



MANGLA ASSOCIATES

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOTHERSON AUTO ENGINEERING SERVICE LIMITED

Report on the Financial Statements

We have audited the standalone Indian Accounting Standards (Ind AS) financial statements of MOTHERSON AUTO ENGINEERING SERVICE LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 accounting principles generally accepted in India including the Ind AS;

- a) of the state of affairs (financial position) of the Company as at March 31, 2022; and
- b) its loss (financial performance including other comprehensive income), and
- c) its Cash Flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under these Standards are further described in the Auditor's Responsibilities 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act 2013 and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matter

We draw attention to the Note 36 in the Notes to the financial statement, which indicates that the Company's accumulated losses have substantially eroded its capital. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the management is assured of the growth in future in view of the potential opportunities available in the existing as well as new line of business and also all around assured support from the holding company.

The financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

However, our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the Standalone 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 included in the Director's Report including the annexures thereto, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the standalone 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 standalone 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 in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act.



This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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's or to cease operations, or has no realistic alternative to do so.

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

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Standard on Auditing will always detect a material misstatement when it exists. Misstatement 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.

6. Report on other Legal and Regulatory Requirements

- i) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure 'A' statement on the matters specified in paragraph 3 & 4 of the Order, to the extent applicable.
- ii) As required by section 143(3) of the Act, 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 appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.



d) in our opinion, the aforesaid standalone Ind As financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) on the basis of written representations received from the directors as on 31 March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 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'

g) 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 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 litigation which would impact its financial position.
- ii. the Company did not have any long-term contracts including derivatives 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.

Place: Noida
Date : May 06, 2022
UDIN:22080173AIMSCT6885

For Mangla Associates
Chartered Accountants
(FRN 006796C)


A. P. Mangla
Partner
M.No. 080173

ANNEXURE 'A' REFERRED TO IN OUR REPORT OF EVEN DATE

- I. (a) & (b) The Company has no fixed assets (property, plant and equipment) thus clause (a) and (b) are not applicable.
© According to the information and explanations given to us the Company does not have any immovable property as on the date of financials, thus clause ©, (d) and (e) are not applicable

- II. (a) The company does not have any inventory
Thus clause (b) is not applicable

- III. (a) According to the information and explanations given to us, the Company, during the year, has not granted any loans secured or unsecured to any party covered in the register maintained under section 189 of the Act.

Clauses (b), (c), (d), (e) and (f) are not applicable


A. P. Mangla
Partner
M.No. 080173

- IV. In our opinion and according to the information and explanations given to us, the clause relating to provisions of Sections 185 and 186 of the Act, are not applicable to the company, as there are no loans given, investments made, guarantees provided and security provided during the year.
- V. The company has not accepted any deposits from the Public.
- VI. The Central Government of India has not prescribed the maintenance of cost records by the Company under section 148(1) of the Act.
- VII. (a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value added tax/GST, Cess and any other material statutory dues, where applicable. According to the information and explanations given to us there are no arrears of undisputed outstanding dues of above as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records Examined by us, there is no disputed liability of the Income Tax/Sales tax/Wealth tax/Custom duty/Excise duty/Value added tax/Cess which have not been deposited on account of any dispute as on 31st March 2022.
- VIII. According to the information and explanations given to us, the Company has not surrendered or disclosed any income during the year in the tax assessment under the Income Tax Act, 1961, which was not recorded in the books of accounts.
- IX. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks or Government. The Company has not issued any debentures. Accordingly, the Paragraph 3(viii) of the Order is not applicable to the Company.
- X. (a) According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) and has not availed any term loans during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- XI. In our opinion and as per information and explanations given and during the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India, we have neither come across any fraud by the Company or any fraud on the Company by its officers or employees noticed or reported during the year.
- XII. According to the information and explanation given to us, the Company is not a Nidhi Company. Thus Para 3(xii) of the Order is not applicable to the Company.
- XIII. According to the information and explanations given to us, all the transactions with the related parties are in compliance with Sections 177 and 188 of the Act and the relevant details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.



- XIV. (a) According to the information and explanations given to us, 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 duly considered by us.
- XV. According to the information and explanations given to us, the Company had not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly paragraph 3(xv) of the Order is not applicable to the Company.
- XVI. (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
(b) According to the information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities.
© The company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India.
- XVII. The Company has incurred cash losses of Rs.419632/- in the current Financial year and had also incurred cash losses of Rs. 190648/- in the immediately preceding Financial Year.
- XVIII. According to the information and explanations given to us, there has been no resignation of the statutory auditors during the year.
- XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing 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, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from balance sheet date.
- XX. (a) According to the information and explanations given to us the provisions of section 135(5) of the Companies Act are not applicable to the Company.
- XXI. The financials of the Company are Standalone financials and thus contents of the paragraph are not applicable to the Company.

For **Mangla Associates**
Chartered Accountants
(FRN: 006796C)

Place: Noida
Dated: May 06, 2022
UDIN: **22080173AIMSCT6885**



(A.P. Mangla)
Partner
M.No. 080173

ANNEXURE 'B' REFERRED TO IN OUR REPORT OF EVEN DATE

Report on the Internal Financial Control 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 AUTO ENGINEERING SERVICE LIMITED (the 'Company')** as of 31st March 2022 in conjunction with our audit of the standalone Ind AS 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 are 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 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 preparations 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 standalone Ind AS 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 standalone Ind AS 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 March 31, 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.

Place: Noida
Dated: May 06, 2022
UDIN: 22080173AIMSCT6885

For **Mangla Associates**
Chartered Accountants
(FRN: 006796C)


(A.P. Mangla)
Partner
M.No. 080173

MOTHERSON AUTO ENGINEERING SERVICE LTD.

CIN No.U29253DL2004PLC126353

Balance sheet as on March 31, 2022

	Note	(All amounts in INR) As at March 31, 2022	(All amounts in INR) As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	-	-
Capital work in progress	3	-	-
Intangible assets	4	-	-
Goodwill		-	-
Intangible assets under development		-	-
Financial assets			
i. Investments		-	-
ii. Loans		-	-
iii. Trade receivables	7	-	-
i. Deposits	9	-	-
ii. Other financial assets	9	-	-
Deferred tax assets (net)	5	1,054,047	1,090,890
Non-current tax assets (net)		-	-
Other non-current assets		-	-
Total non-current assets		1,054,047	1,090,890
Current assets			
Inventories	6	-	-
Financial assets			
i. Investments		-	-
i. Trade receivables	7	-	251,160
ii. Cash and cash equivalents	8.(a)	208,185	421,618
iii. Bank balances other than (iii) above	8.(b)	-	32,373
iv. Loans		-	-
v. Other financial assets	9	18,000	18,000
Other current assets	10	392,141	370,518
Total current assets		618,326	1,093,669
Total assets		1,672,374	2,184,559
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	35,000,000	35,000,000
Other equity		-	-
Reserves and surplus	12	(33,453,097)	(33,033,464)
Total equity		1,546,903	1,966,536
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	17(a)	-	-
ii. Lease liabilities		-	-
iii. Other financial liabilities	16	-	-
Provisions			
Employee benefit obligations	13	-	-
Other non-current liabilities	14	-	-
Total non-current liabilities		-	-
Current liabilities			
Financial Liabilities			
i. Borrowings	15	-	-
ii. Trade payables		-	-
Total outstanding dues of micro, small and medium enterprises and		-	-
Total outstanding dues of creditors other than micro, small and medium	17	-	66,050
iii. Other financial liabilities	16	44,539	44,539
Provisions			
Provision for Income Tax	20	-	-
Employee benefit obligations	13	-	-
Government grants		-	-
Current tax liabilities (net)		-	-
Other current liabilities	14	80,931	107,434
Total current liabilities		125,470	218,023
Total liabilities		125,470	218,023
Total equity and liabilities		1,672,374	2,184,559

Summary of Significant Accounting Policies

The accompanying notes form part of integrated part of financial statements

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As per our report of even date attached

For Mangla Associates
Chartered Accountants(A.P.Mangla)
Partner
M. No. 080173
UDIN: 22080173AIMSCT6885Place : Noida
Date : 06.05.2022

For and on behalf of the Board of Directors

Mr. Rakesh Khurana
Director
DIN: 00307513Place : Noida
Date : 06.05.2022Mr. Rajesh Srivastava
Director
DIN: 03248594Place : Noida
Date : 06.05.2022

MOTHERSON AUTO ENGINEERING SERVICE LTD.
CIN No.U29253DL2004PLC126353
Statement of profit and loss as on March 31, 2022

	Note	(All amounts in INR) For the period ended March 31, 2022	(All amounts in INR) For the year ended March 31, 2021
Revenue			
Revenue from operations	18	-	-
Other income	19	8,628	-
Total income		8,628	-
Expenses			
Operating expenses			
Cost of materials consumed	20	-	-
Purchase of stock-in-trade		-	-
Changes in inventory of finished goods, work-in-progress and stock in trade	21	-	-
Excise duty		-	-
Employee benefit expenses	22	825	900
Depreciation and amortization expense	23	-	8,820
Finance costs	24	5,729	43,135
Other expenses	25	384,864	217,065
Total expenses		391,418	269,920
Profit before exceptional items		(382,790)	(269,920)
Exceptional items (Income)/ expense		-	-
Profit before tax		(382,790)	(269,920)
Tax expenses			
-Current tax		-	-
-Deferred tax expense/ (credit)	26	36,842	(70,452)
Total tax expense		36,842	(70,452)
Profit for the year		(419,632)	(199,468)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations			
Deferred / Current tax on remeasurements of post-employment benefit obligations			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(419,632)	(199,468)
Earnings per share: (Refer Note 34)			
Nominal value per share: Rs. 10/- (Previous year : Rs. 10/-)			
Basic	27	(0.12)	(0.06)
Diluted	27	(0.12)	(0.06)
Summary of Significant accounting policies			
The accompanying notes are an integral part of financial statements			

As per our report of even date attached

For Mangla Associates
Chartered Accountants

(A.P.Mangla)
Partner
M. No. 080173
UDIN: 22080173AIMSCT6885

Place : Noida
Date : 06.05.2022

For and on behalf of the Board of Directors

Mr. Rakesh Khurana
Director
DIN: 00307513

Place : Noida
Date : 06.05.2022

Mr. Rajesh Srivastava
Director
DIN: 03248594

Place : Noida
Date : 06.05.2022

A. Equity share capital	Notes	Amount
As at March 31, 2019		35,000,000
Changes in Equity Share capital	11	-
As at March 31, 2020		35,000,000
Changes in Equity Share Capital	11	-
As at March 31, 2021		35,000,000
Changes in Equity Share capital	11	-
As at November 30, 2021		35,000,000

B. Other equity	Note	Reserves and surplus		Total
			Retained Earnings	
Balance at March 31, 2021		-	(33,033,464)	(33,033,464)
Profit for the year			(419,632)	(419,632)
Other comprehensive income				
Total comprehensive income for the year			(33,453,097)	(33,453,097)
Additions during the year				
Issue of equity shares, net of transaction costs				
Additions on Amalgamation				
Transfer to general reserve				
Dividend paid				
Tax on Dividend				
Retained Earning - other addition / (deletion)				
Balance at March 31, 2022			(33,453,097)	(33,453,097)

The above statement of changes in equity should be read in conjunction with the accompanying notes

As per our report of even date attached

For Mangla Associates
Chartered Accountants

(A.P. Mangla)
Partner
M. No. 080173
UDIN: 22080173AIM5CT6885



For and on behalf of the Board of Directors

Mr. Rakesh Khurana
Director
DIN: 00307513

Place : Noida
Date : 06.05.2022

Mr. Rajesh Srivastava
Director
DIN: 03248594

Place : Noida
Date : 06.05.2022

MOTHERSON AUTO ENGINEERING SERVICE LTD.

CIN No.U29253DL2004PLC126353

Cash Flow Statement for the year ended March 31, 2022

	(All amounts in INR) For the period ended March 31, 2022	(All amounts in INR) For the year ended March 31, 2021
A. Cash flow from operating activities:		
Net profit before tax	(382,790)	(269,920)
Adjustments for:		
Depreciation & Amortisation	-	8,820
Depreciation on investment property	-	-
Operating profit before working capital changes	(382,790)	(261,100)
Change in working Capital:		
Increase/(Decrease) in Trade Payables	(66,050)	55,822
Increase/(Decrease) in Other Payables	-	-
Increase/(Decrease) in Short Term Provisions	-	-
Increase/(Decrease) in Long Term Provisions	-	-
Increase/(Decrease) in Other Current Liabilities - Net of Tax Provision	(26,503)	12,278
(Increase)/Decrease in Trade Receivables	251,160	-
(Increase)/Decrease in other financial assets	-	(18,000)
(Increase)/Decrease in Other Current Assets	10,750	14,861
(Increase)/Decrease in Other non current assets	-	-
Cash generated from operations	(213,433)	(196,139)
- Taxes paid (net of refund)	-	-
Net cash generated from operations	(213,433)	(196,139)
B. Cash flow from Investing activities:		
C. Net cash used in investing activities	-	-
C. Cash flow from financing activities:		
Interest paid	-	-
Proceeds from long term borrowings	-	-
Proceeds/(Repayment) of working capital and other loans repayable on demand (net)	-	-
Net cash used in financing activities	-	-
Net Increase/(Decrease) in Cash & Cash Equivalents	(213,433)	(196,139)
Net Cash and Cash equivalents at the beginning of the year	421,618	617,757
Cash and cash equivalents as at current year closing	208,185	421,618
Cash and cash equivalents comprise of the following (Note 13(a))		
Balances with banks	208,185	421,618
Cash and cash equivalents as per Balance Sheet	208,185	421,618
Total	208,185	421,618

Notes:-

i) The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

ii) Figures in brackets indicate Cash Outflow.

As per our report of even date attached

For Mangla Associates
Chartered Accountants

(A.P.Mangla)

Partner

M. No. 080173

UDIN: 22080173AIMSCT6885

Place : Noida

Date : 06.05.2022

For and on behalf of the Board of Directors

Mr. Rakesh Khurana

Director

DIN: 00307513

Place : Noida

Date : 06.05.2022

Mr. Rajesh Srivastava

Director

DIN: 03248594

Place : Noida

Date : 06.05.2022

1 Corporate Information

The Company was incorporated on May 13, 2004. The Company is a wholly owned subsidiary of Motherson Sumi Infotech & Designs Limited. Company is engaged in the business of Design of stamping dies and CAD/CAM services for making of cut stamping dies and design of metal parts to be made with stamping dies for automobiles and marketing / sales of product.

2.1 Significant accounting policies**(a) Basis of preparation**

Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended 31 March 2022, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These financial statements for the year ended 31 March 2022 are third one prepared as per IND AS. Refer to note 40 to 44 for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cashflows.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and

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

(b) Segment reporting

No disclosure under accounting standard – 17 relating to "Segment Reporting" is required as the company has only single area of operation as well as single product

(c) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

(d) Foreign currencies**(i) Functional and presentation currency**

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

(ii) Transactions and balances

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

Foreign exchange differences regarded as an adjustment to borrowing cost are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis within other income or other expenses.

Non-monetary Items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments (other than investment in subsidiaries, joint ventures and associates) classified as FVOCI are recognised in other comprehensive income.

(e) Revenue recognition

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

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

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

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

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

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

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

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

Notes to the financial statements for the year ended March 31, 2022

- (b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- (c) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

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

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

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

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

Sale of goods:

Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Sales are recognised at single point of time when the control of goods are transferred to the buyer as per the terms of contract.

Sale of services:

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

Interest Income

Interest is recognised using the effective interest rate (EIR) method, as income for the period in which it occurs. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of financial instrument (for example, prepayment, extension, charges, call and similar options) but does not consider expected credit losses.

(f) Income tax

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

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

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

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

(g) Leases

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset

(h) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand short term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(i) Trade receivables

Trade receivables are the amount due from customers for goods or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are initially recognise at fair value plus transaction cost. Trade receivables are measured at amortized cost using effective interest method less any necessary write downs.

(j) Inventory

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value.

Cost of raw material and traded goods comprise cost of purchase and is determined after rebate and discounts. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any names or lossess on qualifying cash flow hedges relating to purchase of raw material but excludes borrowing costs. Costs are determined on weighted average cost basis.

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

(k) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

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

Derecognition

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

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

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

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

Impairment of financial assets

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

- 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) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions.
- d) Loan commitments which are not measured as at FVTPL
- e) Financial guarantee contracts which are not measured as at FVTPL

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

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

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

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

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

ECL impairment loss allowance (or reversal) 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 FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the 'accumulated impairment amount'.

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

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

Notes to the financial statements for the year ended March 31, 2022

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

Loans and borrowings

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

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

This category generally applies to borrowings and other payables.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

(l) Property, Plant and equipment

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

The cost of self-generated assets comprises of raw material, components, direct labour, other direct cost and related production overheads.

Depreciation methods and useful lives

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

Assets	Useful life
Freehold Land	Nil
Building Factory	30 years
Plant & machinery	9.67 Years
Plant & machinery (Secondhand)	4 years
Plant & machinery (Racks Stands & Trolleys)	1 year
Furniture & fixtures	6 years
Electrical installations	10 Years
Office equipment	5 years
Computers	3 years
Computer Networking	3 years
Vehicles	4 years
Software	3 years

*Useful life of these assets are lower than the life prescribed under Schedule II to the Companies Act, 2013 and those has been determined based on an assessment performed by the management of expected usage of these assets. The assets residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

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

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

(m) Borrowings

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

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

Borrowings are reclassified as current liabilities unless the company has an unconditional right to defer settlement of a liability for at least 12 months after the reporting period.

(n) Borrowing costs

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

Other borrowings costs are expensed in the period in which they are incurred

(o) Provisions and contingent liabilities

Provisions

Notes to the financial statements for the year ended March 31, 2022

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

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

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

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

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(p) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

(ii) Diluted earnings per share

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

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

2.2 Critical estimates and Judgements

The presentation of a financial statements require the use of accounting estimates, which by definition, will seldom equal the actual results. Management also needs to exercise judgements in applying the company's accounting policies.

This note provides an overview of all the areas that are involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in financial statements.

The areas involving critical estimates and judgements are:

- Estimation of current tax expenses and payable
- Recognition of deferred tax assets for carried forward losses - Note 6

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have financial impact on the company and that are believed to be reasonable under the circumstances.

2.3 Significant accounting Judgements, estimates and assumptions

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

Judgements

In the process of applying the Company's accounting policies, there are no significant judgements established by the management.

Estimates and adjustments

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

(i) Useful life of property, plant and equipment

The Company uses its technical expertise along with historical and Industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(ii) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

XX. Ratio's

	Ratio	Numerator	Denominator	Current period	Previous Period	% Variance	Reason for Variance
(a)	Current ratio	0.00	-	0.00	0.00	-1.76%	
(b)	Debt-Equity ratio	-	-	-	-	0.00%	
(c)	Debt service coverage ratio	0.01	-	0.01	-	0.00%	
(d)	Return on equity ratio	(0.00)	-	(0.00)	(0.00)	110.38%	
(e)	Inventory turnover ratio	-	-	-	-	0.00%	
(f)	Trade receivables turnover ratio	-	-	-	-	0.00%	
(g)	Trade payables turnover ratio	-	-	-	-	0.00%	
(h)	Net capital turnover ratio	-	-	-	-	0.00%	
(i)	Net profit ratio	(0.00)	-	(0.00)	-	0.00%	
(j)	Return on capital employed	(0.00)	-	(0.00)	0.00	0.00%	
(k)	Return on investment	0.00	-	0.00	-	0.00%	

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3. Property plant and equipment

Particulars	Leasehold Land Refer note (iv)	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery Refer note (iii)	Furniture & fixtures	Office equipments	Computers	Vehicles	Total	Capital work-in-progress
Year ended March 31, 2021											
Gross carrying amount							65,296			65,296	
Opening gross carrying amount as at April 01, 2020											
Addition											
Addition on account of acquisition											
Disposal											
Closing gross carrying amount as at March 31, 2021							65,296			65,296	
Accumulated depreciation											
Opening accumulated depreciation as at April 01, 2020							56,477			56,477	
Depreciation charge during the year							8,820			8,820	
Disposals											
Impairment loss											
Other adjustment (Refer note)											
Closing accumulated depreciation as at March 31, 2021							65,296			65,296	
Net carrying amount as at March 31, 2021							(0)			(0)	
Year ended March 31, 2022											
Gross carrying amount											
Opening gross carrying amount as at April 01, 2021											
Addition											
Addition on account of acquisition											
Disposal											
Closing gross carrying amount as at March 31, 2022											
Accumulated depreciation											
Opening accumulated depreciation as at April 01, 2021											
Depreciation charge during the year											
Disposals											
Impairment loss											
Other adjustment (Refer note...)											
Closing accumulated depreciation as at March 31, 2022											
Net carrying amount as at March 31, 2022											

Capital work in progress (CWIP) ageing schedule

As at March 31, 2021		Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress						
Projects temporarily suspended						
Total						
As at March 31, 2022		Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress						
Projects temporarily suspended						
Total						

4 Intangible assets

Particulars	Technical Knowhow Fees	Business and Commercial Rights	Intellectual Property Rights	Software*	Business rights**
Year ended March 31, 2021					
Gross carrying amount					
Opening gross carrying amount as at April 01, 2020	0	-	-	-	-
Addition	-	-	-	-	-
Addition on account of acquisition	-	-	-	-	-
Disposal	-	-	-	-	-
Closing gross carrying amount as at March 31, 2021	0	-	-	-	-
Accumulated amortisation					
Opening accumulated amortisation as at April 01, 2020	-	-	-	-	-
Amortisation charge during the year	-	-	-	-	-
Disposals	-	-	-	-	-
Addition on account of acquisition	-	-	-	-	-
Impairment loss	-	-	-	-	-
Other adjustment	-	-	-	-	-
Closing accumulated amortisation as at March 31, 2021	-	-	-	-	-
Net carrying amount as at March 31, 2021	0	-	-	-	-
Year ended March 31, 2022					
Gross carrying amount					
Opening gross carrying amount as at April 01, 2021	-	-	-	-	-
Addition	-	-	-	-	-
Addition on account of acquisition	-	-	-	-	-
Disposal	-	-	-	-	-
Closing gross carrying amount as at March 31, 2022	-	-	-	-	-
Accumulated amortisation					
Opening accumulated amortisation as at April 01, 2021	-	-	-	-	-
Amortisation charge during the year	-	-	-	-	-
Disposals	-	-	-	-	-
Addition on account of acquisition	-	-	-	-	-
Impairment loss	-	-	-	-	-
Other adjustment	-	-	-	-	-
Closing accumulated amortisation as at March 31, 2022	-	-	-	-	-
Net carrying amount as at March 31, 2022	-	-	-	-	-

* Represents purchased intangible assets

(a) Intangible asset under development (IAUD) ageing schedule

As at March 31, 2022					
	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	0
Projects temporarily suspended	-	-	-	-	0
Total	0	0	-	-	0
As at March 31, 2021					
	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	0
Projects temporarily suspended	-	-	-	-	0
Total	0	0	-	-	0

5. Deferred tax assets (Net)

Period ended March 31, 2022

	As at April 01, 2021	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive Income	As at March 31, 2022
Property, plant and equipment and intangible assets	8,935	(1,340)	-	7,595
Derivatives				
Borrowings				
Investments				
Total deferred tax liabilities	8,935	(1,340)	-	7,595
Set-off of deferred tax assets pursuant to set-off provisions				
MAT credit				
Allowance for doubtful debts - trade receivables				
Derivatives				
Employee benefit provisions				
Borrowings				
Subsidy receivable				
Others	1,081,955	(35,502)	-	1,046,453
Total deferred tax assets	1,081,955	(35,502)	-	1,046,453
Net deferred tax assets	1,090,890	(36,842)		1,054,048

Period ended March 31, 2021

	As at April 01, 2020	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive Income	As at March 31, 2021
Property, plant and equipment and intangible assets	8,292	643	-	8,935
Derivatives				
Borrowings				
Investments				
Total deferred tax liabilities	8,292	643	-	8,935
Set-off of deferred tax assets pursuant to set-off provisions				
MAT credit				
Allowance for doubtful debts - trade receivables				
Derivatives				
Employee benefit provisions				
Borrowings				
Subsidy receivable				
Others	1,012,146	69,809	-	1,081,955
Total deferred tax assets	1,012,146	69,809	-	1,081,955
Net deferred tax assets	1,020,438	70,452	-	1,090,890

Note:

- Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.
- In view of the Company's past financial performance and future profit projections, the Company expects that it shall generate sufficient future taxable income to fully recover the deferred tax assets.

MOTHERSON AUTO ENGINEERING SERVICE LTD.

CIN No.U29253DL2004PLC126353

Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR)

6. Inventories

Raw materials
Finished goods
Work in Progress

Total

March 31, 2022	March 31, 2021
-	-
-	-
-	-
-	-

7. Trade receivables

Considered good - Secured
Considered good - Unsecured
- Related Party
- Others
Credit Impaired
Receivables which have significant increase in credit Risk
Sub-Total
Less: Allowances for credit loss
Total

March 31, 2022		March 31, 2021	
Current	Non-current	Current	Non-current
-	-	-	-
-	-	-	-
251,160	-	251,160	-
-	-	-	-
251,160	-	251,160	-
(251,160)	-	-	-
-	-	251,160	-

Trade receivable ageing schedule						
As at March 31, 2022						
Particulars	Current but not due	Outstanding for following periods from due				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues	-	-	-	-	-	-
Total outstanding dues of debtors:	-	-	-	-	-	-
Mercedes Benz Research and Development India P.LTD	-	-	-	-	251,160	251,160
						251,160
As at March 31, 2021						
Particulars	Current but not due	Outstanding for following periods from due				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues	-	-	-	-	-	-
Total outstanding dues of debtors:	-	-	-	-	-	-
Mercedes Benz Research and Development India P.LTD	-	-	-	-	251,160	251,160
						251,160

MOTHERSON AUTO ENGINEERING SERVICE LTD.

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Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR)

8.(a) Cash and cash equivalents *

	March 31, 2022	March 31, 2021
Balances with banks:		
- in current accounts	208,185	421,618
- Deposits with original maturity of less than three months		
Cheques and drafts on hand		
Unpaid matured deposits/ debentures		
Cash on hand		
Total	208,185	421,618

* There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior periods.

8.(b) Other bank balances

	March 31, 2022	March 31, 2021
Deposits with original maturity of more than three months but less than 12 months		
- margin money deposits	-	-
- Others	-	-
Fixed Deposit	-	32,373
Total	-	32,373

9. Deposits and other financial assets
Unsecured, considered good

Security Deposits
- with related parties (refer note 29)
- with others
- considered doubtful
Less: Provision for doubtful deposits
Recoverables from Customer
Less: Provision for expected credit loss

Total

March 31, 2022		March 31, 2021	
Current	Non-current	Current	Non-current
	18,000	18,000	
373,889		373,889	
18,000		18,000	
18,000		18,000	

MOTHERSON AUTO ENGINEERING SERVICE LTD.

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Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR)

10. Other current assets

(Unsecured, considered good, unless otherwise stated)

	March 31, 2022	March 31, 2021
Advances recoverable		
Related parties (refer note 29)		
Others	2,655	2,655
Prepaid expenses		
Balances with government authorities	389,486	367,863
Total	392,141	370,518

MOTHERSON AUTO ENGINEERING SERVICE LTD.

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Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR)

11. Share Capital

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Authorised:		
100,00,000 (March 31, 2021: 100,00,000) equity shares of Rs.10/- each	100,00,000	100,00,000
Issued, Subscribed and Paid up:		
35,00,000 (March 31, 2021: 35,00,000) equity shares of Rs.10/- each	35,00,000	35,00,000
Total	<u>35,00,000</u>	<u>35,00,000</u>

a. Movement In equity share capital

	<u>Numbers</u>	<u>Numbers</u>
As at March 31, 2021	3,500,000	3,500,000
Issued during the period	-	-
As at March 31, 2022	<u>3,500,000</u>	<u>3,500,000</u>

b. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

	<u>March 31, 2022</u>		<u>March 31, 2021</u>	
			<u>Nos.</u>	<u>%</u>
Equity shares of Rs. 10 each fully paid up:				
Motherson Sumi Infotech & Design Limited (along with its 6 nominees shareholder)	3,500,000	100.00%	3,500,000	100.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

MOTHERSON AUTO ENGINEERING SERVICE LTD.

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Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR)

12 (a) Reserves and surplus

	March 31, 2022	March 31, 2021
Retained earnings	(33,453,097)	(33,033,464)
Total reserves and surplus	(33,453,097)	(33,033,464)

(i) Retained earnings

	March 31, 2022	March 31, 2021
Opening balance	(33,033,464)	(32,833,996)
Profit for the year	(419,632)	(199,468)
Remeasurements of post-employment benefit obligation, net of tax		
Dividend paid		
Tax on dividend		
Closing balance	(33,453,097)	(33,033,464)

Nature and purpose of reserves:

Retained earnings

Retained earnings represents cumulative profits of the Company. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

MOTHERSON AUTO ENGINEERING SERVICE LTD.

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Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR)

13. Employee benefit obligations

	March 31, 2022		March 31, 2021	
	Current	Non-current	Current	Non-current
Gratuity				
Compensated absences				
Total				

MOTHERSON AUTO ENGINEERING SERVICE LTD.

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Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR)

14 Other liabilities

	March 31, 2022	March 31, 2021
Non-current		
Deferred revenue		
Current		
Statutory dues	5,500	5,890
Advances received from customers	20,656	49,413
Accrued Expenses	54,775	52,131
	80,931	107,434

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Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR)

15. Short-Term Borrowings

	As at	As at
	March 31, 2022	March 31, 2021
Secured		
Working capital loans repayable on demand		
Indian rupee loan.		
Unsecured		
Loan from related parties		
TOTAL		

16. Other financial liabilities

Non-current

Security deposit received

Creditors for capital goods

Current

Current maturities of finance lease obligations (refer note 17a)

Unpaid dividends

Security deposit received

Related parties (refer note 38)

Others

Employee benefits payable

Creditors for capital goods

Advance recovery from employees

Derivative liabilities

Total

March 31, 2022 March 31, 2021

44,539 44,539

44,539 44,539

17. Trade payables

Total outstanding dues of micro, small and medium enterprises (Refer Note 37)

Total outstanding dues of creditors other than micro, small and medium enterprises

- Related Parties (refer note 29)

- Others

Total

March 31, 2022 March 31, 2021

34,965

31,084

66,049

Trade payables ageing schedule						
As at March 31, 2022						
Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro and small enterprises	-	-	-	-	-	0
Total outstanding dues of creditors other than micro and small enterprises	-	-	-	-	-	0
Disputed dues to micro and small enterprises	-	-	-	-	-	0
Disputed dues to creditors other than micro and small enterprises	-	-	-	-	-	0
As at March 31, 2021						
Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro and small enterprises	-	-	-	-	-	0
Total outstanding dues of creditors other than micro and small enterprises	-	-	-	-	66,049	66,049
Disputed dues to micro and small enterprises	-	-	-	-	-	0
Disputed dues to creditors other than micro and small enterprises	-	-	-	-	-	0

		For the year ended	
		March 31, 2022	March 31, 2021
18. Revenue from operations			
Sales of products (including excise duty)			
Domestic			
Traded goods		-	-
Others		-	-
Total		-	-
19. Other income			
Dividend Income		-	-
Rent		-	-
Profit on sale of investments		-	-
Provisions written back to the extent no longer required		4,642	-
Profit on sale of tangible assets (net)		-	-
Exchange fluctuation (net)		-	-
Interest income from financial assets at amortised cost		-	-
Interest on Income tax refund		-	-
Creditors written back		-	-
ICD received written off by Lender		-	-
Miscellaneous income (Interest received on Matutory of FDR)		3,986	-
Total		8,628	-
20. Cost of materials consumed			
Opening stock		-	-
Consumable		-	-
Raw material		-	-
Add : Purchases of raw materials		-	-
Less: Closing stock of raw materials		-	-
Less: Transfer		-	-
Total		-	-
21. Changes in inventory of finished goods, work in progress and stock in trade			
(Increase)/ decrease in stocks		-	-
Stock at the opening of the year:		-	-
Finished goods		-	-
Work-in-progress		-	-
Stock in trade		-	-
Total A		-	-
Less: Transfer		-	-
Total B		-	-
Stock at the end of the year:		-	-
Finished goods		-	-
Work-in-progress		-	-
Stock in trade		-	-
Total C		-	-
(Increase)/ decrease in stocks (A-B-C)		-	-
22. Employee benefit expenses			
Salary , wages & bonus		-	-
Contribution to provident & other Fund		825	900
Gratuity		-	-
Staff welfare		-	-
Total		825	900
23. Depreciation and amortization Expense			
Depreciation on Property, plant and equipment		-	8,820
Amortization on Intangible assets		-	-
Total		-	8,820
24. Finance Cost			
Interest and finance charges on financial liabilities not at fair value through profit or loss		-	-
Working capital loan		-	-
Finance lease obligations		-	-
Others		5,729	43,135
Other borrowing costs		-	-
Total		5,729	43,135

MOTHERSON AUTO ENGINEERING SERVICE LTD.

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Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR)

25. Other expenses

Rent Office	
Rates & taxes	
Bank charges	
Provision for doubtful debts	
Auditors remuneration (Refer note (a) below)	
Legal & professional expenses	
Miscellaneous	
Total	

For the year ended	
March 31, 2022	March 31, 2021
36,300	39,325
9,000	74,909
-	2,124
251,160	-
55,000	52,500
33,400	48,207
3	-
384,864	217,065

(a): Payment to auditors:

As Auditor:	
Audit fees	
Tax audit fees	
Total	

For the year ended	
March 31, 2022	March 31, 2021
55,000	52,500
-	-
55,000	52,500

26. Income tax expense

(a) Income tax expense

Current tax	
Current tax on profit for the year	
Adjustments for current tax of prior periods on completion of assessment	
Total current tax expense	
Deferred tax (Refer note 5)	
Decrease / (increase) in deferred tax assets (net)	
(Decrease) / increase in deferred tax liabilities	
Total deferred tax expense / (benefit)	
Income tax expense	

For the year ended	
March 31, 2022	March 31, 2021
-	-
-	-
-	-
36,842	(70,452)
-	-
36,842	(70,452)
36,842	(70,452)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Profit from continuing operations before income tax expense	
Tax at India's tax rate	
Tax Impact of Difference in depreciation Books VS Income Tax	
Lower of	
Effect of expenses that are not deductible in determining taxable profit	
Tax Impact of Brought forward losses/Depreciation utilized	
Taxable Profit	
Difference between deferred tax figures of current and past years	
Income tax expense	

For the year ended	
March 31, 2022	March 31, 2021
(382,790)	(269,920)
-	-
(1,340)	2,883
-	-
-	-
-	-
(35,502)	69,809
(36,842)	72,692

27. Earnings per share

a) Basic

Net profit after tax available for equity Shareholders	
Weighted average number of equity shares used to compute basic earnings per share	
Basic earnings per share	

March 31, 2022	March 31, 2021
(419,632)	(199,468)
3,500,000	3,500,000
(0.12)	(0.06)

b) Diluted (Refer note (i) below)

Weighted average number of Equity Shares used to compute diluted earnings per shares	
Diluted Earnings per share	

3,500,000	3,500,000
(0.12)	(0.06)

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

28. Capital management

(a) Risk management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. Consistent with others in the industry, the Company monitors Net Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs).

The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as

	March 31, 2022	March 31, 2021
Net Debt	-	-
EBITDA	(377,061)	(217,965)
Net Debt to EBITDA	-	-

(b) Loan covenants

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

29. Related Party Disclosures

Related party disclosures, as required by IND AS-24, "Related Party Disclosures", are given below: -

(a) A person or a close member of that person's family is related to a reporting entity if that person:

(i) Has control or joint control of the reporting entity

NIL

(ii) Has significant influence over the reporting entity

NIL

(iii) Is a member of the Key Management Personnel of the reporting entity or of a parent of the reporting entity

Mr. Dhruv Mehra (Director)

- Mrs. Nilu Mehra (Close member of family of Mr. Dhruv Mehra)
- Mrs. Parul Mehra (Close member of family of Mr. Dhruv Mehra)
- Master Devyaansh Mehra (Close member of family of Mr. Dhruv Mehra)
- Miss Devyaani Mehra (Close member of family of Mr. Dhruv Mehra)
- Ms. Paarul Mehra (Close member of family of Mr. Dhruv Mehra)

Mr. Rakesh Khurana (Director)

- Mr. Bhushan Lal Khurana (Close member of family of Mr. Rakesh Khurana)
- Mrs. Premrata Khurana (Close member of family of Mr. Rakesh Khurana)
- Mrs. Vrinda Khurana (Close member of family of Mr. Rakesh Khurana)
- Mr. Pranav Khurana (Close member of family of Mr. Rakesh Khurana)
- Mr. Udayan Khurana (Close member of family of Mr. Rakesh Khurana)
- Mrs. Neeta Narang (Close member of family of Mr. Rakesh Khurana)
- Mrs. Geeta Singh (Close member of family of Mr. Rakesh Khurana)
- Mrs. Shashi Sachdeva (Close member of family of Mr. Rakesh Khurana)

Mr. Rajesh Srivastava (Director)

- Ms. Anjana Srivastava (Close member of family of Mr. Rajesh Srivastava)
- Shri Chhail Behari Lal Srivastava (Close member of family of Mr. Rajesh Srivastava)
- Smt. Shanti Srivastava (Close member of family of Mr. Rajesh Srivastava)
- Mr. Mehul Raj (Close member of family of Mr. Rajesh Srivastava)
- Ms. Anvita Raj (Close member of family of Mr. Rajesh Srivastava)
- Mr. Sanjeev Srivastava (Close member of family of Mr. Rajesh Srivastava)

Directors of MothersonSumi Infotech & Designs Limited:

Mr. Laksh Vaaman Sehgal

- Mr. Vivek Chaand Sehgal (Close member of family of Mr. Laksh Vaaman Sehgal)
- Ms. Renu Alka Sehgal (Close member of family of Mr. Laksh Vaaman Sehgal)
- Ms. Samridhi Sehgal (Close member of family of Mr. Laksh Vaaman Sehgal)
- Ms. Vidhi Sehgal (Close member of family of Mr. Laksh Vaaman Sehgal)
- Master Ganon Yuvaan Sehgal (Close member of family of Mr. Laksh Vaaman Sehgal)
- Master Siddh Vaasav Sehgal (Close member of family of Mr. Laksh Vaaman Sehgal)

Mr. Arjun Puri

Mr. Bimal Dhar

Mr. Sanjay Kalia

Mr. Shunichiro Nishimura

Mr. Hideki Kobayashi

Ms. Lata Unnikrishnan

Key Managerial Personnel of MIND:

Mr. Rajesh Srivastava (CFO)

Mr. Rajesh Thakur (Manager)

Ms. Pooja Mehra (Company Secretary till January 27, 2022)

(a) An entity is related to a reporting entity if any of the following conditions applies:

(i) The entity and the reporting entity are the members of same group (which means that each parent, subsidiary and fellow subsidiary is related to the others):

Holding Company:

Samvardhana Motherson International Limited (Ultimate Holding Company) (till January 20, 2022)

Motherson Sumi Systems Limited (Ultimate Holding Company) (effective from January 21, 2022)

MothersonSumi Infotech & Designs Limited (Holding Company)

Fellow Subsidiary Companies:

1. Motherson Machinery and Automations Limited
2. Motherson Molds and Diecasting Limited
3. Saks Ancillaries Limited
4. Motherson Auto Solutions Limited
5. MothersonSumi Infotech and Designs Limited
6. MSID U.S. Inc.
7. MothersonSumi Infotek And Designs GmbH
8. MothersonSumi Infotech and Designs SG Pte. Ltd.
9. MothersonSumi Infotech & Designs KK
10. Motherson Consultancies Service Limited
11. Samvardhana Motherson Virtual Analysis Limited
12. Motherson Techno Tools Limited
13. Samvardhana Motherson Health Solution Limited
14. Samvardhana Motherson Innovative Solutions Limited
15. Samvardhana Motherson Refrigeration Product Limited
16. SMI Consulting Technologies Inc.
17. Samvardhana Motherson Auto Component Private Limited
18. Samvardhana Motherson Auto System Private Limited
19. Samvardhana Motherson Finance Services Cyprus Ltd.
20. Samvardhana Motherson Holding (M) Private Ltd. (SMHPL)
21. Motherson Sintermetal Technology B.V.
22. Motherson Techno Tools Mideast FZE
23. Motherson Invenzen Xiah Private Limited
24. MS Global India Automotive Private Limited

25. Samvardhana Motherson Global Carriers Limited
 26. Samvardhana Motherson Maadhyam International Limited
 27. Motherson Air Travel Agencies Limited
 28. Motherson Infotech and Solutions UK Limited
 29. Motherson Information Technologies Spain, S.L.U.
 30. Motherson Infotek Designs Mid East U.S., Inc.
- Effective from January 21, 2022
1. MSSL Mauritius Holdings Limited
 2. Motherson Electrical Wires Lanka Pvt. Ltd.
 3. MSSL Mideast (FZE)
 4. MSSL (S) Pte Ltd.
 5. Motherson Innovations Tech Limited
 6. Samvardhana Motherson Polymers Ltd.
 7. MSSL (GB) Limited
 8. Motherson Wiring System (FZE)
 9. MSSL GmbH
 10. MSSL Tooling (FZE)
 11. Samvardhana Motherson Invest Deutschland GmbH
 12. MSSL Advanced Polymers s.r.o
 13. Motherson Techno Precision GmbH
 14. MSSL s.r.l Unipersonale
 15. Motherson Techno Precision México, S.A. de C.V
 16. MSSL Australia Pty Ltd
 17. MSSL Ireland Pvt. Ltd.
 18. Global Environment Management (FZE)
 19. Motherson Elastomers Pty Limited
 20. Motherson Investments Pty Limited
 21. MSSL Global RSA Module Engineering Limited
 22. MSSL Japan Limited
 23. Vacuform 2000 (Proprietary) Limited.
 24. MSSL México, S.A. De C.V.
 25. MSSL WH System (Thailand) Co., Ltd
 26. MSSL Korea WH Limited
 27. MSSL Consolidated Inc., USA
 28. MSSL Wiring System Inc., USA
 29. Alphabet de Mexico, S.A. de C.V.
 30. Alphabet de Mexico de Monclova, S.A. de C.V.
 31. Alphabet de Saltillo, S.A. de C.V.
 32. MSSL Wirings Juarez S.A. de C.V.
 33. MSSL Manufacturing Hungary Kft
 34. Motherson Air Travel Pvt. Ltd.
 35. MSSL Estonia WH OÜ
 36. Samvardhana Motherson Global Holdings Ltd.
 37. Samvardhana Motherson Automotive Systems Group B.V.
 38. Samvardhana Motherson Reflectec Group Holdings Limited
 39. SMR Automotive Technology Holding Cyprus Ltd.
 40. SMR Automotive Mirror Parts and Holdings UK Ltd.
 41. SMR Automotive Holding Hong Kong Limited
 42. SMR Automotive Systems India Limited
 43. SMR Automotive Systems France S. A.
 44. SMR Automotive Mirror Technology Holding Hungary Kft
 45. SMR Patents S.a.R.L.
 46. SMR Automotive Technology Valencia S.A.U.
 47. SMR Automotive Mirrors UK Limited
 48. SMR Automotive Mirror International USA Inc.
 49. SMR Automotive Systems USA Inc.
 50. SMR Automotive Beijing Co. Limited
 51. SMR Automotive Yancheng Co. Limited
 52. SMR Automotive Mirror Systems Holding Deutschland GmbH
 53. SMR Holding Australia Pty Limited
 54. SMR Automotive Australia Pty Limited
 55. SMR Automotive Mirror Technology Hungary Bt
 56. SMR Automotive Modules Korea Ltd
 57. SMR Automotive Beteiligungen Deutschland GmbH
 58. SMR Hyosang Automotive Ltd.
 59. SMR Automotive Mirrors Stuttgart GmbH
 60. SMR Automotive Systems Spain S.A.U.
 61. SMR Automotive Vision Systems Mexico S.A. de C.V.
 62. SMR Grundbesitz GmbH & Co. KG
 63. SMR Automotive Brasil LTDA
 64. SMR Automotive System (Thailand) Limited
 65. SMR Automotives Systems Macedonia Dooel Skopje
 66. SMR Automotive Operations Japan K.K.
 67. SMR Automotive (Langfang) Co. Ltd.
 68. SMR Automotive Vision System Operations USA INC
 69. SMR Mirror UK Limited
 70. Samvardhana Motherson Peguform GmbH
 71. SMP Automotive Interiors (Beijing) Co. Ltd
 72. SMP Deutschland GmbH
 73. SMP Logistik Service GmbH
 74. SMP Automotive Solutions Slovakia s.r.o
 75. Changchun Peguform Automotive Plastics Technology Co. Ltd
 76. Foshan Peguform Automotive Plastics Technology Co. Ltd.
 77. SMP Automotive Technology Management Services (Changchun) Co. Ltd. (Deregistered effective from May 8, 2021)
 78. SMP Automotive Technology Iberica S.L
 79. Samvardhana Motherson Peguform Barcelona S.L.U
 80. SMP Automotive Technologies Teruel Sociedad Limitada
 81. Samvardhana Motherson Peguform Automotive Technology Portugal S.A
 82. SMP Automotive Systems Mexico S.A. de C.V
 83. SMP Automotive Produtos Automotivos do Brasil Ltda.

84.	SMP Automotive Exterior GmbH
85.	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG
86.	Samvardhana Motherson Innovative Autosystems Holding Company BV
87.	SM Real Estate GmbH
88.	Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V
89.	SMP Automotive Systems Alabama Inc.
90.	Motherson Innovations Company Limited, U.K.
91.	Motherson Innovations Deutschland GmbH
92.	Samvardhana Motherson Global (FZE)
93.	SMR Automotive Industries RUS Limited Liability Company
94.	Celulosa Fabril (Cefa) S.A.
95.	Modulos Ribera Alta S.L.
96.	Motherson Innovations Lights GmbH & Co KG
97.	Motherson Innovations Lights Verwaltungs GmbH
98.	PKC Group Oy
99.	PKC Wiring Systems Oy
100.	PKC Group Poland Sp. z o.o.
101.	PKC Wiring Systems LLC
102.	PKC Group APAC Limited
103.	PKC Group Canada Inc.
104.	PKC Group USA Inc.
105.	PKC Group Mexico S.A. de C.V.
106.	Project del Holding S.a.r.l.
107.	PK Cables do Brasil Ltda
108.	PKC Eesti AS
109.	TKV-sarjat Oy
110.	PKC SEGU Systemelektrik GmbH
111.	Groclin Luxembourg S.à r.l.
112.	PKC Vehicle Technology (Suzhou) Co., Ltd.
113.	AEES Inc.
114.	PKC Group Lithuania UAB
115.	PKC Group Poland Holding Sp. z o.o.
116.	OOO AEK
117.	Kabel-Technik-Polska Sp. z o.o.
118.	AEES Power Systems Limited partnership
119.	T.J.C.S. Corporation
120.	Fortitude Industries Inc.
121.	AEES Manufactura, S. De R.L de C.V.
122.	Cableados del Norte II, S. de R.L de C.V.
123.	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.
124.	Arneses y Accesorios de México, S. de R.L de C.V.
125.	Asesoría Mexicana Empresarial, S. de R.L de C.V.
126.	Arneses de Ciudad Juarez, S. de R.L de C.V.
127.	PKC Group de Piedras Negras, S. de R.L de C.V.
128.	PKC Group AEES Commercial S. de R.L de C.V
129.	Jiangsu Huakai-PKC Wire Harness Co., Ltd.
130.	PKC Vehicle Technology (Hefei) Co, Ltd.
131.	Shandong Huakai-PKC Wireharness Co. Ltd.
132.	Shenyang SMP Automotive Plastic Component Co, Ltd.
133.	PKC Vehicle Technology (Fuyang) Co., Ltd.
134.	Tianjin SMP Automotive Component Company Limited
135.	SMRC Automotive Holdings B.V. (formerly Reydel Automotive Holdings B.V.)
136.	SMRC Automotive Holdings Netherlands B.V. (formerly Reydel Automotive B.V.)
137.	SMRC Automotives Techno Minority Holdings B.V. (formerly Reydel Automotive Minority Holdings B.V.)
138.	SMRC Smart Automotive Interior Technologies USA, LLC (formerly Reydel Automotive USA, LLC) (dissolved effective June 28, 2021)
139.	SMRC Automotive Modules France SAS (formerly Reydel Automotive France SAS)
140.	Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U. (formerly Reydel Automotive Holding Spain, S.L.U)
141.	SMRC Automotive Interiors Spain S.L.U. (formerly Reydel Automotive Spain, S.L.U)
142.	SMRC Automotive Interior Modules Croatia d.o.o (formerly Reydel Automotive Croatia d.o.o.)
143.	Samvardhana Motherson Reydel Autotecc Morocco SAS (formerly Reydel Automotive Morocco SAS)
144.	SMRC Automotive Technology RU LLC (formerly Reydel Automotive Rus LLC)
145.	SMRC Smart Interior Systems Germany GmbH (formerly Reydel Automotive Germany GmbH)
146.	SMRC Automotive Interiors Products Poland SA (formerly Reydel Automotive Poland SA) (dormant)
147.	SMRC Automotive Solutions Slovakia s.r.o. (formerly Reydel Automotive Slovakia s.r.o.)
148.	SMRC Automotive Holding South America B.V. (formerly Reydel Automotive South America B.V.)
149.	SMRC Automotive Modules South America Minority Holdings B.V. (formerly Reydel Automotive South America Minority Holdings B.V.)
150.	SMRC Automotive Tech Argentina S.A. (formerly Reydel Automotive Argentina SA)
151.	SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltda (formerly Reydel Automotive Brazil)
152.	<u>SMRC Automotive Products Limited</u> (formerly SMRC Automotive Products Private Ltd.)
153.	SMRC Automotive Smart Interior Tech (Thailand) Ltd. (formerly Reydel Automotive Thailand Ltd.)
154.	SMRC Automotive Interiors Japan Ltd. (formerly Reydel Automotive Japan Ltd.)

155. Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd.
(formerly Shanghai Reydel Automotive Technology Consulting Co. Ltd.)
156. PT SMRC Automotive Technology Indonesia
(formerly PT Reydel Automotive Indonesia)
157. Yujin SMRC Automotive Techno Corp.
(formerly Yujin- Reydel Corp.)
158. SMRC Automotives Technology Phil Inc.
(formerly Reydel Automotive Phils Inc.)
159. MSSL M Tooling Ltd (defunct w.e.f. 30.10.2020)
160. Motherson Innovations LLC, USA
161. Motherson Ossia Innovations LLC, USA
162. Samvardhana Motherson Corp Management Shanghai Co Ltd.
163. Motherson Rolling Stock Systems GB Ltd. (under liquidation)
164. Motherson PKC Harness Systems FZ-LLC
165. Wisetime Oy
166. Re-time Pty Limited
167. Motherson Sumi Wiring India Limited
168. SMP Automotive Interior Modules d.o.o. Čuprija, Serbia
169. Motherson Rolling Stocks S. de R.L. de C.V.
170. Shenyang SMP Automotive Trim Co., Ltd., China
171. Motherson Business Service Hungary Kft.
172. SMR Plast Met Molds & Tools Turkey
(effective from April 29, 2021)
- SMR Plast Met Autoivoitec Turkey
(effective from April 29, 2021)
- 173.

(ii) One entity is an associate or joint venture of the other entity (or an associate of joint venture of a member of a group of which other entity is a member)

NIL

(iii) Both entities are the joint ventures of the same third party

1. Anest Iwata Motherson Coating Equipment Private Limited
2. Anest Iwata Motherson Private Limited
3. AES (India) Engineering Limited
4. Valeo Motherson Thermal Commercial Vehicles India Limited
5. Matsui Technologies India Limited
6. Fritzmeier Motherson Cabin Engineering Private Limited
7. Nissin Advanced Coating Indo Co. Private Limited
8. Marelli Motherson Automotive Lighting India Private Limited
9. CTM India Limited
10. Marelli Motherson Auto Suspension Parts Private Limited
11. Motherson Bergstrom HVAC Solutions Private Limited
12. Youngshin Motherson Auto Tech Limited
13. Frigel Intelligent Cooling Systems India Private Limited
14. Samvardhana Motherson Global Holdings Limited
15. Samvardhana Motherson Polymers Limited
16. Motherson Auto Solutions Limited
17. Motherson Techno Tools Limited
18. Saks Ancillaries Limited
19. Samvardhana Motherson Hamakyorex Engineered Logistics Limited" (SAMRX)
20. Samvardhana Motherson Adsys Tech Limited

Effective from January 21, 2022

1. Hubei Zhengao PKC Automotive Wiring Company Ltd
2. Kyungshin Industrial Motherson Pvt. Ltd.
3. Calsonic Kansel Motherson Auto Products Pvt. Ltd.
4. Ningbo SMR Huaxiang Automotive Mirrors Co. Limited
5. Chongqing SMR Huaxiang Automotive Products Limited
6. Eissmann SMP Automotive interieur Slovakia s.r.o.
7. Tianjin SMR Huaxiang Automotive Parts Co., Ltd.

(iv) One entity is a joint venture of a third entity and other entity is an associate of the third entity

NIL

(v) The entity is post-employment benefit plan for the benefit of employees of either the reporting entity or an entity is related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

NIL

(IV) Entity is controlled or jointly controlled by a person identified in (a)

1. Renu Farms Private Limited
2. Advantedge Technology Partners Pvt. Ltd.
3. Moon Meadows Private Limited
4. Nirvana Niche Products Private Limited
5. Shri Sehgal's Trustee Company Private Limited
6. Sisbro Motor & Workshop Private Limited
7. Field Motor Private Limited
8. Southcity Motors Private Limited
9. Motherson Auto Limited
10. Motherson Engineering Research and Integrated Technologies Limited
11. A Basic Concepts Design Pty Limited
12. ATAR Mauritius Private Limited
13. SCCL Infra Projects Limited
14. SCCL Global Project (FZE)
15. Spirited Auto Cars (I) Limited
16. Motherson Lease Solution Limited
17. Systematic Conscom Limited
18. Advanced Technologies and Auto Resources Pte. Ltd.
19. Edcon Global Pte. Limited
20. Motherson Innovative Technologies and Research

MOTHERSON AUTO ENGINEERING SERVICE LTD.

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Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR)

21. Radha Rani Holdings Pte Ltd.
22. JSSR Holdings (M) Pvt. Ltd.
23. Motherson Air Travel Agency GmbH
24. Nirvana Foods GmbH
25. Motherson Spirited Auto Retail India Limited (formerly SMG Fincorp Limited)
26. Prime Auto Cars Limited (formerly SMG Insurance Broker Services Limited)
27. Spirited Motor Vehicles Limited
28. Adventure Auto Car India Limited
29. Samvardhana Motherson Employees Benefit Limited
30. FDO Holidays Private Limited
31. Samvardhana Motherson Employees Nominee Company UK Limited
32. Swarn Lata Motherson Dhenu Sewarth Trust
33. Swarnlata Motherson Trust
34. Samvardhana Employees Welfare Trust
35. Sehgal Family Trust
36. Renu Sehgal Trust
37. SWS India Management Support and Service Pvt. Ltd.
38. Son Grows System Limited, Dubai
39. Advantedge Incubators Private Limited
40. Motherson (Partnership Firm)
41. Vaaman Auto Industry (Partnership Firm)
42. Ganpati Auto Industries (Partnership Firm)

(iii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity)

NIL

(iv) The entity or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to parent of the reporting entity

NIL

II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 29 (f) above:

(a) Transactions with related parties

S. No.	Particulars	Holding company		Subsidiary & Fellow Subsidiary Companies		Joint ventures		Associate Companies		Key Management personnel	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Sales of goods										
	Purchases										
	Sale of fixed assets										
	Sale of WIP and Stock										
	Payment of salaries										
	Services rendered										
	Other Income received										
	Preference shares redemption										
	Services received										
	Other expenses/payments detail below										
	Commission										
	Professional expenses	23,000	23,000								
	Rent office & others										
	Business promotion										
	Consultancy expenses										
	Conveyance others										
	Corporate social responsibilities (CSR)										
	Electricity & power										
	Guest house expenses/MATA										
	Bike charges equipments										
	Lease line expenses										
	Lease rent car & others										
	Office expenses										
	Project expenses										
	Provision utilised										
	Repair & maint. office										
	Security expenses										
	Staff welfare										
	Travel expenses										
	Vehicle repair										
	Tuition fees to Directors										
	Reimbursements received										
	Debtor Balance Reimbursed										
	Reimbursements paid	900	900								
	Liabilities Transferred										
	ICD taken										
	ICD repaid										
	Interest paid on ICD										
	Debtors Transferred										
	Interest received on ICD										
	Investments										
	ICD Given										
	ICD Received back										
	Security deposits given										
	Security deposits received back										
	Security deposits received										
	Deferred Revenue (net)										
	Total	23,900	23,900								

(f) Outstanding balances arising from sales / purchases of goods and services

S. No.	Particulars	Holding company		Subsidiary & Fellow Subsidiary Companies		Joint ventures		Associate Companies		Key Management personnel	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
1	Trade receivables										
2	Trade payables		34,965								

30. Segment Information:

Description of segments and principal activities

The Company is engaged in the business of Design of stamping dies and CAD/CAM services for making of cut stamping dies and design of metal parts to be made with stamping dies for automobiles and marketing / sales of product.

No Disclosure required under IND AS 108 as company has single area of operations and single product

31. Imports on CIF basis

Company has not made any imports during the year. The information with respect to imports in past 2 years are presented below:

S. No.		2021-22	2020-21
1	Capital Goods	NIL	NIL
2	Raw Material	NIL	NIL

32. Earnings In Foreign Exchange

There were no revenues during the year from foreign currency or exports sale. The information with respect to earnings in foreign currency in past 2 years is presented below

S. No.	Earnings in Foreign Exchange	2021-22	2020-21
1	Earnings in foreign currency	NIL	NIL

33. Expenditure in Foreign Exchange

There were no expenses during the year in foreign currency. The information with respect to expenditure in foreign currency in past 2 years is presented below

However we have apid the existing liability

S. No.	Expenditure In Foreign Exchange	2021-22	2020-21
1	Travelling	NIL	NIL
2	Repair and Maintenance	NIL	NIL
3	Other Services	NIL	NIL

34. Hedged and Unhedged exposure In foreign currency

A. Derivatives outstanding

S. No.	Currency	Payable/Receivable	As on 31.03.2022	As on 31.03.2021
1	-	-	Nil	Nil

B. Unhedged Foreign Currency Exposure

S. No.	Currency	Payable/Receivable	As on 31.03.2022	As on 31.03.2021
1	yen	Payable	NIL	NIL
2	yen	Receivable	NIL	NIL
3	USD	Receivable	NIL	NIL
4	Euro	Payable	NIL	NIL

35. Outstanding capital Commitments

The status of outstanding capital commitments is as follows:

S. No.	Outstanding capital Commitments	As on 31.03.2022	As on 31.03.2021
1		NIL	NIL

36. Accumulated losses and going concern

The accumulated losses of the company have substantially eroded the capital of the company. The conditions present indicate the material uncertainty that may cast significant doubt about the company's ability to continue as a going concern.

However, the management is not only confident to continue to provide services in existing line of business but is also contemplating to undertake new business opportunities which has good potential in different entities including Government. The management is also confident that owing to developments anticipated for future and current resources availability in terms of money, manpower and other assets, the holding company shall support with sufficient funds to accomplish the above object and assuring growth in future.

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Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR)

37. Due to micro, small and medium enterprises

The Company do not have dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to

Particulars	March 31, 2022	March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

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CIN No.U29253DL2004PLC126353

Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR)

38. Contingent liabilities:

	March 31, 2022	March 31, 2021
Claims against the Company not acknowledged as debts		
Income tax matters*		
Sales tax disputes**		
Sales tax (against pending C & I Forms)	-	-
Excise duty	-	-
Bank guarantees/ letters of credit		

- (a) The Company does not expect any reimbursements in respect of the above contingent liabilities.
- (b) It is not practicable for the Company to estimate the timings and amount of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

38

Impact of COVID-19

The management has considered the possible effects that may result from the pandemic relating to COVID-19 on the financial results. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the management has used internal and external source of information. Based on the management assessment, no material impact has been noted. Considering that it is a dynamic and evolving situation, the management will continue to closely monitor and evaluate the impact of any material change in macro-economic and other related factors, which may have bearing on the business operation.

- 39 The company has opted not to apply the requirement of paragraph 22-49 laid down in IndAS -116 "Leases" since the lease of underlying asset is of short term period and recognise the lease payments as an expense in the same year in which it is incurred. Details are as follows

Particulars	March 31, 2022	March 31, 2021
Lease expense	36,300	36,300

- 40 Previous year figures have been regrouped/recast wherever necessary for the purpose of comparison

As per our report of even date attached

For Mangla Associates
Chartered Accountants

(A.P.Mangla)

Partner

M. No. 080173

UDIN: 22080173AIMSCT6885

Place : Noida

Date : 06.05.2022



For and on behalf of the Board of Directors

Mr. Rakesh Khurana

Director

DIN: 00307513

Place : Noida

Date : 06.05.2022

Mr. Rajesh Srivastava

Director

DIN: 03248594

Place : Noida

Date : 06.05.2022