b>
Current		89.54	-	88.71
Non Current		31.11	-	53.86
		<b>120.65</b>	-	<b>142.57</b>

The maturity analysis of lease liabilities is disclosed in Note 39 (C)

The effective interest rate which is the implicit rate used for the determination of the values of right-of-use assets and lease liabilities is considered as 9.35% for lease term of 4 years, 9.3%, for lease term of 5 years and 9.55%, for lease term of 9 years

The following are the amounts recognised in profit or loss:

Particulars	31 Mar 2026	31 March 2025
Depreciation expense of right-of-use assets	33.77	72.91
Interest expense on lease liabilities	12.81	14.15
Variable lease payments	(41.69)	(86.38)
<b>Total amount recognised in profit &amp; loss</b>	<b>4.89</b>	<b>0.68</b>

The Company had total cash outflows for leases of mINR 41.69 in 31 March, 2026 (mINR 86.38 in 31 March 2025). The Company also had non-cash additions to right-of-use assets and lease liabilities of mINR 46.58 in 31 March 2026 (mINR 87.06 in 31 March 2025).

**SMRC Automotive Products India Limited**

**Notes to financial statements for the year ended 31 Mar 2026**

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*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

**35 Information is required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.**

Particulars	As at	As at
	31 March 2026	31 March 2025
The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises	1.24	30.66
Interest due on above	-	-
<b>Total</b>	<b>1.24</b>	<b>30.66</b>
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	1.46	1.46
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	1.46	1.46

**36 Provisions and contingencies**

**a) Contingent liabilities (not provided for)**

Particulars	As at	As at
	31 March 2026	31 March 2025
In respect of Income tax matters*	200.83	200.83
In respect of Stamp duty**	18.08	18.08
In respect of Bank Guarantees	0.40	1.85
In respect of GST matters***	0.73	-
<b>Total</b>	<b>220.04</b>	<b>220.76</b>

\*

The Company has received assessment orders for certain transfer pricing adjustments under section 92CA, disallowances under section 37 and MAT credit under section 115JAA of the Income Tax Act, 1961 for the following financial years:

- FY 14-15 – Section 92CA adjustments - Upward adjustment amounting to INR 367.23 (tax demand amounting to Rs.187.50), (the Company has paid Rs.130.40 under protest)
- FY 15-16 – Section 37 disallowances - Upward adjustment amounting to INR 59.19 (tax demand amounting to Rs. 11.58 (the Company has paid Rs. 2.31 under protest)
- FY 17-18 – Section 115JAA - Disallowance of MAT credit amounting to INR 1.74

The Company has gone on an appeal and the above matters are pending with Commissioner of Income tax (Appeals). Further, Management is confident of obtaining favourable orders with regard to these matters.

\*\*

The Company has received a show cause notice on January 13, 2022 from the Office of the Collector of Stamp enforcement, Mumbai towards the payment of stamp duty amounting to Rs. 31.57 million pursuant to the Scheme of Arrangement between Visteon Automotive Systems India Private Limited with Visteon Interior Systems India Private Limited dated September 17, 2014. The Company is carrying a 50% of provision (Rs. 13.5 million) in the books with respect to the same and the remaining exposure has been disclosed as a contingent liability. Management is confident of succeeding in this appeal.

\*\*\*

The Company received a show-cause notice dated May 20, 2025, regarding GST for the financial year 2021-22, amounting to Rs. 1.22 million. Of this demand, Rs. 0.49 million has been accepted and paid to the GST authorities. The Company is contesting the remaining demand of Rs. 0.73 million and has filed an appeal with the Deputy Commissioner (Appeals), which is currently pending.

**b) Capital and other commitments**

Particulars	As at	As at
	31 March 2026	31 March 2025
Estimated amount of contracts remaining to be executed on capital account, net of advances	70.61	203.86
Unspent corporate social responsibility amount in relation to ongoing project	-	2.46
<b>Total</b>	<b>70.61</b>	<b>206.32</b>

SMRC Automotive Products India Limited

Notes to financial statements for the year ended 31 Mar 2026

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

37 Financial instruments by category

Fair values

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments as of 31 Mar 2026:

Particulars	Amortised Cost	Financial assets/liabilities at fair value through profit and loss	Total carrying value	Total fair value
<b>Financial assets</b>				
Contract Asset	223.54	-	223.54	223.54
Trade receivables	942.18	-	942.18	942.18
Other financial assets	488.11	-	488.11	488.11
Cash and Cash Equivalents	424.20	-	424.20	424.20
Other bank balances	1.00	-	1.00	1.00
<b>Total</b>	<b>2,079.03</b>	<b>-</b>	<b>2,079.03</b>	<b>2,079.03</b>
<b>Financial liabilities</b>				
Short Term Borrowings				
Lease liabilities	120.65	-	120.65	120.65
Trade payables	1,463.00	-	1,463.00	1,463.00
Other payables	312.56	-	312.56	312.56
<b>Total</b>	<b>1,896.21</b>	<b>-</b>	<b>1,896.21</b>	<b>1,896.21</b>

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments as of 31 March 2025:

Particulars	Amortised Cost	Financial assets/liabilities at fair value through profit and loss	Total carrying value	Total fair value
<b>Financial assets</b>				
Contract Asset	222.82	-	222.82	222.82
Trade receivables	1,449.39	-	1,449.39	1,449.39
Other financial assets	677.45	-	677.45	677.45
Cash and Cash Equivalents	219.01	-	219.01	219.01
Other bank balances	1.00	-	1.00	1.00
<b>Total</b>	<b>2,569.67</b>	<b>-</b>	<b>2,569.67</b>	<b>2,569.67</b>
<b>Financial liabilities</b>				
Lease liabilities	142.57	-	142.57	142.57
Trade payables	1,663.00	-	1,663.00	1,663.00
Other payables	292.39	-	292.39	292.39
<b>Total</b>	<b>2,097.96</b>	<b>-</b>	<b>2,097.96</b>	<b>2,097.96</b>

The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

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**SMRC Automotive Products India Limited****Notes to financial statements for the year ended 31 Mar 2026**

CIN: U34101MH2013FLC417942

*(All amounts are in millions of Indian Rupees, unless otherwise stated)***38 Significant accounting judgements, estimates and assumptions**

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

**Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

**Estimates and assumptions**

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

**Employee benefit plans**

The cost of defined benefit gratuity plan and other post-employment benefits are determined using actuarial valuations. An actuarial valuation involves making 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 31.

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

**Design and engineering revenue recognition based on variable consideration**

With respect to the revenue recognition on the basis of variable consideration, specifically where such revenue has been recognised on a POCM basis, the Company performs periodical review of the underlying assumptions in connection with the variable consideration. On an ongoing basis, the Company reviews the assumptions in connection with the estimation of revenue (variable consideration) after taking into the account the developments / improvement of economic situation during significant parts of the year. The Company believes that the assumptions and judgements considered in this process are appropriate and adequate.

**Provision and contingent liability**

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements.

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**SMRC Automotive Products India Limited****Notes to financial statements for the year ended 31 Mar 2026****CIN: U34101MH2013FLC417942***(All amounts are in millions of Indian Rupees, unless otherwise stated)***Useful lives of depreciable assets**

Management reviews the useful lives of depreciable assets at each reporting date. As at March 31, 2026, the management has assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

**Provision for inventories**

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

**Taxes**

Deferred Tax Assets are recognised for unused tax losses which has been incurred by the Company during the current and the previous years as per the provisions of Income Tax Act, 1961. These Deferred Tax Assets have been recognised to the extent that it is probable that taxable profits will be available in the future against which such losses can be utilised. Significant Management judgement through the future period taxable profitability analysis is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**Leases - Determining the Lease term of contracts with renewal and termination options - Company as a Lessee**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow.

**Allowance for uncollectible trade receivables**

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the aging of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them not be collectible.

**Estimation of warranty provisions**

The Company provides warranties for general repairs of defects that existed at the time of sale, as required by law. Provisions related to these assurance-type warranties, are recognised as and when the claims if any raised on products sold, or the service provided to the customer and are based on the management experience and expectations. Further, initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually if any. During the current year no provision is recognised.

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**SMRC Automotive Products India Limited****Notes to financial statements for the year ended 31 Mar 2026**

CIN: U34101MH2013FLC417942

*(All amounts are in millions of Indian Rupees, unless otherwise stated)***39 Financial instruments risk management objectives and policies**

The Company's principal financial liabilities comprise trade and other payables. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company does not have derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**(a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk relevant for the Company is the currency risk.

The sensitivity analysis in the following sections relate to the position as at March 31, 2026 and March 31, 2025.

**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has certain financial assets and financial liabilities in foreign currencies which expose the Company to foreign currency risks. The Company does not take any active steps to hedge the foreign currency exposure since Management believes that there is natural hedge to some extent and balance exposure does not have a significant impact on the Company.

**Foreign currency sensitivity**

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 EUR and 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.

	31 March 2026		31 March 2025	
	Change in exchange rate	Effect on profit before tax	Change in exchange rate	Effect on profit before tax
USD against INR	+5%	(6.14)	+5%	(0.28)
	(5%)	6.14	(5%)	0.28
Euro against INR	+5%	(6.34)	+5%	(0.27)
	(5%)	6.34	(5%)	0.27

**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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**SMRC Automotive Products India Limited****Notes to financial statements for the year ended 31 Mar 2026**

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*(All amounts are in millions of Indian Rupees, unless otherwise stated)***(b) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. The Company only deals with parties, that have good credit rating based on Company's internal assessment.

The Company has determined the default event on a financial asset to be when the counterparty fails to make contractual payments when they fall due, which are derived based on the Company's historical information.

To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Company considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtors ability to meet its obligations.
- Significant changes in the expected performance and behaviour of the debtors, including changes in the payment status of debtors in the Company and changes in the operating results of the debtors.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the debtors
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtors will enter bankruptcy or other financial reorganisation.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

**Financial instruments and cash deposits**

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks with high credit ratings.

**(c) Liquidity risk**

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Maturity profile of financial liabilities:**

The table below summarises the maturity profile of the Company's financial liabilities on the reporting date based on contractual undiscounted payments.

<b>Particulars</b>	<b>Less than 1 year</b>	<b>More than 1 year</b>	<b>Total</b>
<b>As at 31 March 2026</b>			
Short Term Borrowings	117.72	-	<b>117.72</b>
Trade Payables	1,420.00	43.00	<b>1,463.00</b>
Other payables	312.56	-	<b>312.56</b>
Lease liabilities (undiscounted)	89.54	31.11	<b>120.65</b>
	<b>1,939.82</b>	<b>74.11</b>	<b>2,013.93</b>
<b>As at 31 March 2025</b>			
Short Term Borrowings	95.07	-	<b>95.07</b>
Trade Payables	1,526.14	136.86	<b>1,663.00</b>
Other payables	387.47	-	<b>387.47</b>
Lease liabilities (undiscounted)	88.71	53.86	<b>142.57</b>
	<b>2,097.39</b>	<b>190.72</b>	<b>2,288.11</b>

*(This space has been intentionally left blank)*

(All amounts are in millions of Indian Rupees, unless otherwise stated)

**40 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and reserves and surplus attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	Note	As at 31 March 2026	As at 31 March 2025
Short Term Borrowings	12	117.72	95.07
Less: Cash and cash equivalents	9(a)	(424.20)	(219.01)
<b>Net debt (A)</b>		<b>(306.48)</b>	<b>(123.94)</b>
<b>Equity attributable to owners of the Company (B)</b>		<b>2,459.49</b>	<b>2,294.46</b>
<b>Capital and net debt - C = (A+B)</b>		<b>2,153.01</b>	<b>2,170.52</b>
<b>Gearing ratio - (A/C)</b>		<b>(0.00%)</b>	<b>(0.00%)</b>

**41 Ratio analysis and its elements**

Ratio	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	Change	Reason for Changes column to be made
Current ratio	Current Assets	Current Liabilities	1.01	0.99	2.3%	-
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.05	0.04	15.5%	-
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Interest	Debt service = Interest & Lease Payments + Principal Repayments	4.72	4.96	-4.8%	-
Return on Equity ratio	Net Profits after taxes (-) Preference Dividend	Average Shareholder's Equity	7.55%	6.87%	9.8%	-
Inventory Turnover ratio	Cost of goods sold	Average Inventory	17.53	19.93	-12.0%	-
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.61	5.62	-0.2%	Due to decrease in Trade receivables in comparison to PY
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	2.86	2.75	4.2%	Due to decrease in purchases in comparison to PY
Net Capital Turnover Ratio	Net sales = Total sales (-) sales return	Working capital = Current assets (-) Current liabilities	321.31	-210.96	-252.3%	Due to improvement in working capital in comparison to PY
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	2.7%	2.1%	25.6%	Due to increase in Net Profit in comparison to PY
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	8.9%	4.2%	113.2%	Due to increase in EBIT in comparison to PY
Return on Investment	Interest (Finance income)	Investment	NA	NA	NA	

**42 Transfer Pricing**

The Company has entered into transactions with related parties during the year. The management confirms that it maintains documents as prescribed by the Income-tax Act, 1961 to prove that these transactions are at arm's length, however, the transfer pricing study is in progress and has not yet been completed. The management believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation for the year ended 31 March 2026. The management has obtained the Accountant's Report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act, 1961 for the year ended 31 March 2025.

**43** As per Section 203 of the Companies Act, 2013, the Company is required to appoint a whole-time Company Secretary, however the position remained vacant from 13 August 2025 to 31 March 2026 due to casual vacancy, the Company is taking appropriate steps for such appointment.

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

**44 Other Statutory Information**

(a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(b) The Company does not have any transactions with companies struck off during the year except for those mentioned below:-

Name of struck off company	Nature of transactions with struck off company	Balance outstanding MINR	Relationship with struck off company
Multitech System Industrial Automation Pvt Ltd	Supply of Service	-	Vendor

(c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(d) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(g) The Company have 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.

**45 Compliance of Audit Trail Reporting:**

The Company has used three accounting softwares eMpro, ePay and FAMS, for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software's where audit trail has been enabled.

**46 Events after the reporting period**

There are no adjusting subsequent events that occurred after the reporting period.

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

**48 Prior year comparatives**

Previous year figures have been regrouped where necessary to conform to current year's classification.

As per our report of even date

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

**Chartered Accountants**

ICAI Firm Registration number: 001211N/N500019

**For and on behalf of the Board of Directors of**

**SMRC Automotive Products India Limited**

CIN: U34101MH2013FLC417942

**Manoj Gupta**

Partner

Membership No.: 096776

Place: Noida

Date: 14th May, 2026

**Amit Bhakri**

Director

DIN : 08230325

Place: Noida

Date: 14th May, 2026

**Sushil Mehta**

Director

DIN : 11001351

Place: Noida

Date: 14th May, 2026

**Satish Narayan Ladwa**

Manager

PAN: ABZPL4601L

Place: Pune

Date: 14th May, 2026

**HariKrishna K S**

Chief Financial officer

PAN: AEBPH2199Q

Place: Noida

Date: 14th May, 2026