CHATURVEDI & CO.
Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MOTHERSON CONSULTANCIES SERVICE LIMITED

Report on the Audit of the Financial Statements

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

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

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its financial.

   ii. The Company has made provision, as required under the applicable law or accounting standards. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses

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

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h) With respect to the matter to be included in the Auditors' report under Section 197(16) :

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Company is in accordance with the provisions of Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

CHATURVEDI & CO. NEW DELHI Chartered Accountants

RAJEEV RANJAN KUMAR
Partner
Membership No. 513678
UDIN : **22513678AICXJN6857**

New Delhi
April 29,2022

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

The Annexure referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MOTHERSON CONSULTING SERVICES LIMITED of even date)

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant, and Equipment.

(B) The company is maintaining proper records showing full particulars of intangible assets;

(b) The Property, Plant, and Equipment have been physically verified during the year by the management in accordance with a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed during such verification.

(c) There is no immovable property held by the Company.

(d) The company has not revalued its Property, Plant, and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) There are no proceedings that have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The nature of the business, the Company does not have any inventory. Accordingly, the provisions of Para 3 (ii) of the Order are not applicable to the Company.

(b) During the year at any point of time, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of Para 3 (iii)(a) to Para 3 (iii)(f) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has not granted any loan, made any investment and provided any guarantee or security in respect of which provisions of Sections 185 and 186 of the Act are applicable. Accordingly, the provisions of Para 3 (iv) of the Order are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder during the year. Accordingly, the provisions of Para 3 (v) of the Order are not applicable to the Company.

vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act. Accordingly, the provisions of Para 3 (vi) of the Order are not applicable to the Company.

vii. (a) According to information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues in respect of goods and service tax, provident fund, employee's state insurance, income tax, sale tax, Service tax, Duty of custom, the duty of excise, value-added tax, cess and any other material statutory dues applicable to it with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there were no outstanding dues in respect of statutory dues in respect of provident fund, employee's state insurance, income tax, goods and service tax, cess and any other material statutory dues which as at March 31, 2022, have not been deposited on account of any dispute.

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NEW DELHI
Chartered Accountants

viii. No transactions recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of Para 3 (viii) of the Order are not applicable to the Company.

ix. (a) According to the information and explanations given to us, the company has not taken loans from the bank, or financial institutions and has not issued any debentures during the year Accordingly, the provisions of Para 3 (viii) of the Order are not applicable to the Company.

(b) The company has not been declared a willful defaulter by any bank or financial institution or another lender;

(c) No term loans have been taken by the company during the year.

(d) No funds are raised on a short-term basis during the year.

(e) The company does not have its subsidiaries, associates, or joint ventures.

(f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.

x. (a) According to the information and explanations given to us, the Company has not raised any money by way of an initial public offer or further public offer (including debt instruments).

(b) According to the information and explanations given to us, the company not has made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year;

xi. (a) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(b) There is no report filed under sub-section (12) of section 143 of the Companies Act by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) There were no whistle-blower complaints.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of Para 3 (xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations provided to us, all transactions with related parties are in compliance with sections 188 and section 177 the details have been disclosed in the Financial Statement, etc. as required by the applicable accounting standards.

xiv. (a) The management itself has an internal audit system commensurate with the size and nature of its business;

(b) The reports of the management for the period under audit were considered by the statutory auditor;

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.;

(d) The Company is not a part of CIC.

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xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii. According to the information and explanations given to us, there has not been any resignation of the statutory auditors during the year.

xix. On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, our opinion that no material uncertainty exists as on the date of the audit report is capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date;

xx. (a) The company does not fall under the criteria defined for compliance with the second proviso to sub-section (5) of section 135 of the said Act; Accordingly, the provisions of Para 3 (xx) (a) of the Order are not applicable to the Company.

(b) As clause xx (a) is not applicable to the company hence, the provisions of Para 3 (xx) (b) of the Order are not applicable to the Company.

xxi. There have not been any qualifications or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies.

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

RAJEEV RANJAN KUMAR
Partner
Membership No. 513678
UDIN : **22513678AICXJN6857**

New Delhi
April 29,2022

CHATURVEDI & CO. NEW DELHI Chartered Accountants

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

Report on the Internal Financial Controls Over Financial Reporting 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 CONSULTANCIES SERVICE LIMITED ("the Company") as of March 31, 2022, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

CHATURVEDI & CO. NEW DELHI Chartered Accountants

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

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

CHATURVEDI & CO. NEW DELHI Chartered Accountants

RAJEEV RANJAN KUMAR
Partner
Membership No. 513678
UDIN : **22513678AICXJN6857**

New Delhi
April 29, 2022

MOTHERSON CONSULTANCIES SERVICE LIMITED (CIN No. U29130DL2004PLC131100)

Balance sheet as on March 31, 2022

(Figures in INR '000 unless stated otherwise)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	141	246
Right of use assets	3	6,116	833
Intangible assets	4	-	31
Financial assets			
i. Other financial assets	6	1,735	1,156
Deferred tax assets (net)	7	8,652	13,401
Other non current assets	9	19	1
Total non-current assets		**16,663**	**15,668**
Current assets			
Financial assets			
i. Trade receivables	5	5,776	3,502
ii. Cash and cash equivalents	10	14,630	18,296
iii. Other bank balances	10	60,225	30,225
iv. Other financial assets	6	2,876	999
Other current assets	11	371	41
Total current assets		**83,878**	**53,064**
Total assets		**1,00,541**	**68,732**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	26,000	26,000
Other equity	13	53,224	25,506
Total equity		**79,224**	**51,506**
Liabilities			
Non current Financial liabilities			
i. Lease liabilities	14	5,369	561
ii. Provisions	19	4,708	5,215
Total non-current liabilities		**10,077**	**5,776**
Current liabilities			
Financial Liabilities			
i. Trade payables	17		
Total outstanding dues of micro enterprises and small enterprises		118	154
Total outstanding dues of creditors other than micro enterprises and small enterprises		7	235
ii. Lease liabilities	15	867	356
iii. Other financial liabilities	16	2,809	2,303
Provisions	19	86	82
Current tax liability (Net)	8	5,498	5,594
Other current liabilities	18	1,855	2,726
Total current liabilities		**11,240**	**11,450**
Total liabilities		**21,317**	**17,226**
Total equity and liabilities		**1,00,541**	**68,732**

As per our report of even date attached

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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

Rajeev Ranjan Kumar
Partner
M. No. 513678

Manish Kumar Goyal
Director
DIN No. 00256796

Parthasarathy Srinivasan
Director
DIN No. 01039931

Place : Noida
Date: 29/04/2022

Motherson Consultancies Service Limited * Noida *

Anil Kumar Bahl
Chief Operating Officer

Mrityunjay Kumar Rao
Finance Head

MOTHERSON CONSULTANCIES SERVICE LIMITED (CIN No. U29130DL2004PLC131100)

Statement of profit and loss for the year ended March 31, 2022

(Figures in INR '000 unless stated otherwise)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue			
Revenue from operations	20	68,815	43,405
Other income	21	2,194	7,330
Total income		**71,009**	**50,735**
Expenses			
Employee benefit expenses	22	24,994	23,165
Depreciation and amortization expense	25	760	766
Other expenses	24	6,970	6,892
Finance costs	23	192	127
Total expenses		**32,916**	**30,950**
Profit before tax		**38,093**	**19,785**
Tax expenses			
-MAT		-	-
-MAT credit entitlement		-	-
-Deferred tax		65	(1,462)
-Current tax expense		10,807	5,561
-MAT credit reversal		-	3,439
Total tax expense		**10,872**	**7,539**
Profit for the year		**27,221**	**12,247**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	19	850	418
Deferred / Current tax on remeasurements of post-employment benefit obligations		(352)	116
Other comprehensive income for the year, net of tax		**498**	**534**
Total comprehensive income for the year		**27,719**	**12,781**
Earnings per share:	27		
Nominal value per share: Rs. 10/- (Previous year : Re 10/-)			
Basic		10.47	4.71
Diluted		10.47	4.71

As per our report of even date attached

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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

Rajeev Ranjan Kumar
Partner
M. No. 513678

Manish Kumar Goyal
Director
DIN No. 00256796

Parthasarathy Srinivasan
Director
DIN No. 01039931

Place : Noida
Date: 29/04/2022

Motherson Consultancies Service Limited ★ Noida ★

Anil Kumar Bahl
Chief Operating Officer

Mrityunjay Kumar Rao
Finance Head

MOTHERSON CONSULTANCIES SERVICE LIMITED (CIN No. U29130DL2004PLC131100)

Statement of changes in equity as on March 31, 2022 *(Figures in INR '000 unless stated otherwise)*

A. Equity share capital	Note No.	Amount
As at March 31, 2020		**26,000**
Changes in Equity Share capital due to prior period errors		-
Restated balance at the beginning of the current reporting period	12	-
Changes in equity share capital during the current year		-
As at March 31, 2021		**26,000**
Changes in Equity Share capital due to prior period errors		-
Restated balance at the beginning of the current reporting period	12	-
Changes in equity share capital during the current year		-
As at March 31, 2022		**26,000**

B. Other equity		Reserves and surplus	
		Retained earnings	Total
Balance at March 31, 2020		**12,725**	**12,725**
Profit for the year	13	12,247	12,247
Other comprehensive income		534	534
Total comprehensive income for the year		**25,506**	**25,506**
Balance at March 31, 2021		**25,506**	**25,506**
Profit for the year	13	27,221	27,221
Other comprehensive income		498	498
Total comprehensive income for the year		**53,224**	**53,224**
Balance at March 31, 2022		**53,224**	**53,224**

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 AND ON BEHALF OF THE BOARD OF DIRECTORS

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

Rajeev Ranjan Kumar
Partner
M. No. 513678

Manish Kumar Goyal
Director
DIN No. 00256796

Parthasarathy Srinivasan
Director
DIN No. 01039931

Place : Noida
Date: 29/04/2022

Anil Kumar Bahl
Chief Operating Officer

Mrityunjay Kumar Rao
Finance Head

Motherson Consultancies Service Limited
Noida

MOTHERSON CONSULTANCIES SERVICE LIMITED (CIN No. U29130DL2004PLC131100)

Cash Flow Statement for the year ended March 31, 2022 *(Figures in INR '000 unless stated otherwise)*

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities:		
Net profit before tax	38,093	19,785
Adjustments for:		
Depreciation & Amortisation	760	766
Gain on disposal of property, plant & equipment (net)	-	12
Profit on sale of Property, plant and equipment	-	(31)
Interest income	(2,184)	(670)
Operating profit before working capital changes	**36,669**	**19,863**
Change in working Capital:		
Increase/(Decrease) in Trade Payables	(263)	(362)
Increase/(Decrease) in Short Term Provisions	4	11
Increase/(Decrease) in Long Term Provisions	343	982
Increase/(Decrease) in Other Current Liabilities	(305)	1,308
Increase/(Decrease) in Other Long Term Liabilities	5,258	(191)
(Increase)/Decrease in Trade Receivables	(2,273)	1,041
(Increase)/Decrease in other non current assets	(18)	8
(Increase)/Decrease in Long Term Loans and Advances	(579)	(3)
(Increase)/Decrease in Short Term Loans and Advances	(2,207)	(613)
Cash generated from operations	**36,628**	**22,045**
- Taxes paid (net of refund)	(6,571)	(3,298)
Net cash generated from operations	**30,057**	**18,747**
B. Cash flow from Investing activities:		
Payments for property, plant & equipment	(5,907)	(241)
Proceeds from sale of property, plant & equipment	-	31
Interest received	2,184	670
Net cash used in investing activities	**(3,723)**	**459**
Net Increase/(Decrease) in Cash & Cash Equivalents	**26,334**	**19,207**
Net Cash and Cash equivalents at the beginning of the year	**48,296**	**29,090**
Cash and cash equivalents as at current year closing	**74,630**	**48,296**
Cash and cash equivalents comprise of the following (Note 10)		
Balances with banks	74,630	48,296
Cash and cash equivalents as per Balance Sheet	**74,630**	**48,296**

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.

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

Rajeev Ranjan Kumar
Partner
M. No. 513678

Place : Noida
Date: 29/04/2022

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Manish Kumar Goyal
Director
DIN No. 00256796

Parthasarathy Srinivasan
Director
DIN No. 01039931

Anil Kumar Bahl
Chief Operating Officer

Mrityunjay Kumar Rao
Finance Head

Motherson Consultancies Service Limited * Noida *

1. Corporate Information

Motherson Consultancies Service Limited ("The Company ") is a public limited company incorporated under the provisions of erstwhile Companies Act, 1956 and is a wholly owned subsidiary of Motherson Sumi Systems Limited. The company was originally incorporated on 9th December, 2004 with the name of Radha Rani Motors Private Limited. Which was subsequent changed to Genesis Automotive Private Limited on February 1, 2006. Further, the company has been converted into public limited company as Genesis Automotive Limited on February 2, 2010. The Company further changed its name from Genesis Automotive Limited to Motherson Climate System Limited on February 24, 2010 and further again changed its name from Motherson Climate System Limited to Motherson Consultancies Service Limited on December 2, 2013 with the additional object to provide consultancy on purchase portal. The address of its registered office is 2nd Floor, F-7, Block B1, Mohan Cooperative Industrial Estate, New Delhi - 110044 and corporate office at Plot No.1, Sector-127, Noida, Uttar Pradesh, India

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).

"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

• Defined benefit pension plans – plan assets measured at fair value"

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

b) 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

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• 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle."

c) Foreign currencies

(i) Functional and presentation currency

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

(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 or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

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.

d) Revenue recognition and other income

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

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

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

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

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

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

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

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

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

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

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

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

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

Sale of services:

Revenues from the sale of services are recorded with respect to the stage of completion as of the reporting date in relation to the total service to be provided in the course of the transaction.

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.

Rental Income:

Rental income arising from investment properties given under operating leases is accounted for on a straight-line basis over the lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases and is included in other income in the statement of profit and loss.

Dividend:

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

e) Income tax

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The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the 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 off set 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 off set 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.

f) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a Lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities, as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to

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compensate for the lessor's expected inflationary cost increases.

As a Lessor

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

g) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

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

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

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) 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)

Debt instruments at amortised cost

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

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

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

Debt instrument at FVTOCI

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

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a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b. The asset's contractual cash flows represent SPPI.

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

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

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.

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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 that are within the scope of Ind AS 11 and Ind AS 18
- **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.

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The balance sheet presentation for various financial instruments is described below:

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

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.

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 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

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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.

Embedded derivatives

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

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

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Offsetting of financial instruments

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

j) **Financial instruments**

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

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

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

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

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

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

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

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

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- Disclosures for valuation methods, significant estimates and assumptions **(note 2.2, 29 and 30)**
- Quantitative disclosures of fair value measurement hierarchy **(note 28)**
- Financial instruments (including those carried at amortised cost) **(note 5, 6, 10, 15, 16, 17, 28, 29 and 30)**

k) 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, 2015 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**
Office equipment	5 years
Vehicle	3 years
Computers	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.

Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful

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lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss. The amortization rates used are:

Assets	Useful life
Software	3 years

l) Provisions and contingent liabilities

Provisions

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.

m) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

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Provident Fund

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. The company recognizes contribution payable to the provident fund scheme as expenditure in the statement of profit and loss, when an employee renders the related service.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions to Life Insurance Corporation of India (LIC) under its Company's Gratuity Scheme whereas others are not funded.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Past-service costs are recognised immediately in income.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss in the period in which they arise. Past-service costs are recognised immediately in income.

n) Dividends

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

o) 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

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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 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 assumptions

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

The cost of the defined benefit gratuity plan is determined using actuarial valuations. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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Further details about gratuity obligations are given in **Note 19**

(iii) Fair valuation of unlisted securities

When the fair value of unlisted securities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. **Refer Note 28** of the financials.

(iv) 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.

2.3 Accounting pronouncements issued

Ind AS116 Leases: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.
- Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application

Certain practical expedients are available under both the methods. On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial

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application (April 1, 2019). Accordingly, comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment

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Notes to the financial statements as on March 31, 2022 (Figures in INR '000 unless stated otherwise)

3. Property plant and equipment

Particulars	Office equipments	Computers	Vehicles	Total	Right of use assets
Year ended March 31, 2021					
Gross carrying amount					
Deemed cost as at April 01, 2020	10	294	93	**397**	2,077
Additions	-	241	-	**241**	-
Disposals	-	-	(63)	**(63)**	-
Other adjustment	-	-	-	-	-
Closing gross carrying amount as at March 31, 2021	**10**	**535**	**30**	**575**	**2,077**
Accumulated depreciation					
Opening accumulated depreciation as at April 01, 2020	5	188	60	**253**	852
Depreciation charge during the year	2	104	21	**127**	392
Disposals	-	-	(51)	**(51)**	-
Impairment loss	-	-	-	-	-
Closing accumulated depreciation as at March 31, 2021	**7**	**292**	**30**	**329**	**1,244**
Net carrying amount as at March 31, 2021	**3**	**243**	-	**246**	**833**
Year ended March 31, 2022					
Gross carrying amount					
Opening gross carrying amount as at April 01, 2021	10	535	30	575	2,077
Additions	-	-	-	-	5,907
Disposals	-	-	-	-	-
Other adjustment	-	-	-	-	-
Closing gross carrying amount as at March 31, 2022	**10**	**535**	**30**	**575**	**7,984**
Accumulated depreciation					
Opening accumulated depreciation as at April 01, 2021	7	292	30	**329**	1,244
Depreciation charge during the year	2	104	-	**106**	624
Disposals	-	-	-	-	-
Impairment loss	-	-	-	-	-
Other adjustment (Refer note..)	-	-	-	-	-
Closing accumulated depreciation as at March 31, 2022	**9**	**396**	**30**	**435**	**1,868**
Net carrying amount as at March 31, 2022	**1**	**139**	-	**141**	**6,116**

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MOTHERSON CONSULTANCIES SERVICE LIMITED (CIN No. U29130DL2004PLC131100)
Notes to the financial statements as on March 31, 2022

(Figures in INR '000 unless stated otherwise)

4. Intangible assets

Particulars	Software *
Year ended March 31, 2021	
Gross carrying amount	
Deemed cost as at April 01, 2020	807
Addition	-
Disposal	-
Other adjustment	-
Closing gross carrying amount as at March 31, 2021	**807**
Accumulated amortisation	
Opening accumulated amortisation as at April 01, 2020	529
Amortisation charge during the year	247
Disposals	-
Closing accumulated amortisation as at March 31, 2021	**777**
Net carrying amount as at March 31,2021	**31**
Year ended March 31, 2022	
Gross carrying amount	
Opening gross carrying amount as at April 01, 2021	807
Addition	-
Closing gross carrying amount as at March 31, 2022	**807**
Accumulated amortisation	
Opening accumulated amortisation as at April 01, 2021	777
Amortisation charge during the year	31
Closing accumulated amortisation as at March 31, 2022	**807**
Net carrying amount as at March 31, 2022	**-**

* Represents purchased intangible assets

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Notes to the financial statements as on March 31, 2022 (Figures in INR '000 unless stated otherwise)

5. Trade receivables

	March 31, 2022		March 31, 2021	
	Current	Non-current	Current	Non-current
Receivables considered good - Unsecured	5,776	-	3,502	-
	5,776	**-**	**3,502**	**-**
Less: Allowances for credit loss	-	-	-	-
Total	**5,776**	**-**	**3,502**	**-**
Receivables from firms or private limited companies in which Director of the Company is also a partner or director or member	-	-	-	-

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

Aging as on March 31, 2022

Particulars	Less than 6 Months	6 Months-1 Years	1-2 Years	More than 2 Years	Total
(i) Undisputed Trade receivables – considered good	5,776	-	-	-	5,776
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-
Total	**5,776**	**-**	**-**	**-**	**5,776**

Aging as on March 31, 2021

Particulars	Less than 6 Months	6 Months-1 Years	1-2 Years	More than 2 Years	Total
(i) Undisputed Trade receivables – considered good	3,502	-	-	-	3,502
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-
Total	**3,502**	**-**	**-**	**-**	**3,502**

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Notes to the financial statements as on March 31, 2022 (Figures in INR '000 unless stated otherwise)

6. Other financial assets

	March 31, 2022		March 31, 2021	
	Current	Non-current	Current	Non-current
Security Deposits (Unsecured, considered good)	75	1,735	407	912
Accrued Interest on Fixed Deposit	2,801	-	592	244
Fixed deposit with Maturity more than 12 month*	-	-	-	-
Total	**2,876**	**1,735**	**999**	**1,156**

* Pledged with government authorities

7. Deferred tax assets (Net)

Year ended March 31, 2022

	As at April 01, 2021	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	MAT credit utilised	As at March 31, 2022
Set-off of deferred tax assets pursuant to set-off provisions					
MAT credit	11,823	-		4,332	7,491
Property, Plant and Equipment	(21)	(73)			53
Provision for doubtful debts and advances	-	-			-
Impact on Actuarial gain loss	116	352			(236)
Tax losses	-	-			-
Employee benefit provisions	1,474	140			1,334
Right to use assets	8	(1)			10
Total deferred tax assets	**13,401**	**417**	**-**	**4,332**	**8,652**
Less: Unrecognised deferred tax assets		-	-	-	-
Recognised deferred tax assets	13,401	417	-	4,332	8,652

Year ended March 31, 2021

	As at April 01, 2020	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	MAT credit utilised	As at March 31, 2021
Set-off of deferred tax assets pursuant to set-off provisions					
MAT credit	15,263	3,439			11,823
Property, Plant and Equipment	35	56			(21)
Provision for doubtful debts and advances	-	-			-
Impact on Actuarial gain loss	-	(116)			116
Tax losses	-	-			-
Employee benefit provisions	1,314	(160)			1,474
Right to use assets	15	7			8
Total deferred tax assets	**16,627**	**3,226**	**-**	**-**	**13,401**
Less: Unrecognised deferred tax assets	1,364	1,364	-	-	-
Recognised deferred tax assets	15,263	1,862	-	-	13,401

Note:

1. Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.
2. 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.

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MOTHERSON CONSULTANCIES SERVICE LIMITED (CIN No. U29130DL2004PLC131100)
Notes to the financial statements as on March 31, 2022 *(Figures in INR '000 unless stated otherwise)*

8. Current tax liability (Net)

	March 31, 2022	March 31, 2021
Current Tax liabilities		
Provision for tax	(15,436)	(8,961)
Income tax assets		
Advance tax	9,938	3,367
Total	**(5,498)**	**(5,594)**

9. Other non-current assets

	March 31, 2022	March 31, 2021
(Unsecured, considered good, unless otherwise stated)		
Prepaid expenses	19	1
Total	**19**	**1**

10. Cash and cash equivalents *

	March 31, 2022	March 31, 2021
Balances with banks:		
- in current accounts	14,630	18,296
- Cash in hand	-	-
	14,630	**18,296**
Other bank balances		
- Deposits maturity more than 3 less than 12 months	60,000	30,000
- Others	225	225
Total	**60,225**	**30,225**

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

11. Other current assets

	March 31, 2022	March 31, 2021
(Unsecured, considered good, unless otherwise stated)		
Advances recoverable	326	18
Prepaid expenses	45	23
Balances with government authorities	-	-
Less: Allowance for Doubtful Advances	-	-
Total	**371**	**41**

	March 31, 2022	March 31, 2021
There is no advances to a private limited company in which Director of the Company is also a Director	-	-

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Notes to the financial statements as on March 31, 2022 (Figures in INR '000 unless stated otherwise)

12. Share capital

	March 31, 2022	March 31, 2021
Authorised:	50,000	50,000
50,00,000 Equity Share of Rs. 10/- each		
(March 31, 2022 :- 50,00,000, April 01, 2021: 50,00,000 Equity Share of Rs. 10/- each)		
Issued, Subscribed and Paid up:		
26,00,000 Equity Share of Rs. 10/- each		
(March 31, 2022 :- 26,00,000, April 01, 2021: 26,00,000 Equity Share of Rs. 10/- each)	26,000	26,000
Total	**26,000**	**26,000**

A. Movement in equity share capital

	Numbers	Amount
As at April 01, 2020	26,00,000	26,000
Issued during the year	-	-
As at March 31, 2021	26,00,000	26,000
Issued during the year	-	-
As at March 31, 2022	**26,00,000**	**26,000**

B. Rights, preferences and restrictions attached to shares

Equity Shares:

The Company has only one class of equity shares having a face value of Rs. 10 per share and each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holdlng.

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

	March 31, 2022	
Equity shares:	**Nos.**	**%**
Motherson Sumi System Limited (the Holding Company) and its nominees. (w.e.f January 21,2022)*	26,00,000	100%

	March 31, 2021	
Equity shares:	**Nos.**	**%**
Samvardhana Motherson International Limited (the Holding Company) and its nominees. (till January 21, 2022)*	26,00,000	100%

D. Details of shares held by Promoters

Equity shares:

Shares held by promoters at the end of the year				% Change during the year
S.No.	**Promoter Name**	**No. of Shares**	**% of Total Shares**	
1	Motherson Sumi System Limited	26,00,000	100%	Nil

*Samvardhana Motherson International Limited has been merged with Motherson Sumi System Limited w.e.f January 21, 2022

13. Reserves and surplus

	March 31, 2022	March 31, 2021
Retained earnings	53,224	25,506
Total reserves and surplus	**53,224**	**25,506**

(i) Retained earnings other comprehensive income

	March 31, 2022	March 31, 2021
Opening balance	25,506	12,725
Additions during the year	27,221	12,247
Remeasurements of post-employment benefit obligation, net of tax	498	534
Closing balance	**53,224**	**25,506**

14. Lease liabilities

	March 31, 2022	March 31, 2021
Finance lease liabilities	5,369	561
	5,369	**561**

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Notes to the financial statements as on March 31, 2022 (Figures in INR '000 unless stated otherwise)

15. Lease liabilities

	March 31, 2022	March 31, 2021
Current		
Current maturities of finance lease obligations	867	356
Total	**867**	**356**

16. Other financial liabilities

	March 31, 2022	March 31, 2021
Current		
Security deposit received	1,275	826
Employee benefits payable	1,485	1,428
Other payable	50	49
Total	**2,809**	**2,303**

17. Trade payables

	March 31, 2022	March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	118	154
Total outstanding dues of creditors other than micro enterprises and small enterprises	7	235
Total	**125**	**389**

Aging as on March 31, 2022

Particulars	Less than 6 Months	6 Months-1 Years	More than 1 Years	Total
MSME	118	-	-	**118**
Others	7	-	-	**7**
Disputed Dues MSME	-	-	-	-
Disputed Dues Others	-	-	-	-
Total	**125**	**-**	**-**	**125**

Note : The information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 ("MSME Act") has been determined to the extent such parties have been identified on the basis of information available with the Company. As at **March 31, 2022**, no amounts have fallen due for payment to suppliers who have been registered under the MSME Act.

Aging as on March 31, 2021

Particulars	Less than 6 Months	6 Months-1 Years	More than 1 Years	Total
MSME	154	-	-	**154**
Others	235	-	-	**235**
Disputed Dues MSME	-	-	-	-
Disputed Dues Others	-	-	-	-
Total	**389**	**-**	**-**	**389**

Note : The information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 ("MSME Act") has been determined to the extent such parties have been identified on the basis of information available with the Company. As at **March 31, 2021**, no amounts have fallen due for payment to suppliers who have been registered under the MSME Act.

18. Other current liabilities

	March 31, 2022	March 31, 2021
Statutory dues	1,855	2,726
Advances received from customers	0	-
	1,855	**2,726**

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Notes to the financial statements as on March 31, 2022 (Figures in INR '000 unless stated otherwise)

19. Provisions

	March 31, 2022		March 31, 2021	
	Current	Non current	Current	Non current
Employee benefit obligations				
Gratuity	63	3,257	55	3,592
Compensated absences	23	1,452	27	1,623
Total	**86**	**4,708**	**82**	**5,215**

The long term defined employee benefits and contribution schemes of the Company are as under:

A. Defined Benefit Schemes

Gratuity

The Company operates a gratuity plan administered through Life Insurance Corporation of India (LIC) under its Group Gratuity Scheme. Every employee is entitled to a benefit equivalent to fifteen days' salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company pays contribution to Life Insurance Corporation of India to fund its plan.

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

(i) Present Value of Defined Benefit Obligation

	For the year ended March 31, 2022	For the year ended March 31, 2021
Obligations at year beginning	3,648	3,391
Service Cost - Current	251	524
Interest expense	247	233
Amount recognised in profit or loss	**498**	**756**
Remeasurements		
Actuarial (gain) / loss from change in demographic assumption *	-	-
Actuarial (gain) / loss from change in financial assumption	(169)	18
Experience (gains)/losses	(681)	(436)
Amount recognised in other comprehensive income	**(850)**	**(418)**
Payment from plan:		
Benefit payments	**(819)**	**(81)**
Contributions:		
Addition due to transfer of employee	**843**	-
Obligations at year end	**3,320**	**3,648**

(ii) Assets and Liabilities recognized in the Balance Sheet

	For the year ended March 31, 2022	For the year ended March 31, 2021
Present Value of the defined benefit obligations	3,320	3,648
Amount recognized as Liability	**3,320**	**3,648**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Service Cost - Current	251	524
Interest Cost	247	233
Actuarial (gain) / loss	(850)	(418)
Net defined benefit obligations cost	**(352)**	**338**

(iii) Actuarial assumptions:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount Rate per annum	7.22%	6.76%
Future salary increases	8.00%	8.00%
Expected return on plan asset	NA	NA

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

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Notes to the financial statements as on March 31, 2022 (Figures in INR '000 unless stated otherwise)

(iv) Expected Contribution to the Fund in the next year

	For the year ended March 31, 2022	March 31, 2021
Gratuity	723	767
	723	767

(v) Sensitivity Analysis

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

	Change in March 31, 2022	March 31, 2021	Impact	Increase in March 31, 2022	March 31, 2021	Impact	Decrease in Assumption March 31, 2022	March 31, 2021
Discount Rate per annum	0.50%	0.50%	Decrease by	184	97	Increase by	(170)	(88)
Future salary increases	1.0%	1.0%	Increase by	204	190	Decrease by	(202)	(174)

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

(vi) Risk exposure

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability, voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:

(a) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds, if bond yield fall, the defined benefit obligation will tend to increase.

(b) Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

(c) Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria . It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to long career employee.

vii) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 13.94 years (March 31, 2022: 15.12 years, April 01, 2021: 12.75 years)

Expected benefit payments are as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2022 Defined benefit obligation	63	62	187	3,007	**3,320**
March 31, 2021 Defined benefit obligation	55	621	161	2,811	**3,648**
March 31, 2020 Defined benefit obligation	50	57	650	2,634	**3,391**

B. Defined Contribution Schemes

The Company deposits an amount determined at a fixed percentage of basic pay every month to the State administered Provident Amount recognised in the Statement of Profit & Loss is as follows (Refer note 21):

	For the year ended March 31, 2022	March 31, 2021
Provident fund paid to the authorities	1,585	1,448
	1,585	**1,448**

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MOTHERSON CONSULTANCIES SERVICE LIMITED (CIN No. U29130DL2004PLC131100)

Notes to the financial statements as on March 31, 2022 *(Figures in INR '000 unless stated otherwise)*

20. Revenue from operations

	For the year ended	
	March 31, 2022	March 31, 2021
Sale of services	68,815	43,405
Total	68,815	43,405
Geographical markets		
India	68,815	43,405
Outside India	-	-
Total revenue from contracts with customers	68,815	43,405
Timing of revenue recognition		
Services transferred over time	68,815	43,405
Total revenue from contracts with customers	68,815	43,405

Contract balance only comprise Trade receivables, refer note 5 for closing balance of trade receivables

21. Other income

	For the year ended	
	March 31, 2022	March 31, 2021
Interest income from financial assets at amortised cost	2,184	670
Gain on disposal of property, plant and equipment	-	31
Interest on loan to employees	10	-
Management consultancies service	-	6,630
Total	2,194	7,330

22. Employee benefit expenses

	For the year ended	
	March 31, 2022	March 31, 2021
Salary , wages & bonus	22,880	20,959
Contribution to provident & other Fund	1,585	1,448
Staff Welfare	31	2
Gratuity (Refer note 18)	498	756
Total	24,994	23,165

23. Finance Cost

	For the year ended	
	March 31, 2022	March 31, 2021
Interest expenses	192	127
	192	127

24. Other expenses

	For the year ended	
	March 31, 2022	March 31, 2021
Electricity, water and fuel	139	102
Repairs and maintenance:		
Machinery	34	18
Others	410	339
Security Charges	114	61
Postage & Telegram	31	110
Printing & Stationery	4	2
Software Charges	1,604	2,013
Misc. Expenses	78	96
Lease rent (operating leases)	342	191
Rent	667	809
Rates & taxes	156	123
Insurance	100	88
Travelling	920	542
Legal & professional expenses	2,295	2,344
Audit Fees (Refer note (a) below)	76	53
Total	6,970	6,892

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Notes to the financial statements as on March 31, 2022 (Figures in INR '000 unless stated otherwise)

(a): Payment to auditors:

	For the year ended March 31, 2022	For the year ended March 31, 2021
As Auditor:		
Audit fees (including limited review)	76	53
Total	**76**	**53**

25. Depreciation and amortization Expense

	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Property, plant and equipment	106	127
Amortization on Intangible assets	31	247
Depreciation on Right of use assets	624	392
Total	**760**	**766**

26. Income tax expense

	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Income tax expense		
Current tax		
Current tax on profit for the year	10,807	5,561
Total current tax expense	**10,807**	**5,561**
Deferred tax (Refer note 7)		
Mat credit reversal	-	3,439
Decrease / (increase) in deferred tax assets (net)	65	(1,462)
Total deferred tax expense / (benefit)	**65**	**1,978**
Income tax expense	**10,872**	**7,539**

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

	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit from continuing operations before income tax expense	38,093	19,785
Tax at India's tax rate of 27.82 % (March 31, 2021: 27.82 %)	10,597	5,504
Tax effect of amounts which are not deductible in calculating taxable income	200	56
Tax effect of amounts which are not allowed to be deducted(Permanent Disallowance)	9	
Income tax for prior years	-	3,439
Brought forward tax losses	-	(1,461)
Others	65	-
Income tax expense	**10,872**	**7,539**

27. Earnings per share

	March 31, 2022	March 31, 2021
a) Basic		
Net profit after tax available for equity Shareholders	27,221	12,247
Weighted average number of equity shares used to compute basic earnings per	26,00,000	26,00,000
Basic earnings per share	**10.47**	**4.71**

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

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Notes to the financial statements as on March 31, 2022 (Figures in INR '000 unless stated otherwise)

28. Fair value measurements

Financial instruments by category

	March 31, 2022			March 31, 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Trade receivables	-	-	5,776	-	-	3,502
Cash and cash equivalents	-	-	14,630	-	-	18,296
Other financial assets	-	-	4,611	-	-	2,155
Total financial assets	**-**	**-**	**25,017**	**-**	**-**	**23,953**
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Trade payable	-	-	125	-	-	389
Other financial liabilities	-	-	2,809	-	-	2,303
Total financial liabilities	**-**	**-**	**2,934**	**-**	**-**	**2,691**

i. Fair value hierarchy

There are no financial assets and liabilities which are measured at fair value - recurring fair value measurements

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

	March 31, 2022			March 31, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Asset						
Other financial assets	-	-	1,735	-	-	1,156
Total financial Assets	**-**	**-**	**1,735**	**-**	**-**	**1,156**
Financial liabilities						
Other financial liabilities	-	-	-	-	-	-
Total financial liabilities	**-**	**-**	**-**	**-**	**-**	**-**

The carrying amounts of trade receivables, cash and bank balances, loans, other receivables, short term borrowings, security deposits received, trade payables, creditors for capital expenditure and other current financial assets and liabilities are considered to be the same as fair value due to their short term maturities.

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

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

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

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

	March 31, 2022		March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Security Deposits	1,735	1,735	912	912
Other financial assets	-	-	244	244
	1,735	**1,735**	**1,156**	**1,156**

The fair value of non-current financial assets and financial liabilities carried at amortized cost is calculated using discounted cash flow method

iii. Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

a. the use of quoted market prices or dealer quotes for similar instruments.

b. the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.

c. the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

d. the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

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Notes to the financial statements as on March 31, 2022 (Figures in INR '000 unless stated otherwise)

29. Financial risk management

The Company, act as provides consultancy services to group companies through purchase portal. Company is not exposed to only below market risks:

Market risk:

A Credit risk:

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

Trade receivables and other financial assets

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are Group companies which are engaged in providing Automobile part to major Indian automobile manufacturers (OEMs) with good credit ratings. Primary banking institutions are major Indian. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due.

B Liquidity risk:

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating divisions of the Company and aggregated by Company finance. The Company's finance monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its ability to raise funds from its holding company

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities:

Year Ended March 31, 2022	Upto 1 year	1 to 5 years	More than 5 years	Total
Borrowings	-	-	-	-
Trade payables	125	-	-	**125**
Other financial liabilities	2,809	-	-	**2,809**
Total financial liabilities	**2,934**	-	-	**2,934**

Year Ended March 31, 2021	Upto 1 year	1 to 5 years	More than 5 years	Total
Borrowings	-	-	-	-
Trade payables	389	-	-	**389**
Other financial liabilities	2,303	-	-	**2,303**
Total financial liabilities	**2,691**	-	-	**2,691**

30. 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 follows:

	March 31, 2022	March 31, 2021
Net Debt	NA	NA
EBITDA	NA	NA
Net Debt to EBITDA	NA	NA

* As company does not have borrowings as on **March 31, 2022** net debt to EBITDA is not applicable

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MOTHERSON CONSULTANCIES SERVICE LIMITED (CIN No. U29130DL2004PLC131100)
Notes to the financial statements as on March 31, 2022

Note :- 31 **I. Related party disclosures**

1 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
Directors:
a Mr. Ravi Mathur
b Mr. Manish Kumar Goyal
c Mr. Parthasarathy Srinivasan

KMPs of MSSL (Holding Company) (from January 21, 2022)
Mr. Vivek Chaand Sehgal
Mr. Laksh Vaaman Sehgal
Mr. Shunichiro Nishimura
Mr. Gautam Mukherjee
Mr. Naveen Ganzu
Ms. Rekha Sethi
Mr. Robert Joseph Remenar
Ms. Veli Matti Rutsala
Mr. Norikatsu Ishida
Mr. Pankaj Mital
Mr. Kunal Malani
Mr. Alok Goel

2 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:
1 Samvardhana Motherson International Limited (SAMIL) (till January 21, 2022)
2 Motherson Sumi Systems Limited (MSSL) (from January 22,2022)

Subsidiaries and fellow subsidiaries of MSSL:
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 Ireland Pvt. Ltd.
17 Global Environment Management (FZE)
18 MSSL Global RSA Module Engineering Limited
19 MSSL Japan Limited

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MOTHERSON CONSULTANCIES SERVICE LIMITED (CIN No. U29130DL2004PLC131100)
Notes to the financial statements as on March 31, 2022

20 MSSL México, S.A. De C.V.
21 MSSL WH System (Thailand) Co., Ltd
22 MSSL Korea WH Limited
23 MSSL Consolidated Inc., USA
24 MSSL Wiring System Inc., USA
25 Alphabet de Mexico, S.A. de C.V.
26 Alphabet de Mexico de Monclova, S.A. de C.V.
27 Alphabet de Saltillo, S.A. de C.V.
28 MSSL Wirings Juarez S.A. de C.V.
29 MSSL Manufacturing Hungary Kft
30 Motherson Air Travel Pvt. Ltd.
31 MSSL Estonia WH OÜ
32 Samvardhana Motherson Global Holdings Ltd.
33 Samvardhana Motherson Automotive Systems Group B.V.
34 Samvardhana Motherson Peguform GmbH
35 SMP Automotive Interiors (Beijing) Co. Ltd
36 SMP Deutschland GmbH
37 SMP Logistik Service GmbH
38 SMP Automotive Solutions Slovakia s.r.o
39 SMP Automotive Technology Iberica S.L
40 Samvardhana Motherson Peguform Barcelona S.L.U
41 SMP Automotive Technologies Teruel Sociedad Limitada
42 Samvardhana Motherson Peguform Automotive Technology Portugal S.A
43 SMP Automotive Systems Mexico S.A. de C.V
44 SMP Automotive Produtos Automotivos do Brasil Ltda.
45 SMP Automotive Exterior GmbH
46 Samvardhana Motherson Innovative Autosystems B.V. & Co. KG
47 Samvardhana Motherson Innovative Autosystems Holding Company BV
48 SM Real Estate GmbH
49 Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V
50 SMP Automotive Systems Alabama Inc.
51 Motherson Innovations Company Limited, U.K.
52 Motherson Innovations Deutschland GmbH
53 Motherson Innovations Lights GmbH & Co KG
54 Motherson Innovations Lights Verwaltungs GmbH
55 PKC Group Oy
56 PKC Wiring Systems Oy
57 PKC Group Poland Sp. z o.o.
58 PKC Wiring Systems Llc
59 PKC Group APAC Limited
60 PKC Group Canada Inc.
61 PKC Group USA Inc.
62 PKC Group Mexico S.A. de C.V.
63 Project del Holding S.a.r.l.
64 PK Cables do Brasil Ltda
65 PKC Eesti AS
66 TKV-sarjat Oy
67 PKC SEGU Systemelektrik GmbH
68 Groclin Luxembourg S.à r.l.
69 PKC Vehicle Technology (Suzhou) Co., Ltd.
70 AEES Inc.
71 PKC Group Lithuania UAB
72 PKC Group Poland Holding Sp. z o.o.

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Notes to the financial statements as on March 31, 2022

73 OOO AEK
74 Kabel-Technik-Polska Sp. z o.o.
75 AEES Power Systems Limited partnership
76 T.I.C.S. Corporation
77 Fortitude Industries Inc.
78 AEES Manufactuera, S. De R.L de C.V.
79 Cableodos del Norte II, S. de R.L de C.V.
80 Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.
81 Arneses y Accesorios de México, S. de R.L de C.V.
82 Asesoria Mexicana Empresarial, S. de R.L de C.V.
83 Arneses de Ciudad Juarez, S. de R.L de C.V.
84 PKC Group de Piedras Negras, S. de R.L. de C.V.
85 PKC Group AEES Commercial S. de R.L de C.V
86 SMRC Automotive Holdings B.V.
87 SMRC Automotive Holdings Netherlands B.V.
88 SMRC Automotives Techno Minority Holdings B.V.
89 SMRC Automotive Modules France SAS
90 Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.
91 SMRC Automotive Interiors Spain S.L.U.
92 SMRC Automotive Interior Modules Croatia d.o.o
93 Samvardhana Motherson Reydel Autotecc Morocco SAS
94 SMRC Automotive Technology RU LLC
95 SMRC Smart Interior Systems Germany GmbH
96 SMRC Automotive Interiors Products Poland SA (dormant)
97 SMRC Automotive Solutions Slovakia s.r.o.
98 SMRC Automotive Holding South America B.V.
99 SMRC Automotive Modules South America Minority Holdings B.V.
100 SMRC Automotive Tech Argentina S.A.
101 SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltda
102 SMRC Automotive Products India Limited
103 SMRC Automotive Smart Interior Tech (Thailand) Ltd.
104 SMRC Automotive Interiors Japan Ltd.
105 Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd.
106 PT SMRC Automotive Technology Indonesia
107 Motherson Rolling Stock Systems GB Ltd. (under liquidation)
108 Motherson PKC Harness Systems FZ-LLC
109 Wisetime Oy
110 SMP Automotive Interior Modules d.o.o. Ćuprija, Serbia
111 Motherson Rolling Stocks S. de R.L. de C.V.
113 Samvardhana Motherson Finance Service Cyprus Limited
114 Samvardhana Motherson Holding (M) Private Limited
115 Samvardhana Motherson Auto Component Private Limited
116 MS Global India Automotive Private Limited
117 Samvardhana Motherson Maadhyam International Limited
118 Samvardhana Motherson Global Carriers Limited (SMGCL)
119 Samvardhana Motherson Hamakyorex Engineered Logistics Limited (Subsidiary through SMGCL) *
120 Samvardhana Motherson Innovative Solutions Limited (SMISL)
121 Samvardhana Motherson Refrigeration Product Limited (Subsidiary through SMISL)
122 Motherson Machinery and Automations Limited (Subsidiary through SMISL)
123 Samvardhana Motherson Auto System Private Limited (Subsidiary through SMISL)
124 Motherson Sintermetal Technology B.V. (Subsidiary through SMISL)
125 Motherson Invenzen XLab Private Limited
126 MSSL Australia Pty Ltd

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127 Vacuform 2000 (Proprietary) Limited.
128 Samvardhana Motherson Reflectec Group Holdings Limited
129 SMR Automotive Technology Holding Cyprus Ltd.
130 SMR Automotive Mirror Parts and Holdings UK Ltd.
131 SMR Automotive Holding Hong Kong Limited
132 SMR Automotive Systems India Limited
133 SMR Automotive Systems France S. A.
134 SMR Automotive Mirror Technology Holding Hungary Kft
135 SMR Patents S.aR.L.
136 SMR Automotive Technology Valencia S.A.U.
137 SMR Automotive Mirrors UK Limited
138 SMR Automotive Mirror International USA Inc.
139 SMR Automotive Systems USA Inc.
140 SMR Automotive Beijing Co. Limited
141 SMR Automotive Yancheng Co. Limited
142 SMR Automotive Mirror Systems Holding Deutschland GmbH
143 SMR Holding Australia Pty Limited
144 SMR Automotive Australia Pty Limited
145 SMR Automotive Mirror Technology Hungary Bt
146 SMR Automotive Modules Korea Ltd
147 SMR Automotive Beteiligungen Deutschland GmbH
148 SMR Hyosang Automotive Ltd.
149 SMR Automotive Mirrors Stuttgart GmbH
150 SMR Automotive Systems Spain S.A.U.
151 SMR Automotive Vision Systems Mexico S.A. de C.V.
152 SMR Grundbesitz GmbH & Co. KG
153 SMR Automotive Brasil LTDA
154 SMR Automotive System (Thailand) Limited
155 SMR Automotives Systems Macedonia Dooel Skopje
156 SMR Automotive Operations Japan K.K.
157 SMR Automotive (Langfang) Co. Ltd.
158 SMR Automotive Vision System Operations USA INC
159 SMR Mirror UK Limited
160 Changchun Peguform Automotive Plastics Technology Co. Ltd
161 Foshan Peguform Automotive Plastics Technology Co. Ltd.
162 Celulosa Fabril (Cefa) S.A.
163 Modulos Ribera Alta S.L.
164 Shenyang SMP Automotive Plastic Component Co. Ltd.
165 Tianjin SMP Automotive Component Company Limited
166 Yujin SMRC Automotive Techno Corp.
167 SMRC Automotives Technology Phil Inc.
168 Motherson Elastomers Pty Limited
169 Motherson Investments Pty Limited
170 Samvardhana Motherson Global (FZE)
171 SMR Automotive Industries RUS Limited Liability Company
172 Jiangsu Huakai-PKC Wire Harness Co., Ltd.
173 Shanjdong Huakai-PKC Wireharness Co. Ltd.
174 PKC Vehicle Technology (Fuyang) Co., Ltd.
175 PKC Vechicle Technology (Hefei) Co, Ltd.
176 Motherson Innovations LLC, USA
177 Motherson Ossia Innovations LLC, USA
178 Samvardhana Motherson Corp Management Shanghai Co Ltd.
179 Re-time Pty Limited

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180 Shenyang SMP Automotive Trim Co., Ltd., China
181 Motherson Business Service Hungary Kft.
182 SMR Plast Met Molds & Tools Turkey
183 SMR Plast Met Automtoive Tec Turkey
184 Motherson Molds and Diecasting Limited
185 MothersonSumi Infotech & Designs Limited (MIND)
186 Samvardhana Motherson Virtual Analysis Limited (Subsidiary through MIND)
187 MSID US Inc (Subsidiary through MIND)
188 MothersonSumi INfotekk and Designs GmbH (Subsidiary through MIND)
189 MothersonSumi Infotech & Designs KK (Subsidiary through MIND)
190 MothersonSumi Infotech and Designs S.G. Pte. Limited (Subsidiary through MIND)
191 Motherson Auto Engineering Service Limited (Subsidiary through MIND)
192 Samvardhana Motherson Health Solutions Limited (Subsidiary through MIND)
193 SMI Technologies Inc. (Subsidiary through MIND)
194 SAKS Ancillaries Limited (Subsidiary through SMISL)
195 Motherson Techno Tools Limited (Subsidiary through SMISL)
196 Motherson Techno Tools Mideast FZE (Subsidiary through SMISL)
197 Motherson Infotek Designs Mid East FZ-LLC (Subsidiary through MIND)
198 Motherson Infotech and Solutions UK Ltd (Subsidiary through MIND)
199 Motherson Information Technologies Spain S.L.U. (Subsidiary through MIND)*
200 Motherson Air Travel Agencies Limited

(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)

1 Ningbo SMR Huaxiang Automotive Mirrors Co. Limited
2 Chongqing SMR Huaxiang Automotive Products Limited
3 Hubei Zhengao PKC Automotive Wiring Company Ltd
4 Fritzmeier Motherson Cabin Engineering Private Limited
5 Marelli Motherson Auto Suspension Parts Pvt. Ltd. (formerly Magneti Marelli Motherson Shock Absorbers India Private Limited)
6 Marelli Motherson Automotive Lighting India Private Limited (formerly Magneti Marelli Motherson Auto System Pvt. Ltd.)
7 Valeo Motherson Thermal Commercial Vehicles India Limited
8 Youngshin Motherson Auto Tech Limited
9 Matsui Technologies India Limited
10 Frigel Intelligent Cooling Systems India Pvt. Ltd.
11 CTM India Ltd.
12 Motherson Bergstrom HVAC Solutions Limited
13 Samvardhana Motherson Global Holding Ltd.
14 Nissin Advanced Coating Indo Co. Pvt. Ltd.
15 Anest Iwata Motherson Coating Equipment Pvt. Ltd.
16 Anest Iwata Motherson Private Limited
17 AES (India) Engineering Limited
18 Samvardhana Motherson Polymers Ltd.
19 SMR Automotive Systems India Limited
20 Kyungshin Industrial Motherson Pvt. Ltd.
21 Calsonic Kansei Motherson Auto Products Pvt. Ltd.
22 Motherson Sumi Wiring India Limited

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

Nil

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

Covered above in b(ii)

(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.

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Nil

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

1 Motherson Engineering Research and Integrated Technologies Limited
2 A Basic Concepts Design Pty Limited
3 ATAR Mauritius Private Limited
4 SCCL Infra Projects Limited
5 SCCL Global Project (FZE)
6 Spirited Auto Cars (I) Limited
7 Motherson Auto Limited
8 Motherson Lease Solution Limited
9 Systematic Conscom Limited
10 Advanced Technologies and Auto Resources Pte. Ltd.
11 Edcol Global Pte. Limited
12 Motherson Innovative Technologies and Research
13 Radha Rani Holdings Pte Ltd
14 JSSR Holdings (M) Pvt. Ltd.
15 Motherson Air Travel Agency GmbH
16 Nirvana Foods GmbH
17 Motherson Spirited Auto Retails India Limited (formerly SMG Fincorp Limited)
18 Prime Auto Cars Limited (formerly SMG Insurance Broker Services Limited)
19 Spirited Motor Vehicles Limited
20 Adventure Auto Car India Limited
21 Samvardhana Motherson Employees Benefit Limited
22 FDO Holidays Private Limited
23 Samvardhana Motherson Employees Nominee Company UK Limited
24 Swarn Lata Motherson Dhenu Sewarth Trust
25 Swarnlata Motherson Trust
26 Samvardhana Employees Welfare Trust
27 Sehgal Family Trust
28 Renu Sehgal Trust
29 SWS India Management Support and Service Pvt. Ltd.
30 Son Grows System Limited, Dubai
31 Renu Farms private Limited
32 Moon Meadows Private Limited
33 Nirvana Niche Products Private Limited
34 Shri Sehgals Trustee Company Private Limited
35 Sisbro Motor & Workshop Private Limited
36 Field Motor Private Limited
37 Southcity Motors Private Limited
38 Advantedge Technology Partners Pvt. Ltd.

(vii) Person having significant influence over the entity or is a member of Key Managerial Personnel of the entity (or of parent of the entity)

Nil

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Notes to the financial statements as on March 31, 2022 (Figures in INR '000 unless stated otherwise)

II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 31 (I) above:

(a) Key management personnel compensation

	March 31, 2022	March 31, 2021
Short-term employee benefits	-	-
Post-employment benefits	-	-
Long-term employee benefits	-	-
Total compensation	-	-

(b) Transactions with related parties

S. No.	Particulars	Holding company		Fellow Subsidiaries		Other related parties	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
1	Travelling	-	-	125	8	-	-
2	Legal & Professional	2,150	2,050	57	161	-	70
3	Staff Welfare	-	-	5	1	-	-
4	Software Expenses	-	-	1,600	1,943	-	-
5	Sales	9,111	65	3,333	1,778	56,370	41,548
6	Repair & Maintenance	-	-	1	-	219	219
7	Rent	-	-	105	100	731	660
8	Reimbursement of Expenses	583	-	-	-	714	760
9	Lease and Hire Charges	-	-	-	-	1,059	680
10	Security Deposits Given	-	-	-	-	928	217
11	Fixed Assets Purchase	-	-	-	212	-	29
12	Security deposit given received back	-	-	-	-	437	-

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

S. No.	Particulars	Holding company		Fellow Subsidiaries		Other related parties	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
1	Trade Payables	-	-	0	103	116	245
2	Trade Receivable	3,053	-	330	46	2,392	3,456
3	Unsecured Loan	-	-	-	-	-	-

(d) Loans & advances to / from related parties

S. No.	Particulars	Holding company		Fellow Subsidiaries		Other related parties	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
i.	**Loan given:**						
	Loans given	-	-	-	-	-	-
	Loans received back	-	-	-	-	-	-
	End of the year	-	-	-	-	-	-
ii.	**Loans Taken**						
	Beginning of the year	-	-	-	-	-	-
	Loans repaid	-	-	-	-	-	-
	End of the year	-	-	-	-	-	-

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Notes to the financial statements as on March 31, 2022 (Figures in INR '000 unless stated otherwise)

32. Segment Information:

Description of segments and principal activities

The Company is primarily in the business of providing consultancy services by providing purchase portal to group companies.

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments . The Company has monthly review and forecasting procedure in place and CODM reviews the operations of the Company as a whole, hence there are no reportable segments as per Ind AS 108 "Operating Segments"

33. Leases

i. Operating Leases:

The Company has entered into cancellable operating leases for office premises, equipment's and vehicles which range for a period between 11 months and 9 years. Most of the leases are renewable for further period on mutually agreeable terms.

	March 31, 2022	March 31, 2021
With respect to all operating leases;		
Lease payments recognized in the Statement of Profit and Loss during the year	1,010	1,000

34. Due to micro, small and medium enterprises

Particulars	March 31, 2022	March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	118	154
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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CHATURVEDI & CO. NEW DELHI Chartered Accountants

MOTHERSON CONSULTANCIES SERVICE LIMITED (CIN No. U29130DL2004PLC131100)

Notes to the financial statements as on March 31, 2022 *(Figures in INR '000 unless stated otherwise)*

35. Ratio Analysis and its elements

	Ratios	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance	Reason for variance
a)	Current Ratio	Current assets	Current liabilities	7.46	4.63	61%	Improvement in current ratio on account of improved business performance.
b)	Debt-Equity Ratio	Total debt	Shareholders' equity	0.08	0.02	342%	Improved business with growth resulting in improved debt equity ratio
c)	Return on Equity Ratio	Net profits after taxes	Average shareholder's equity	34.4%	23.8%	45%	Improved business with growth resulting in improved return on equity ratio
d)	Trade Receivables turnover ratio	Net credit sales	Average account receivables	14.83	10.79	37%	Improved business with growth resulting in improved trade receivables turnover ratio
e)	Net capital turnover ratio	Net sales	Working capital	0.95	1.04	-9%	
f)	Net profit ratio	Net profit	Net sales	55.4%	45.6%	21%	
g)	Return on Capital employed	Earnings before interest and tax	Capital employed	42.9%	34.8%	23%	
h)	Debt Service Coverage ratio	EBITDA	Debt service	50.07	42.34	18%	

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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

Motherson Consultancies Service Limited * Noida *

Rajeev Ranjan Kumar
Partner
M. No. 513678

Manish Kumar Goyal
Director
DIN No. 00256796

Parthasarathy Srinivasan
Director
DIN No. 01039931

Place : Noida
Date: 29/04/2022

Anil Kumar Bahl
Chief Operating Officer

Mrityunjay Kumar Rao
Finance Head