Registered Number: 102658

Samvardhana Motherson Reflectec Group Holdings Limited

Directors Report and Financial Statements
for the year ended 31 March 2021

Samvardhana Motherson Reflectec Group Holdings Limited (Registered Number: 102658)

Contents of the Financial Statements

For the year ended 31 March 2021

Samvardhana Motherson Reflectec Group Holdings Limited (Registered Number: 102658)

Company Information

For the year ended 31 March 2021

Directors

Chris Bowden (appointed 17th October 2020)
Vivek Chaand Sehgal
Bimal Dhar (resigned 30th June 2020)
Alice Read (resigned 17th October 2020)
Andreas Heuser (resigned 30th June 2020)
Laksh Vaaman Sehgal
Frances Allain
Alma Dauru (resigned 26th May 2020)

Secretary

Intertrust Fiduciary Services (Jersey) Limited

Independent Auditors

Ernst & Young LLP
Bedford House
16 Bedford Street
Belfast
BT2 7DT

Registered office

44 Esplanade,
St Helier,
Jersey JE4 9WG

Directors' Report
For the year ended 31 March 2021

The directors present their annual report and the audited financial statements for the year ended 31 March 2021.

PRINCIPAL ACTIVITIES
The principal activity of the company during year is that of a holding company and to facilitate the procurement of manufacturing components for the SMR Group that are used for the development and production of exterior and interior mirrors and other components for the international automotive industry.

REVIEW OF BUSINESS
The loss of the company for the financial year ended 31 March 2021 was €16,172,000 (2020 Profit: €27,853,000). As of 31 March 2021 the total assets of the company were €224,084,000 (2020: €331,852,000).

The loss of the company is due to impairment of investment in subsidiaries. This was partly compensated with the dividend and interest income from subsidiaries.
In FY 2020-21, the total assets of the company reduced by €107,768k. This was as a result of impairment of investments by €55,697k and reduction in loan and advances due from subsidiaries.

DIVIDENDS
No dividend has been paid or proposed by the directors during the year (2020 :€nil).

PRINCIPAL FINANCIAL RISKS AND UNCERTAINITIES
The principal financial risks and uncertainities facing the Company are summarised on the following pages:

Financial risk management
The Company gives considerable attention to its risk mitigation process and ensures that appropriate measures are taken to avoid, reduce and transfer or intentionally accept risk. The company is responsible for managing its own financial risk and secure cost-effective funding for operations and to minimise the adverse effects of fluctuations in the financial markets on the value of the financial assets and liabilities, on reported profitability and on the cash flows of the Company.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. Majority of the transactions are denominated in the functional currency of the Company. Therefore, the Company is not exposed to any significant foreign currency risk. Moreover, all the borrowings of the Company are also in the functional currency of the Company.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
Due to the fixed terms of interest at which borrowings are obtained and fixed terms for loans given to subsidiaries, the Company is not exposed to cash flow interest rate risk on financial assets and liabilities.

Credit risk
The risk of financial loss due to counterparty's failure to honour its obligations arises principally in relation to transactions where the Company provides funding to its subsidiaries. Credit risk arises from cash and cash equivalents and other receivables. For banks and financial institutions, the Company maintain banking relationships with only creditworthy banks which it reviews on an on-going basis. Consequently, the credit risk related to the bank balances is not considered material. Other receivables represent balances recoverable from Group companies; accordingly no credit risk arises on these balances.

Liquidity risk

Liquidity risk is defined as the risk that the Company could not be able to settle or meet its obligations on time or at a reasonable price. Company Treasury is responsible for liquidity, funding as well as settlement management. In addition, liquidity and funding risks, related processes and policies are overseen by management regularly.

Going concern

These financial statements are prepared under the assumption that the entity is a going concern. The directors of the Company believe that, on the basis of the future business plans and cash flows and the ability to raise funds as required, they have a reasonable expectation that the Company will continue as a going concern for a period to at least 31 March 2023 which is consistent with the company's going concern assessment. They also have a letter of parental support from Samvardhana Motherson Automotive Systems Group B.V., and the directors have assessed the ability of this entity to provide financial support should it be required and noted no issues. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

Vivek Chaand Sehgal
Alice Read (resigned 17th October 2020)
Laksh Vaaman Sehgal
Alma Dura (resigned 26th May 2020)
Frances Allain (appointed 26th May 2020)
Bimal Dhar(resigned 30th June 2020)(appointed as alternate director to Vivek Chaand Sehgal 30th June 2020)
Andreas Heuser(resigned 30th June 2020)(appointed as alternate director to Laksh Vaaman Sehgal 30th June 2020)
Chris Bowden (appointed 17th October 2020)

STATEMENT OF DIRECTORS' RESPONSIBILITY

The directors are responsible for preparing the Directors' Report and Financial Statements in accordance with applicable law and regulation.

Companies (Jersey) Law 1991 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the company affairs of the profit and loss for that year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. In preparing those financial statements the directors should:

1. select suitable accounting policies and then apply them consistently;
2. make judgements and accounting estimates that are reasonable and prudent;
3. state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
4. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm they have complied with all the above requirements in preparing the company financial statements.The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They have general responsibility for taking such steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Post Balance Sheet Events

The Company has not observed any subsequent event.

COVID 19

The Company is a holding company, it does not trade, and it does not have employees and therefore, has not seen a material impact as a result of COVID 19.

Independent Auditors

A resolution for the reappointment of Ernst & Young LLP as auditors of the Company will be proposed at the forthcoming annual general meeting.

By order of the Board,

ALEXANDER EVANS

Date: 08/07/2021

Independent auditors' report to the members of Samvardhana Motherson Reflectec Group Holdings Limited

For the year ended 31 March 2021

Opinion

We have audited the financial statements of Samvardhana Motherson Reflectec Group Holdings Limited (the "company") for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 19, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements, including the UK FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period up to 31 March 2023 from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the company, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the company's accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (International Financial Reporting Standards as adopted by the European Union) and the relevant tax compliance regulations in Jersey. In addition, we concluded that there are certain significant laws and regulations that may have an indirect effect on the determination of the amounts and disclosures in the financial statements. These are those laws and regulations relating to employee matters, health and safety, environmental and bribery and corruption practices.

- We understood how the company is complying with those frameworks by performing enquiries of management and directors. We corroborated our enquiries by performing a review of the company's board minutes as well as any relevant correspondence from regulatory bodies. We noted no contradictory evidence.

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the controls that the company established to address risks identified by the entity or that otherwise seek to prevent, deter or detect fraud. We gained an understanding of the entity level controls and policies that the company applies.

- Based on this understanding we designed our audit procedures to identify noncompliance with laws and regulations. Our procedures involved testing of journal entries, with a focus on journals indicating large or unusual transactions or meeting our defined risk criteria based on our understanding of the business, enquiries of management and the directors and review of legal correspondence. For journals selected we understood the nature and purpose of the journal, traced adjustments back to source documentation and tested that the journal had been authorised in line with company policy.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Neil Corry
for and on behalf of Ernst & Young LLP
Belfast
Date: 8 July 2021

Statement of Comprehensive Income

For the year ended 31 March 2021

A- Income Statement

	Note	Year ended 31 March 2021 €000	Year ended 31 March 2020 €000
Other Income	5	31,319	25,280
Other operating expenses	6	(1,390)	(1,395)
Operating profit		**29,929**	**23,885**
Finance Income	7	8,127	7,616
Finance Costs	7	(3,639)	(3,648)
Finance Income - net		**4,488**	**3,968**
Impairment of investment in subsidiaries	9	**(50,589)**	-
(Loss)/profit before income taxes		**(16,172)**	**27,853**
Income tax expense	8	-	-
(Loss)/profit for the year		**(16,172)**	**27,853**

B- Statement of Comprehensive Income

	Year ended 31 March 2021 €000	Year ended 31 March 2020 €000
(Loss)/profit for the year	(16,172)	27,853
Items that will not be reclassified to income statement		
Changes in the fair value of equity investments at fair value through other comprehensive income	(5,108)	(5,108)
Total comprehensive (loss)/income for the year	**(21,280)**	**22,745**

All of the actuals above relate to continuing operations.

The notes on pages 12 to 36 form an integral part of these financial statements.

Statement of Financial Position

As at 31 March 2021

	Note	As at 31 March 2021 €000	As at 31 March 2020 €000
Assets			
Non-current assets			
Investment	9	93,487	141,734
Trade & Other receivables	11	31,500	8,426
		124,987	**150,160**
Current assets			
Cash and cash equivalents	10	1,489	36
Trade & Other receivables	11	97,608	181,656
		99,097	**181,692**
Total Assets		**224,084**	**331,852**
Equity and liabilities			
Total Equity			
Share capital	13	30,450	30,450
Share premium		2,550	2,550
Capital reserve		215	215
Retained earnings		185,175	206,455
		218,390	**239,670**
Non-current liabilities			
Financial liabilities	12	-	-
		-	-
Current liabilities			
Financial liabilities	12	4,500	88,833
Other liabilities	14	1,194	3,349
		5,694	**92,182**
Total Liabilities		**5,694**	**92,182**
Total equity and liabilities		**224,084**	**331,852**

The notes on pages 12 to 36 form an integral part of these financial statements.

These financial statements were approved by the board of directors and authorised for issue on 8 July 2021 and were signed on its behalf by:

Christopher Bowden

Statement of Changes in Equity

For the year ended 31 March 2021

	Share capital	Share premium	Capital reserve	Retained earnings	Total Equity
	€000	€000	€000	€000	€000
As at 1 April 2019	**30,450**	**2,550**	**215**	**183,710**	**216,925**
Profit for the year and total comprehensive income	-	-	-	22,745	22,745
As at 31 March 2020	**30,450**	**2,550**	**215**	**206,455**	**239,670**
As at 1 April 2020	**30,450**	**2,550**	**215**	**206,455**	**239,670**
Loss for the year and total comprehensive loss	-	-	-	(21,280)	(21,280)
As at 31 March 2021	**30,450**	**2,550**	**215**	**185,175**	**218,390**

Share capital

The company has authorised share capital of 3,045,000,000 shares with a nominal value of Euro 0.01 each of which 3,045,000,000 shares are issued and fully paid.

Share premium

Share premium represents the amount subscribed for share capital in excess of the nominal value.

Capital reserve

Substantial shareholders of the Company Motherson Sumi Systems Limited and Samvardhana Motherson International Limited provide guarantees to the lenders for the loans granted to the company . These guarantees are provided without any cost to the Company and it is recognized as an equity contribution on the basis of the fair value of the guarantee provided.

Retained earnings

This reserve records retained earnings and accumulated losses.

The notes on pages 12 to 36 form an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2021

	Note	Year ended 31 March 2021 €000	Year ended 31 March 2020 €000
CASH FLOW FROM OPERATING ACTIVITIES			
Operating Profit		**29,929**	**23,885**
Adjustments for:			
Exchange Loss		7	11
Bad Debts/Advances written off		-	-
Dividend Received		(30,177)	(25,280)
		(30,170)	**(25,269)**
Operating cash flows before movements in working capital		**(241)**	**(1,384)**
Increase in trade receivables		(241)	-
Increase in other liabilities		16	253
		(225)	**253**
Income tax paid		-	-
Cash flow used in operating activities		**(466)**	**(1,131)**
CASH FLOW FROM INVESTING ACTIVITIES			
Investment in subsidiaries		(7,450)	(11,400)
Loans and advances given to subsidiaries		(43,190)	(16,810)
Loans and advances received from Subsidiaries		36,173	13,450
Loans and advances given to Related Party		(73,041)	(24,400)
Loans and advances received from Related Party		65,941	-
Dividend received		30,177	25,938
Interest received		7,276	7,158
Cash flow generated from/ (used in) investing activities		**15,886**	**(6,064)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		39,600	83,418
Payment of Interest		(5,809)	(2,791)
Repayment of borrowings		(47,751)	(73,534)
Cash flow (used in)/generated from financing activities		**(13,960)**	**7,093**
Net Increase/(decrease) in cash and cash equivalents		**1,460**	**(102)**
Cash and cash equivalents at beginning of year		36	138
Exchange loss on cash and cash equivalents		(7)	-
Cash and cash equivalents at end of year	**10**	**1,489**	**36**

The notes on pages 12 to 36 form an integral part of these financial statements.

1. GENERAL INFORMATION

Samvardhana Motherson Reflectec Group Holdings Limited (hereafter referred as "Company" or "SMRGHL") is a private company with limited liability, domiciled and incorporated under the laws of Jersey, having its corporate seat at Jersey with office at 44 The Esplanade, St Helier, Jersey JE4 9WG.

The financial statements of Samvardhana Motherson Reflectec Group Holdings Limited for the year ended 31 March 2021 were authorised for issue by the board of directors on 8 July 2021 and were signed on the board's behalf by Christopher Bowden.

2. SUMMARY OF SIGNIFICANTACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These polices have been consistently applied to all the periods presented, unless otherwise stated.

i) Basis of preparation

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the IFRS Interpretations Committee (IFRS IC) as adopted by the European Union.

The financial statements have been prepared on a historical cost basis and are presented in Euros (€).

The Company did not prepare consolidated financial statements on the basis of the exemption in IFRS 10 'Consolidated Financial Statements'. Its intermediary parent company Samvardhana Motherson Automotive Systems Group B.V., an entity incorporated in Netherlands produces consolidated financial statements for public use that have been prepared in accordance with IFRS. These consolidated financial statements are available at Hoogoorddreef 15, 1101 BA Amsterdam, The Netherlands.

ii) Going concern

These financial statements are prepared under the assumption that the entity is a going concern. The directors of the Company believe that, on the basis of the future business plans & cash flows and the ability to raise funds as required, they have a reasonable expectation that the Company will continue as a going concern for a period to at least 31 March 2023 which is consistent with the company's going concern assessment. They also have a letter of parental support from Samvardhana Motherson Automotive Systems Group B.V., and the directors have assessed the ability of this entity to provide financial support should it be required and noted no issues. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

iii) Investments in subsidiaries

Investments in subsidiaries are recognised and subsequently measured at cost. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the recoverable amount of an investment is less than its carrying amount, the investment is written down immediately to its recoverable amount and the impairment loss is recognised as an expense in the statement of comprehensive income.

iv) *Impairment of investments in subsidiaries*

The Company has tested investment in subsidiaries for impairment. The recoverable amounts of cash generating units have been determined based on value-in-use calculations. The Company follows the

iv) Impairment of investments in subsidiaries (continued)

guidance of IAS 36 'Impairment of Assets' to determine when investment in subsidiaries is impaired. IAS 36 requires impairment of an asset when its carrying amount exceeds its recoverable amount. In making this judgement, the Company evaluates and determines the recoverable amount of the interest in subsidiaries in accordance with IAS 36. In determining value in use, the Company estimates future cash flows from the asset on the basis of continuing use of the asset and its ultimate disposal by subsidiaries.

v) Foreign currency translation

The financial statements are presented in Euros, which is the Company's functional and presentation currency. Transactions in foreign currencies are initially recorded in the functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the rate of exchange prevailing on this date. All differences are taken to the statement of comprehensive income.

vi) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15. In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent measurement

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

- Financial assets at amortized cost (debt instruments)
- Financial assets designated at fair value through OCI
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the company. The company measures financial assets at amortized cost if both of the following conditions are met:

vi) Financial assets (continued)

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows And
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired. The Companies financial assets at amortized cost include trade receivables. Financial assets designated at fair value through OCI (debt instruments). A financial asset is classified as at the FVTOCI if both of the following criteria are met:

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

b. The asset's contractual cash flows represent SPPI.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income in statement of profit and loss using the EIR method.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the income statement when the right of payment has been established, except when the Companies benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Companies elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the income statement. This category includes derivative instruments.

vii) Loans and receivables

Loans and receivables are initially recognised at fair value plus transaction costs. Loans and receivables that have fixed or determinable payments and are not listed on an active market are measured at amortised cost using the effective interest method less any necessary write-downs arising from impairments. They are reported in the statement of financial position under other receivables and other assets unless they are trade receivables and are recorded as non-current or current depending on their maturity period.

viii) Trade and other receivables

Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15.

ix) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

x) Impairment of financial assets

For trade receivables and contract assets, the company applies a simplified approach in calculating Expected Credit Losses (ECLs). Therefore, the company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The company has established a provision matrix that is based on its historical credit loss experience, adjusted for any forward-looking factors specific to the debtors and the economic environment.

In accordance with IFRS 9, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b. Financial assets that are debt instruments and are measured as at FVTOCI
c. Lease receivables under IFRS 16
d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IFRS15
e. Loan commitments which are not measured as at FVTPL f. Financial guarantee contracts which are not measured as at FVTPL

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of IFRS 16

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.

x) Impairment of financial assets (continued)

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

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

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

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

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

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.

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

xi) Derecognition of financial assets and liabilities

A financial asset or liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where the Company has transferred a financial asset and retained substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognise the transferred asset in its entirety and recognises a financial liability for the consideration received.

Where 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 a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

xii) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

xiii) Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

xiv) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

xv) Derivative financial instruments

The company enters into derivative financial instruments to manage its exposure of foreign exchange, viz. foreign exchange forward contracts and cross currency swaps.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The company designates certain derivatives as either:

xv) Derivative financial instruments (continued)

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the company documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The company documents its risk management objective and strategy for undertaking its hedge transactions. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability if these are expected to be settled within 12 months of the reporting date, else these are classified as non-current.

xvi) Financial guarantee contracts

Financial guarantee contracts are recognised as financial liabilities at the date the guarantee is issued. The fair value of the financial guarantee is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligation.

Financial guarantee provided without consideration by the related companies are also measured in accordance with the IFRS- 9–"Financial Instruments" and recognized as equity contribution on the basis of its fair value.

Where guarantees in relation to loans or in relation to un-interrupted supply of raw materials to subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment in the financial statements of the Company.

xvii) Share capital

The Company has only one class of shares in issue, being ordinary shares. The par value of ordinary shares is €0.01.

xviii) Recognition of income and expenses

a) Dividends

Revenue is recognised when the company's right to receive payment is established.

b) Expense Recognition

Operating expenses are recognised when goods or services are used or when the expense is incurred. Anticipated losses from construction contracts are directly recognised as expenses.

xviii) Recognition of income and expenses (continued)

c) Interest income/expense

Interest is recognised using the effective interest method as an expense or income for the period in which it occurs.

xix) Changes in accounting policy and disclosure

The following amendments and interpretations, which were effective for the annual periods beginning on or after January 1, 2020, were adopted by the company. The adoption of these amendments did not have an impact on the financial Statements, nor these are expected to have any material impact on financial position or financial performance of the company going forward.

- Amendments to IFRS 3 - Business Combinations which change the definition of a business to enable entities to determine whether an acquisition is a business combination or an asset acquisition.

- Amendments to its definition of material in IAS 1, Presentation of Financial Statements and IAS 8, Accounting Policies, Changes in Accounting Estimates clarifying the definition of materiality to aid in application.

The aforementioned standards and changes did not have any impact on the Company's financial statements and therefore did not require retrospective adjustments.

xx) New standards and interpretations

In May 2020, the IASB issued an amendment to IFRS 16 - Leases to make it easier for lessees to account for COVID-19 related rent concessions such as rent holidays and temporary rent reductions. The amendment exempts lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and allows lessees to account for such rent concessions as if they were not lease modifications. It applies to COVID-19-related rent concessions that reduce lease payments due on or before June 30, 2021. During March 2021, the amendment was further extended to cover periods until June 30, 2022. The amendment does not affect lessors. The amendment did not impact the Annual financial statements of the company.

A number of other new standards and amendments to standards have been issued that are not yet effective. The impact of these are expected not to be material to the company.

3. Financial risk management

i) Risk management objectives and policies

The Company's principal financial liabilities comprise mainly loan taken from the group companies. The Company has financial assets such as receivables and cash and cash equivalents, which arise directly from its activities.

Financial instruments give rise to cash flow interest rate risk, foreign currency risk, credit risk, and liquidity risk. Information on how these risks arise is set out below, as are the objectives, policies and processes agreed by the board for their management and the methods used to measure each risk.

The objective of the Company's treasury is to manage the financial risk, secure cost-effective funding for the Company's and its subsidiaries operations and to minimise the adverse effects of fluctuations in the financial markets on the value of the Company's financial assets and liabilities, on reported profitability and on the cash flows of the Company. The treasury team is accountable to the board.

The Company gives considerable attention to its risk mitigation process and ensures that appropriate measures are taken to avoid, reduce and transfer or intentionally accept risk. However during the year the Company did not enter into any complex financial instruments nor had established any hedge relationship.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
Due to the fixed terms of interest at which borrowings are obtained and fixed terms for loans given to subsidiaries, the Company is not exposed to cash flow interest rate risk on financial assets and liabilities.

iii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Majority of the transactions are denominated in the functional currency of the Company. Therefore, the Company is not exposed to any significant foreign currency risk. Moreover, all the borrowings of the Company are also in the functional currency of the Company.

iv) Credit risk

The risk of financial loss due to counterparty's failure to honour its obligations arises principally in relation to transactions where the Company provides funding to its subsidiaries.

Credit risk arises from cash and cash equivalents and other receivables. For banks and financial institutions, the Company maintain banking relationships with only creditworthy banks which it reviews on an on-going basis. Consequently, the credit risk related to the bank balances is not considered material. Other receivables represent balances recoverable from group companies; accordingly, no credit risk arises on this balance.

The maximum exposure to credit risk regarding financial assets is the carrying amount as disclosed in the balance sheet

3. Financial risk management (continued)

iv) Credit risk (continued)

The following table shows the ageing of trade and other receivables that were not impaired:

	Total	Neither past due nor impaired	Past due but not impaired				
			< 30 days	30-90 days	90-180 days	180-360 days	>360 days
	€000	€000	€000	€000	€000	€000	€000
As at March 31, 2021							
Trade receivables	-	-	-	-	-	-	-
Cash and cash equivalents	1,489	1,489	-	-	-	-	-
Other assets and receivable	129,108	129,108	-	-	-	-	-
As at March 31, 2020							
Trade receivables	-	-	-	-	-	-	-
Cash and cash equivalents	36	36	-	-	-	-	-
Other assets and receivable	190,082	190,082	-	-	-	-	-

v) Liquidity risk

Liquidity risk is defined as the risk that the Company could not be able to settle or meet its obligations on time or at a reasonable price. Company Treasury is responsible for liquidity, funding as well as settlement management. In addition, liquidity and funding risks, related processes and policies are overseen by management regularly Financial liabilities for which the corresponding counterparty can demand repayment at any time are assigned to the earliest possible time period.

The following table summarises the maturity profile of the Company's financial liabilities:

	As At 31st March 2021		
	0-1 Year	1-5 Year	Total
	€000	€000	€000
Borrowings	4,508	-	**4,508**
Total	**4,508**	-	**4,508**

	As At 31st March 2020		
	0-1 Year	1-5 Year	Total
	€000	€000	€000
Borrowings	92,800	-	**92,800**
Total	**92,800**	-	**92,800**

The amounts included in the above table are the contractual undiscounted cash flows as a result these amounts will not reconcile to the amounts disclosed on the balance sheet.

3. Financial risk management (continued)

vi) Capital risk management

The overriding aim of the Company's capital management is to ensure that it will continue to be able to repay its debt and remain financially sound. For this purpose, an important indicator for the company is the gearing ratio of financial debt to shareholders' equity as shown in the statement of financial position. Since these terms are generally not governed by International Financial Reporting Standards their definition and calculation may vary from one company to another.

The following table shows the Company's equity and debt positions recognised for the purpose of capital management as of 31 March 2021:

	As at 31 March 2021	**As at 31 March 2020**
	€000	**€000**
Borrowings from related party (Refer Note 12)	4,500	88,833
Total Borrowings	**4,500**	**88,833**
Less: Cash & Cash Equivalents	(1,489)	(36)
Net Debt	**3,011**	**88,797**
Shareholder's Equity	218,390	239,670
Total Capital	**221,401**	**328,467**
Gearing Ratio	**1%**	**27%**

In addition to the debt / equity balance, the Company also manages the cash and cash equivalents position as defined in the balance sheet on an on-going basis in the context of capital management.

4. Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

4. Significant accounting judgements, estimates and assumptions (continued)

i) Impairment of financial assets

The company assesses at each reporting date whether there is an indication that a financial asset may be impaired. If any such indication exists, the company makes an estimate of the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. No Impairment has been provided during the year (2020- Nil).

ii) Impairment of investments

The Company assesses at each reporting date whether there is an indication that investment in subsidiaries may be impaired. If any such indication exists, the company follows the guidance of IAS 36 'Impairment of Assets' which requires an impairment of an asset when its carrying amount exceeds its recoverable amount.

In making this judgement, the Company evaluates and determines the recoverable amount of the interest in subsidiaries in accordance with IAS 36. In determining value in use, the Company estimates future cash flows from the asset on the basis of continuing use of the asset and its ultimate disposal by subsidiaries.

Addition in investment during the year was made into Motherson Innovations Company Limited of €7,450k (2020: €11,400k). Impairment in investment during the year relates to investment in Quanergy Systems, Inc of €5,108k (2020: €5,108k).
Further, due to continuous losses and with no visibility to substantiate the recoverability of investment, management has decided to impairment its' investment in Motherson Innovations Company Limited by €50,589k (2020: €Nil) so as to keep the investment at level of net asset value of €13,085k as mentioned in balance sheet of Motherson Innovations Company Limited for FY ended 31 March 2021.

iii) Fair value estimation

In order to determine the fair values for its financial assets and financial liabilities the company applies fair value measurement techniques which require inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Trade receivables, cash and cash equivalents and other financial assets (current) have remaining terms of less than one year and are non-interest bearing. Therefore, their carrying value as of the reporting date is approximately the same as their fair value. Trade liabilities, liabilities due to shareholders and other liabilities (current) have remaining terms of less than one year and is non-interest bearing. Therefore, their carrying value as of the reporting date is approximately the same as their fair value.

Most of the company borrowings carry interest at fixed rate of interest. Therefore, the carrying value as on the balance sheet date approximates the fair value.

5. Other Income

	Year ended 31 March 2021	Year ended 31 March 2020
	€000	€000
Dividend Income	30,177	25,280
Other Income	1,142	-
TOTAL	**31,319**	**25,280**

6. Other operating expenses

	Year ended 31 March 2021	Year ended 31 March 2020
	€000	€000
General administration expenses	163	673
Foreign exchange loss/(gain)	7	11
Bad Debts/Advances written off	-	-
Fees payable to the Company's auditor for the audit of the company	22	23
Fees payable to the Group auditor for the audit of the Group	90	130
Legal & Professional expenses	1,108	558
TOTAL	**1,390**	**1,395**

7. Finance income and costs

	Year ended 31 March 2021	Year ended 31 March 2020
	€000	€000
Interest Income on loans due from related parties	8,127	7,616
Total finance income	**8,127**	**7,616**
Interest expense on financial liabilities with related parties	3,639	3,648
Total finance expenses	**3,639**	**3,648**

8. Income tax expense

Profit arising in the company will be subject to Jersey tax at the standard corporate income tax rate at 0%. Hence there are no tax related amounts.

9. Investment

	As at 31 March 2021	As at 31 March 2020
	€000	€000
At 1 April	141,734	135,442
Additions during the year	7,450	11,400
Impairment in Investments	(55,697)	(5,108)
As at 31 March	**93,487**	**141,734**

Notes to the Financial Statements (continued)

For the year ended 31 March 2021

Addition in investment during the year was made into Motherson Innovations Company Limited of €7,450k (2020: €11,400k). Impairment in investment during the year relates to investment in Quanergy Systems, Inc of €5,108k (2020: €5,108k).

Further, due to continuous losses and with no visibility to substantiate the recoverability of investment, management has decided to impairment its' investment in Motherson Innovations Company Limited by €50,589k (2020: €Nil) so as to keep the investment at level of net asset value of €13,085k as mentioned in balance sheet of Motherson Innovations Company Limited for FY ended 31 March 2021.

Details of the investments in which the company hold are as follows:

Sr.No	Name of Company	Country of Incorporation	Category	Shareholding % age	Registered office address
1	SMR Automotive Technology Holding Cyprus Ltd.	Cyprus	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	ThemistokliDervi 3, Julia House P.C. 10066 Nicosia (Cyprus)
2	SMR Automotive Mirror Parts and Holdings UK Ltd.	UK	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	Castle Trading Estate, East Street, Portchester, Hampshire, PO16 9SD, England
3	SMR Automotive Holding Hong Kong Ltd	Hong Kong	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	Level 28 Three Pacific Place 1 Queen's Road East Hong Kong
4	SMR Automotive Systems India Ltd.	India	Subsidiary through SMR Automotive Technology Holding Cyprus Ltd.	51%	F - 7, Block B - 1, 2nd Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044
5	SMR Automotive Systems France S.A.	France	Subsidiary through SMR Automotive Technology Holding Cyprus Ltd.	100%	154, avenue du Lys, B.P. 5, 77191 Dammarie-Les-Lys Cedex, France
6	SMR Automotive Mirror Technology Holding Hungary Kft	Hungary	Subsidiary through SMR Automotive Technology Holding Cyprus Ltd.	100%	Szabadsag u. 35, PF 15, 9245 Mosonszolnok, Hungary
7	SMR Patents S.a.r.l.	Luxembourg	Subsidiary through SMR Automotive Mirror Parts and Holdings UK Ltd.	100%	Le Dôme 2-8 Avenue Charles de Gaulle, L-1653 Luxembourg
8	SMR Automotive Technology Valencia S.A.U.	Spain	Subsidiary through SMR Automotive Mirror Parts and Holdings UK Ltd.	100%	Ctra. Valencia-Ademuz Km 30.5 46160 - Liria - Valencia – Spain
9	SMR Automotive Mirrors UK Ltd.	UK	Subsidiary through SMR Automotive Mirror Parts and Holdings UK Ltd.	100%	Castle Trading Estate, East Street, Portchester,Hampshire,PO16 9SD, England

10	SMR Automotive Mirror International USA Inc.	USA	Subsidiary through SMR Mirrors UK Limited	100%	1855 Busha Highway, Marysville, Michigan 48040, USA
11	SMR Automotive Systems USA Inc.	USA	Subsidiary through SMR Automotive Mirror International USA Inc.	100%	1855 Busha Highway, Marysville, Michigan 48040, USA
12	SMR Automotive Beijing Co. Ltd.	China	Subsidiary through SMR Automotive Holding Hong Kong Ltd.	100%	#4 Bohai Road, Modern Industrial Park, Xianghe, Langfang, Hebei, China
13	SMR Automotive Yancheng Co. Ltd.	China	Subsidiary through SMR Automotive Holding Hong Kong Ltd.	100%	Yancheng Economic Development Zone, Yancheng 224007, Jiangsu, China
14	SMR Automotive Mirror Systems Holding Deutschland GmbH	Germany	Subsidiary through SMR Automotive Mirror Parts and Holdings UK Ltd.	100%	HedelfingerStraße 60, 70327 Stuttgart, Germany
15	SMR Holding Australia Pty Ltd.	Australia	Subsidiary through SMR Automotive Mirror Technology Holding Hungary Kft	100%	Sherriffs Road (corner of Aldershot Road), Lonsdale, South Australia 5160, Australia
16	SMR Automotive Australia Pty. Ltd.	Australia	Subsidiary through SMR Holding Australia Pty Ltd.	100%	Sherriffs Road (corner of Aldershot Road), Lonsdale, South Australia 5160, Australia
17	SMR Automotive Mirror Technology Hungary Bt	Hungary	Subsidiary through SMR Automotive Technology Holding Cyprus Ltd.	99.40%	Szabadsag u. 35, PF 15, 9245 Mosonszolnok, Hungary
18	SMR Automotive Mirror Technology Hungary Bt	Hungary	Subsidiary through SMR Automotive Mirror Technology Holding Hungary KFT	0.60%	Szabadsag u. 35, PF 15, 9245 Mosonszolnok, Hungary
19	SMR Automotive Modules Korea Ltd.	South Korea	Subsidiary through SMR Automotive Mirror Systems Holding Deutschland GmbH	100%	Ochang Science Industrial Complex (4-9 B/L), 170, Gwahaksaneop 1-ro,Oksan-myeon, heungdeok-gu, Dhungcheongbuk-do, Korea Postal Code: 28122

20	SMR Automotive Beteiligungen Deutschland GmbH	Germany	Subsidiary through SMR Automotive Mirror Systems Holding Deutschland GmbH	100%	HedelfingerStraße 60, 70327 Stuttgart, Germany
21	SMR Hyosang Automotive Ltd.	South Korea	Subsidiary through SMR Automotives Modules Korea Ltd.	100%	192-6, Chunui-Dong, Wonmi-Ku, Bucheon City, Kyunggi-Do, South Korea
22	SMR Automotive Mirrors Stuttgart GmbH	Germany	Subsidiary through SMR Automotive Mirror Systems Holding Deutschland GmbH	100%	HedelfingerStraße 60, 70327 Stuttgart, Germany
23	SMR Automotive Systems Spain S.A.U.	Spain	Subsidiary through SMR Automotive Mirrors Stuttgart GmbH	100%	Ctra. Valencia-Ademuz Km 30.5 46160 - Liria - Valencia - Spain
24	SMR Automotive Vision Systems Mexico S.A. de C.V.	Mexico	Subsidiary through SMR Automotive Mirrors Stuttgart GmbH	64.68%	Circuito Mexico No. 260 Mex-78395 San Luis Potosi, SLP
25	SMR Automotive Vision Systems Mexico S.A. de C.V.	Mexico	Subsidiary through SMR Automotive Systems Spain S.A.U.	35.32%	Circuito Mexico No. 260 Mex-78395 San Luis Potosi, SLP
26	SMR Grundbesitz GmbH & Co. KG	Germany	Subsidiary through SMR Automotive Mirror Systems Holding Deutschland GmbH	93.07%	HedelfingerStraße 60, 70327 Stuttgart, Germany
27	SMR Automotive Brasil LTDA	Brazil	Subsidiary through SMR Automotive Mirror Technology Holding Hungary Kft	100%	Av PacificoMoneda 3360, SitioVargeao, BairroCapotuna Jaguaríuna, Sao Paulo, Brasil CEP: 13820-000
28	SMR Automotive System (Thailand) Ltd.	Thailand	Subsidiary through SMR Automotive Technology Holding Cyprus Ltd.	100%	500/49 Moo3 , Hemara Eastern Seaboard Industrial Estate , Tasith , A. Pluckdaeng , Rayong , 21140 Thailand
29	Re-Time PTY Ltd	Australia	Subsidiary through SMR Automotive Australia Pty. Ltd..	100%	Suite 6, 15 King William Road UNLEY SA 5061
30	SMR Automotives Systems MacedonioDooel Skopje	Macedonia	Subsidiary through SMR Automotive Mirror Technology Holding Hungary Kft	100%	16, 8-mi Septemvri Blvd., Hyperium Business Centre, 2nd floor, 1000 Skopje – Karposh, Karposh

31	SMR Automotive Operations Japan K.K.	Japan	Subsidiary through SMR Automotive Mirror Technology Holding Hungary Kft	100%	45 KT building 4F, 1-16-4, Marunouchi, Naka-ku, Nagoya-City, Aichi, Japan
32	SMR Automotive (Langfang) Co. LTD	China	Subsidiary through SMR Automotive Mirror Systems Holding Deutschland GmbH	100%	#4 Bohai Road, Modern Industrial Park, Xianghe, Langfang, Hebei, China
33	SMR Automotive Vision System Operations USA INC	USA	Subsidiary through SMR Automotive Mirror Parts and Holdings UK Ltd.	100%	1855 Busha Highway, Marysville, Michigan 48040, USA
34	SMR Mirrors UK Limited	UK	Subsidiary through SMR Automotive Vision System Operations USA INC	100%	Castle Trading Estate, East Street, Portchester, Hampshire, PO16 9SD, England
35	Motherson Innovations Company Limited	UK	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	35 Great St. Helen's, London, EC3A 6AP
36	Motherson Innovations Deutschland GmbH	Germany	Subsidiary through Motherson Innovations Company Limited	100%	HedelfingerStraße 60, 70327 Stuttgart, Germany
37	Samvardhana Motherson Global (FZE)	UAE	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	H3-05B, Post Box -513142, Saif Zone, UAE
38	SMP AutomotiveSystems Alabama Inc	USA	Subsidiary through SMR Automotive Mirror International USA Inc.	100%	10799 Ed Stephens Road,Cottondale, AL 35453,USA
39	Samvardhana Motherson Corp Management Shanghai Co Ltd	China	Subsidiary through SMR Automotive Mirrors Stuttgart GmbH	100%	Room 2606,No.299 Tongren Road ,SOHO Exchange, Jing'anDistrict,Shanghai ,China 200040
40	Motherson Business Service Hungary Kft	Hungary	SMR Automotive Mirror Technology Hungary Bt	100%	Szabadsag u. 35, PF 15, 9245 Mosonszolnok, Hungary

10. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	As at 31 March 2021	As at 31 March 2020
	€000	€000
Cash at Bank	1,489	36

11. Trade and other receivables

Trade and other receivables comprise the following:

	As at 31 March 2021	As at 31 March 2020
	€000	€000
Loans, advances and receivables to subsidiaries	97,008	165,392
Loans, advances and receivables to related parties	31,570	24,402
Dividend receivable	-	-
Other Receivable	530	288
Other receivables and other assets	**129,108**	**190,082**
Current	97,608	181,656
Noncurrent	31,500	8,426

Loans to group companies and related parties are unsecured in nature. The details of the loan provided to the group companies are below:

€50,782 (2020: €24,401,522) at interest rate of 0.52% and repayable on 31 March 2021.
€31,519,441 (2020: €NIL) at interest rate of 2.75% and repayable on 31 March 2024.
€80,083,777 (2020: €153,526,725) at interest rate of 4.5% and repayable on 31 March 2021.
€ 903,116 (2020: € NIL) at interest rate of 5% and repayable on 30 June 2021.
€ 16,021,596 (2020: € 8,425,931) at interest rate of 5.5% and repayable on 31 Dec 2021.
€ NIL (2020: € 823,889) at interest rate of 5 % and repayable on 31 March 2021.
€ NIL (2020: € 2,583,194) at interest rate of 5 % and repayable on 31 March 2021.
€ NIL (2020: € 32,045) at interest rate of 5.5% and repayable on 10 Sept 2020.

12. Financial liabilities

As at 31 March 2021

Loan Amount	Interest Rate	Maturity	Current	Non-Current	Total
	%		€000	€000	€000
€5.0 m SMR UK[1]	5%	30-June-21	4,500	-	4,500
Total Liabilities to related parties			**4,500**	-	**4,500**

12 Financial liabilities (continued)

As at 31 March 2020

Loan Amount	Interest Rate %	Maturity	Current €000	Non-Current €000	Total €000
€9.0 m SMR UK[1]	5.25%	31-Mar-21	7,912	-	7,912
€80.0 m SMR Hungary[2]	4.50%	31-Mar-21	78,921	-	78,921
€5.0 m SMR Spain[4]	5.00%	30-Jun-20	2,000	-	2,000
€ 90.0 m SMRP B.V.[3]	4.50%	30-Jun-20	-	-	-
Total Liabilities to related parties			**88,833**	**-**	**88,833**

[1]The loan is unsecured taken from SMR Automotive Mirrors UK Ltd.
[2]This loan is unsecured taken from SMR Automotive Mirror Technology Hungary Bt.
[3]This loan is unsecured taken from Samvardhana Motherson Automotive Systems Group B.V.
[4]This loan is unsecured taken from SMR Automotive Systems Spain S.A.U

The carrying amount of the Company's borrowings is denominated in the following currencies:

	As at 31 March 2021 €000	As at 31 March 2020 €000
Euro	4,500	88,833

13. Share capital

	As at 31 March 2021 €000	As at 31 March 2020 €000
Allotted, called up and fully paid		
3,045,000,000 (2020 -3,045,000,000) Ordinary shares of Euro 0.01 each	30,450	30,450

Of the above ordinary shares:

- 2,997,723,339 (2020 - 2,997,723,339) ordinary shares are held by Samvardhana Motherson Automotive Systems Group B.V.
- 47,276,561 (2020 – 47,276,561) ordinary shares are held by Dr. Alfred Robert Schefenacker.
- 100 (2020 – 100) ordinary shares are held by Mr.Vivek Chaand Sehgal.

14. Other Liabilities

	As at 31 March 2021 €000	As at 31 March 2020 €000
Accruals	621	605
Interest on Borrowings	573	2,744
Current	**1,194**	**3,349**

15. Related party transactions

During the year the Company entered into transactions, in the ordinary course of business, with related parties. Transactions entered into, include the sale and purchase of goods and services. In addition, financing transactions have been undertaken.

Entities with significant influence over the Company

Samvardhana Motherson Automotive Systems Group B.V., the immediate parent company of Samvardhana Motherson Reflectec Group Holdings Limited holds 98.5% of the voting shares of the Company.

Samvardhana Motherson Automotive Systems Group B.V. is 69% owned by Samvardhana Motherson Global Holdings Limited and 31% owned by Samvardhana Motherson Polymers Limited.

Both Samvardhana Motherson Global Holdings Limited and Samvardhana Motherson Polymers Limited are indirectly held by both MSSL, India, which prepares financial statements available for public use and by SMIL, India. MSSL and SMIL are referred to as the substantial shareholders of the Company.

SMIL is owned by Mr. V.C. Sehgal and family. SMIL holds an equity interest (34.81%) in MSSL. Thus Samvardhana Motherson Reflectec Group Holdings Limited forms part of the Samvardhana Motherson Group controlled by Mr. V.C. Sehgal. As a result, SMIL and its direct and indirect held subsidiaries, except for the companies forming the subgroup of Samvardhana Motherson Reflectec Group Holdings Limited, are considered as related parties.

15. Related party transactions (continued)

Details of related party transactions for the year ended 31 March 2021:

	Holding company	Subsidiaries	Fellow Subsidiaries	Entities in which V.C. Sehgal and family holds significant influence	Total
	€'000	€'000	€'000	€'000	€'000
Interest receivable and similar income	49	8,059	19	-	**8,127**
Other income		342	800		**1,142**
Dividend Income	-	30,177	-	-	**30,177**
Interest payable and similar expense	76	3,563	-	-	**3,639**
Expenses incurred by others on behalf of the company	-	-	-	155	**155**
Lease rental and other expenses	-	-	4	-	**4**
Loans drawn down	11,100	28,500	-	-	**39,600**
Loan repayment made	11,100	36,651	-	-	**47,751**
Loans and advances given	41,541	43,190	31,500	-	**116,231**
Loans and advances repayment	65,941	36,173	-	-	**102,114**

Details of related party balances as at 31 March 2021:

	Holding company	Subsidiaries	Fellow Subsidiaries	Entities in which V.C. Sehgal and family holds significant influence	Total
	€'000	€'000	€'000	€'000	€'000
Receivables	-	94,615	31,500	-	**126,115**
Loan payables	-	4,500	-	-	**4,500**
Interest Receivable	51	2,923	19	-	**2,993**
Interest Payable	-	573	-	-	**573**
Other payables	-	-	-	7	**7**

15. Related party transactions (continued)

Details of related party transactions for the year ended 31 March 2020:

	Holding company	Subsidiaries	Fellow Subsidiaries	Entities in which V.C. Sehgal and family holds significant influence	Total
	€'000	€'000	€'000	€'000	€'000
Interest receivable and similar income	1	7,615	-	-	**7,616**
Dividend Income	-	25,280	-	-	**25,280**
Interest payable and similar expense	1,058	2,590	-	-	**3,648**
Expenses incurred by others on behalf of the company	-	-	-	645	**645**
Lease rental and other expenses	-	-	23	-	**23**
Loans drawn down	28,500	54,918	-	-	**83,418**
Loan repayment made	61,900	11,634	-	-	**73,534**
Loans and advances given	24,400	16,810	-	-	**41,210**
Loans and advances repayment	-	13,450	-	-	**13,450**

Details of related party balances as at 31 March 2020:

	Holding company	Subsidiaries	Fellow Subsidiaries	Entities in which V.C. Sehgal and family holds significant influence	Total
	€'000	€'000	€'000	€'000	€'000
Receivables	24,400	163,539	-	-	**187,939**
Loan payables	-	88,833	-	-	**88,833**
Interest Receivable	2	2,141	-	-	**2,143**
Interest Payable	92	2,652	-	-	**2,744**
Others payables	88	-	8	199	**295**

16. Financial instruments

The following table shows the carrying amounts and fair values of the Company's financial instruments

	Category according to IFRS 9	Carrying Amt. March 31, 2021	Measurement according to IFRS 9		Fair Value March 31, 2021
			Amortised cost	At fair value	
		€000	€000	€000	€000
Assets					
Other assets and receivable	LaR	129,108	129,108	-	129,108
Cash and cash equivalents	LaR	1,489	1,489	-	1,489
Liabilities					
Financial liability	FLAC	4,500	4,500	-	4,500
Other liabilities	FLAC	1,194	1,194	-	1,194
Thereof: aggregated by category according to IFRS 9					
Loans and receivables (LaR)		130,597	130,597	-	130,597
Financial liabilities carried at fair value through profit or loss (FVPL)		-	-	-	-
Financial liabilities measured at amortised cost (FLAC)		5,694	5,694	-	5,694

Notes to the Financial Statements (continued)
For the year ended 31 March 2021

	Category according to IFRS 9	Carrying Amt. March 31, 2020 €000	Measurement according to IFRS 9 Amortised cost €000	At fair value €000	Fair Value March 31, 2020
Assets					
Other assets and receivable	LaR	190,082	190,082	-	190,082
Cash and cash equivalents	LaR	36	36	-	36
Liabilities					
Financial liability	FLAC	88,833	88,833	-	88,833
Other liabilities	FLAC	3,349	3,349	-	3,349
Thereof: aggregated by category according to IFRS 9					
Loans and receivables (LaR)		190,118	190,118	-	190,118
Financial liabilities carried at fair value through profit or loss (FVPL)		-	-	-	-
Financial liabilities measured at amortised cost (FLAC)		92,182	92,182	-	92,182

Due to the short-term nature of cash and cash equivalents and the short-term maturities of trade receivables, trade payables, other receivables and liabilities, their fair values are equal to their carrying amounts.

As this is of little importance to the users, there is no tabular portrayal of the structure of each financial instrument class using the three-level fair value hierarchy. These three levels separate fair values by the significance of the factors of influence included in their measurement and show the extent to which market data is available when measuring the fair value.

The following table shows the interest income and expense for financial instruments:

	Year ended 31 March 2021 €000	Year ended 31 March 2020 €000
Loans and receivables	8,127	7,616
Financial liabilities measured at amortised cost	3,639	3,648

17. Financial Guarantees

The Company has provided guarantee in respect of credit line availed by its subsidiaries to a maximum amount of €47,559K as per exchange rate prevailing on 31 March 2021 (2020: €47,763K).

18. Directors Emoluments

None of the directors of Samvardhana Motherson Reflectec Group Holdings Limited (SMRGHL) receive their remuneration from the Company as these directors are either shareholders of substantial shareholdings of SMRGHL i.e. MSSL & SMIL or these directors have an operational role in other group companies and draw their remuneration from those companies and for which no recharge is made as their services to SMRGHL is considered incidental to their wider role. However, an amount of €5.5k (2020: €5.25k) was paid to two directors of SMRGHL in relation to sitting fees.

19. Ultimate parent company and controlling party

The company's immediate parent company is Samvardhana Motherson System Group B.V.(SMRPBV) a company incorporated in the Netherlands. SMRPBV is 69% owned by Samvardhana Motherson Global Holdings Limited (SMGHL), Cyprus and 31% Samvardhana Motherson Polymers Limited (SMPL), India. SMGHL and SMPL are jointly controlled by Motherson Sumi Systems Limited (MSSL) and Samvardhana Motherson International Limited (SMIL) in the ratio 51:49. SMIL and MSSL are substantial shareholders of the company.

However, the directors consider Motherson Sumi Systems Limited, a company incorporated in India, to be the company's ultimate parent and controlling party.

The financial statements of Samvardhana Motherson System Group B.V. are the smallest group which include the company and can be obtained from the following address:
Hoogoorddreef 15, 1101 BA Amsterdam, The Netherlands.

The financial statements of Motherson Sumi Systems Limited, the company's ultimate parent and controlling party are the largest group of consolidated financial statements which include the company and can be obtained from the following address:

Unit 705, C Wing, ONE BKC, G Block,BandraKurla Complex, Bandra East, Mumbai – 400051, Maharashtra, India