

CHATURVEDI & CO.

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MOTHERSON AIR TRAVEL AGENCIES LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of MOTHERSON AIR TRAVEL AGENCIES LTD ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information Board's Report including Annexures to Board's Report, and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, 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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Management's Responsibility for the Financial Statements

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

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

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

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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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



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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact on its financial statement.
 - ii. The Company has made provision, as required under the applicable law or accounting standards. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses



iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For CHATURVEDI & CO.
Chartered Accountants
Firm Registration No. 302137E

New Delhi
April 29, 2022




RAJEEV RANJAN KUMAR
Partner
Membership No. 513678
UDIN:22513678AICXQR3591

ANNEXURE " A " REFERRED IN INDEPENDENT AUDITORS REPORT OF EVEN DATE

(The Annexure referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MOTHERSON AIR TRAVEL AGENCIES LTD of even date)

- i. (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and the situation of Property, Plant, and Equipment;
(B) The company is maintaining proper records showing full particulars of intangible assets.
(b) The Property, Plant, and Equipment have been physically verified by the management in accordance with a regular program of verification which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed during such verification.
(c) On the basis of our examination of the records of the Company and the title deeds of immovable properties, the title deeds of immovable properties are held in the name of the Company. In respect of immovable properties been taken on lease, the lease agreements are in the name of the Company.
(d) The company has not revalued its Property, Plant, and Equipment (including Right of Use assets) or intangible assets or both during the year.
(e) There are no proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- ii. (a) According to the information and explanation given to us, the management has conducted physical verification of inventory at reasonable intervals during the year and the coverage and procedure of such verification by the management are appropriate. No discrepancies noticed on verification of inventory.
(b) During any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets;
- iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of Para 3 (iii)(a) to Para 3 (iii)(f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has not granted any loan, made any investment, and provided any guarantee or security in respect of which provisions of Sections 185 and 186 of the Act are applicable. Accordingly, the provisions of Para 3 (iv) of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder during the year. Accordingly, the provisions of Para 3 (v) of the Order are not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act.
- vii. (a) According to information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employee's state insurance, income tax, goods and service tax, the duty of customs, CESS and any other material statutory dues applicable to it with the appropriate authorities.



(b) According to the information and explanations given to us and the records of the Company examined by us, there were no outstanding dues in respect of income tax, the duty of customs, and other material statutory dues which as at March 31, 2022, have not been deposited on account of any dispute except mentioned below:-

| S. No. | Name of Statute | Nature of Dues | Amount (in thousands) | Period to which amount relates | Forum where dispute is pending |
|--------|-------------------|----------------|-----------------------|--------------------------------|--------------------------------|
| 1 | Custom Department | Custom duty | 6,667 | 2010-11 | Appellate Tribunal |

- viii. No transactions recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of Para 3 (viii) of the Order are not applicable to the Company.
- ix. (a) According to the information and explanations given to us, the company has not defaulted in the repayment of loans to the bank. The company has not taken loans from financial institutions and has not issued any debentures during the year: -
- (b) The company has not been declared a willful defaulter by any bank or financial institution or another lender;
- (c) No term loans have been taken by the company during the year.
- (d) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not used any short term fund for long term basis.
- (e) The company does not have its subsidiaries, associates, or joint ventures.
- (f) The company does not have any subsidiary, associates and joint venture, hence the company has not raised loans during the year on the pledge of securities.
- x. (a) According to the information and explanations given to us, the Company has not raised any money by way of an initial public offer or further public offer (including debt instruments).
- (b) According to the information and explanations given to us, the company not has made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year;
- xi. (a) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (b) There are no report filed under sub-section (12) of section 143 of the Companies Act by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) There were no whistle-blower complaints.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of Para 3 (xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations provided to us, all transactions with related parties are in compliance with section 188 and the details have been disclosed in the Financial Statement, etc. as required by the applicable accounting standards. The Company is a public limited company with paid up capital less than Rs. 10 crores, turnover less than 100 crores and aggregate, outstanding loans or borrowings or debentures or deposits exceeding Rs.50 Crores. Accordingly, section 177 is not applicable to the company.
- xiv. (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor;



- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.;
- (d) The Company is not a part of CIC.
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not incurred cash losses in the financial year and immediately preceding financial year
- xviii. According to the information and explanations given to us, there has not been any resignation of the statutory auditors during the year.
- xix. On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, our opinion that no material uncertainty exists as on the date of the audit report is capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date;
- xx. (a) The company does not fall under the criteria defined for compliance with the second proviso to sub-section (5) of section 135 of the said Act; Accordingly, the provisions of Para 3 (xx) (a) of the Order are not applicable to the Company.
- (b) As clause xx (a) is not applicable to the company hence, the provisions of Para 3 (xx) (b) of the Order are not applicable to the Company.
- xxi. There have not been any qualifications or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies.

New Delhi
April 29, 2022



For CHATURVEDI & CO.
Chartered Accountants
Firm Registration No. 302137E

A handwritten signature in blue ink, appearing to read "Rajeev".

RAJEEV RANJAN KUMAR
Partner
Membership No. 513678
UDIN22513678AICXQR3591

Annexure B referred to in the Independent Auditor's Report of even date to the members of MOTHERSON AIR TRAVEL AGENCIES LTD ("the Company") on the financial statements for the year ended March 31, 2022

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

We have audited the internal financial controls over financial reporting of MOTHERSON AIR TRAVEL AGENCIES LTD ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance



with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

New Delhi
April 29, 2022



For CHATURVEDI & CO.
Chartered Accountants
Firm Registration No.302137E

A handwritten signature in blue ink, appearing to read "Rajeev".

RAJEEV RANJAN KUMAR
Partner
Membership No.513678
UDIN: 22513678AICXQR3591