Samvardhana Motherson Innovative Solutions Limited
CIN: U35100MH2006PLC285657
Balance sheet as on March 31, 2022

(All amounts in INR Lakh, unless otherwise stated)

	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	9,912	9,922
Capital work in progress	3	3,793	1,478
Intangible assets	4A	2	8
Intangible assets under development	4A	-	1
Right - of - use assets	4B	257	418
Investment in subsidiaries and joint ventures	5	36,444	30,174
Investment in Associates	5	445	445
Financial assets			
i. Loans	6	6,460	5,350
ii. Other financial assets	7	1,599	975
Deferred tax assets (net)	8	-	-
Other non-current assets	9	28	1,977
Total non-current assets		**58,938**	**50,746**
Current assets			
Inventories	10	2,074	1,861
Financial assets			
i. Investments	11	-	50
ii. Trade receivables	12	2,176	1,923
iii. Cash and cash equivalents	13	53	343
iv. Loans	6	1,120	2,230
v. Other financial assets	7	127	658
Current tax assets (net)	14	161	120
Other current assets	15	428	303
Total current assets		**6,138**	**7,489**
Total assets		**65,076**	**58,236**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16(A)	31,925	28,029
Instruments entirely equity in nature	16(B)	200	200
Other equity	17	9,673	5,188
Total equity		**41,798**	**33,416**
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	18	3,588	4,469
ii. Lease Liability		126	299
iii. Other financial liabilities	19	19	14
Provisions for Employee benefits	20	336	300
Government grants	21	92	131
Total non-current liabilities		**4,161**	**5,212**
Current liabilities			
Financial Liabilities			
i. Borrowings	22	16,067	15,161
ii. Lease Liability		178	169
iii. Trade payables	23		
Total outstanding dues of micro and small enterprises		46	105
Total outstanding dues of creditors other than micro and small enterprises		1,321	1,206
iii. Other financial liabilities	24	1,178	2,681
Provisions	25	29	23
Provisions for Employee benefits	20	23	24
Other current liabilities	26	276	238
Total current liabilities		**19,117**	**19,608**
Total liabilities		**23,278**	**24,819**
Total equity and liabilities		**65,076**	**58,236**
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

For and on behalf of the Board

SANJAY MEHTA
Digitally signed by SANJAY MEHTA
Date: 2022.05.09 15:28:35 +05'30'

Sanjay Mehta
Director
DIN : 03215388

ASHOK TANDON
Digitally signed by ASHOK TANDON
Date: 2022.05.09 15:31:09 +05'30'

Ashok Tandon
Director
DIN : 00032733

Ritu seth
Digitally signed by Ritu seth
Date: 2022.05.09 14:51:23 +05'30'

Ritu Seth
Company Secretary
PAN : AVYPS9758C

KUMARPAL JAWAHARLAL KOTHARI
Digitally signed by KUMARPAL JAWAHARLAL KOTHARI
DN: c=IN, st=Maharashtra, 2.5.4.20=c74388b8305495c9fa963b1c0df19815cb546ab12cc491dad60d6a826a8e22a0, postalCode=431006, street=Aurangabad, pseudonym=12458d12128a181ff85ffef46fc896f5, serialNumber=4eb4b8a074110a8a8a79ac3e086ddb3940d9f46a54699b2153a641c25fec6de9, o=Personal, cn=KUMARPAL JAWAHARLAL KOTHARI
Date: 2022.05.09 13:26:42 +05'30'

Kumarpal Kothari
Chief Financial Officer
PAN : AOMPK8049R

As per our report attached
For R K Khanna & Co.
Chartered Accountants
FRN: 000033N

VIPIN BALI
Digitally signed by VIPIN BALI
Date: 2022.05.09 17:53:22 +05'30'

Vipin Bali
Partner
M. No. 083436

Place : Noida
Date : 09-05-2022

Samvardhana Motherson Innovative Solutions Limited
CIN: U35100MH2006PLC285657
Statement of profit and loss for the period ended March 31,2022

(All amounts in INR Lakh, unless otherwise stated)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue			
Revenue from operations	27	9,232	5,663
Other income	28	2,579	1,270
Total income		**11,811**	**6,933**
Expenses			
Cost of materials consumed	29	2,950	1,716
(Increase)/ decrease in inventory of finished goods and work-in-progress	30	(48)	12
Employee benefits expense	31	2,158	1,833
Finance costs	32	2,578	1,974
Depreciation and amortization expense	33	1,362	1,468
Other expenses	34	3,433	2,424
Total expenses		**12,433**	**9,428**
Profit/(Loss) before tax		**(622)**	**(2,495)**
Tax expenses		-	-
-Current tax		-	-
-Deferred tax expense/ (credit)		-	98
-Short/(Excess) Tax of Earlier Years		-	-
Total tax expense		**-**	**98**
Profit/(Loss) for the year		**(622)**	**(2,593)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations: Gain/(Loss)		3	(4)
Deferred / Current tax on remeasurements of post-employment benefit obligations			
Other comprehensive income for the year, net of tax		**3**	**(4)**
Total comprehensive income for the year		**(619)**	**(2,597)**
Earnings per share:	35		
Nominal value per share: INR 10/- (Previous year : INR 10/-)			
Basic		(0.19)	(0.93)
Diluted		(0.19)	(0.92)
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

For and on behalf of the Board

SANJAY MEHTA Digitally signed by SANJAY MEHTA Date: 2022.05.09 15:28:56 +05'30'

ASHOK TANDON Digitally signed by ASHOK TANDON Date: 2022.05.09 15:31:36 +05'30'

Sanjay Mehta
Director
DIN : 03215388

Ashok Tandon
Director
DIN : 00032733

As per our report attached
For R K Khanna & Co.
Chartered Accountants
FRN: 000033N

Ritu seth Digitally signed by Ritu seth Date: 2022.05.09 14:51:59 +05'30'

KUMARPAL JAWAHARLAL KOTHARI Digitally signed by KUMARPAL JAWAHARLAL KOTHARI Date: 2022.05.09 13:27:59 +05'30'

VIPIN BALI Digitally signed by VIPIN BALI Date: 2022.05.09 17:54:01 +05'30'

Ritu Seth
Company Secretary
PAN : AVYPS9758C

Kumarpal Kothari
Chief Financial Officer
PAN : AOMPK8049R

Vipin Bali
Partner
M. No. 083436

Place : Noida
Date : 09-05-2022

Samvardhana Motherson Innovative Solutions Limited
CIN: U35100MH2006PLC285657
Statement of changes in equity for the period ended March 31,2022

(All amounts in INR Lakh, unless otherwise stated)

a. Equity Share Capital

FY 2021-22				
Balance at the beginning of the current reporting period	**Changes in Equity Share Capital due to prior period errors**	**Restated balance at the beginning of the current reporting period**	**Changes in equity share capital during the current year**	**Balance at the end of the current reporting period**
28,029	-	28,029	3,896	31,925

FY 2020-21				
Balance at the beginning of the previous reporting period	**Changes in Equity Share Capital due to prior period errors**	**Restated balance at the beginning of the previous reporting period**	**Changes in equity share capital during the previous year**	**Balance at the end of the previous reporting period**
28,029	-	28,029		28,029

b. Instruments equity in nature (Preference shares - Refer Note 16(B)

FY 2021-22				
Balance at the beginning of the current reporting period	**Changes in Equity Share Capital due to prior period errors**	**Restated balance at the beginning of the current reporting period**	**Changes in equity share capital during the current year**	**Balance at the end of the current reporting period**
200	-	200	-	200

FY 2020-21				
Balance at the beginning of the previous reporting period	**Changes in Equity Share Capital due to prior period errors**	**Restated balance at the beginning of the previous reporting period**	**Changes in equity share capital during the previous year**	**Balance at the end of the previous reporting period**
200	-	200		200

Other Equity

FY 2021-22							
Particulars	**Equity component of compound financial instruments**	**Reserves and Surplus**			**Equity Instruments through Other Comprehensive Income**	**Money received against share warrants**	**Total**
		Capital Reserve	**Securities Premium**	**Retained Earnings**			
Balance as at 1st April 2021	**238**	**31,666**	**8,071**	**(35,064)**	**276**	**-**	**5,188**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	**-**
Restated balance at the beginning of the current reporting period	**238**	**31,666**	**8,071**	**(35,064)**	**276**	**-**	**5,188**
Total Comprehensive Income for the current year	**-**	**-**	**-**	**(619)**	**-**	**-**	**(619)**
Dividends	-	-	-	-	-	-	**-**
Transfer to retained earnings	-	-	-	(622)	-	-	**(622)**
Any other change (Ind AS - OCI Movements - Net Defined Benefit Plans)	-	-	-	3	-	-	**3**
Addition on account of issue of Equity Shares	-	-	5,104	-	-	-	**5,104**
Balance as at 31st March, 2022	**238**	**31,666**	**13,175**	**(35,682)**	**276**	**-**	**9,673**

Other Equity

FY 2020-21							
Particulars	**Equity component of compound financial instruments**	**Reserves and Surplus**			**Equity Instruments through Other Comprehensive Income**	**Money received against share warrants**	**Total**
		Capital Reserve	**Securities Premium**	**Retained Earnings**			
Balance as at 1st April 2020	**238**	**31,666**	**8,071**	**(32,467)**	**245**	**-**	**7,753**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	238	31,666	8,071	(32,467)	245	-	**7,753**
Total Comprehensive Income for the current year				**(2,597)**		**-**	**(2,597)**
Dividends	-	-	-	-	-	-	**-**
Transfer to retained earnings	-	-	-	(2,593)	-	-	**(2,593)**
Any other change (Ind AS - OCI Movements - Net Defined Benefit Plans)	-	-	-	(4)	-	-	**(4)**
Addtion on account of Corporate Guarantee given by holding company	-	-	-	-	31	-	**31**
Balance as at 31st March, 2021	**238**	**31,666**	**8,071**	**(35,064)**	**276**	**-**	**5,188**

For and on behalf of the Board

SANJAY MEHTA Digitally signed by SANJAY MEHTA Date: 2022.05.09 15:29:22 +05'30'
Sanjay Mehta
Director
DIN : 03215388

ASHOK TANDON Digitally signed by ASHOK TANDON Date: 2022.05.09 15:32:05 +05'30'
Ashok Tandon
Director
DIN : 00032733

As per our report attached
For R K Khanna & Co.
Chartered Accountants
FRN: 000033N

Ritu seth Digitally signed by Ritu seth Date: 2022.05.09 14:52:15 +05'30'
Ritu Seth
Company Secretary
PAN : AVYPS9758C

KUMARPAL JAWAHARLAL KOTHARI Digitally signed by KUMARPAL JAWAHARLAL KOTHARI
Kumarpal Kothari
Chief Financial Officer
PAN : AOMPK8049R

VIPIN BALI Digitally signed by VIPIN BALI Date: 2022.05.09 17:54:19 +05'30'
Vipin Bali
Partner
M. No. 083436

Place : Noida
Date : 09-05-2022

Samvardhana Motherson Innovative Solutions Limited

CIN: U35100MH2006PLC285657

Cash Flow Statement for the year ended March 31, 2020

(All amounts in INR Lakh, unless otherwise stated)

		For the year ended	
		March 31, 2022	**March 31, 2021**
A.	**Cash flow from/(used in) operating activities:**		
	Net profit/(loss) before tax	(622)	(2,495)
	Adjustments for:		
	Depreciation & Amortisation	1,362	1,468
	Amortisation of government grants	(39)	(36)
	Gain on disposal of property, plant & equipment (net)	(5)	(15)
	Gain on disposal of investments	(20)	(1)
	Reversal of Impairment of loan and interest accrued	-	-
	Liabilities written back to the extent no longer required	(3)	-
	Provisions for doubtful debts written back	(3)	(2)
	Interest income	(803)	(926)
	Provision for employee benefits	38	44
	Finance costs	1,229	750
	Dividend income	(1,667)	(100)
	Interest and finance charges on debentures	1,350	1,224
	Provision for warranties	6	(5)
	Provision for impairment of loan to subsidiary	143	127
	Provision for slow moving Inventory	(2)	(24)
	Foreign exchange gain on loan given to foreign subsidiary	-	-
	Unrealised foreign exchange loss /(gain) (net)	(4)	(7)
	Operating profit/(loss) before working capital changes	**960**	**(0)**
	Changes in working Capital:		
	Increase/(decrease) in trade payables	58	119
	Increase/(decrease) in other financial liabilities	(20)	(44)
	Increase/(decrease) in other current liabilities	38	(218)
	(Increase)/decrease in trade receivables	(247)	(100)
	(Increase)/decrease in inventories	(210)	(166)
	(Increase)/decrease in other financial assets	451	(8)
	(Increase)/decrease in other current assets	(124)	27
	(Increase)/decrease in other receivables	1,949	(1,745)
	Cash generated from/(used in) operations	**2,854**	**(2,136)**
	Less: Taxes paid	(40)	(84)
	Add: Income Tax Refund received	-	2
	Add: Interest on Income Tax Refund received	-	0
	Net cash generated from/(used in) operations (A)	**2,814**	**(2,217)**
B.	**Cash flow from/(used in) Investing activities:**		
	Payments for property, plant & equipment	(3,494)	(1,351)
	Proceeds from sale of property, plant & equipment	6	17
	Proceeds on sale of investments	71	1
	Interest received	150	409
	(Purchase)/proceeds from maturity/ (investment) in bank deposits	(2)	(0)
	Investments in Mutual funds	-	(50)
	Investments in Subsidiaries and Joint Ventures	(6,270)	(1,754)
	Dividends received from subsidiary	1,667	100
	Loans given to related parties	(33)	(381)
	Repayments received of loans given to related party	-	2,118
	Net cash from/(used in) investing activities (B)	**(7,905)**	**(892)**

Samvardhana Motherson Innovative Solutions Limited

CIN: U35100MH2006PLC285657

Cash Flow Statement for the year ended March 31, 2020

(All amounts in INR Lakh, unless otherwise stated)

		For the year ended	
		March 31, 2022	**March 31, 2021**
C.	**Cash flow from/(used in) financing activities:**		
	Proceeds from issue of Equity shares	9,000	-
	Interest and finance charges on debentures	(3,506)	(92)
	Interest paid	(474)	(558)
	Lease Liability paid	(204)	(281)
	Proceeds from loans from related party	10,000	3,850
	Proceeds from long term borrowings	-	642
	Repayment of long term borrowings	(9,793)	(793)
	Net cash flow from/(used in) financing activities (C)	**5,024**	**2,769**
	Net Increase/(Decrease) in Cash & Cash Equivalents	**(67)**	**(340)**
	Net Cash and Cash equivalents at the beginning of the year	**(1,175)**	**(835)**
	Addition in Cash and Cash equivalents on account of amalgamation	-	-
	Cash and cash equivalents as at current year closing	**(1,243)**	**(1,175)**
	Cash and cash equivalents comprise of the following (Note 10(a))		
	Cash on hand	0	0
	Balances with banks	53	343
	Less: Cash credit (Refer Note 22)	(1,296)	(1,518)
	Cash and cash equivalents as per Balance Sheet	**(1,243)**	**(1,175)**
		0	**0**

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 Flow".

ii) Figures in brackets indicate Cash Outflow

iii) The above Cash flow statement should be read in conjunction with the accompanying notes.

For and on behalf of the Board

SANJAY MEHTA Digitally signed by SANJAY MEHTA Date: 2022.05.09 15:29:45 +05'30'

ASHOK TANDON Digitally signed by ASHOK TANDON Date: 2022.05.09 15:32:34 +05'30'

Sanjay Mehta	**Ashok Tandon**	**As per our report attached**
Director	Director	**For R K Khanna & Co.**
DIN : 03215388	**DIN : 00032733**	**Chartered Accountants**
		FRN: 000033N

Ritu seth Digitally signed by Ritu seth Date: 2022.05.09 14:52:34 +05'30'

KUMARPAL JAWAHARLAL KOTHARI Digitally signed by KUMARPAL JAWAHARLAL KOTHARI DN: c=IN, st=Maharashtra, 2.5.4.20=c74388b8305495c9fa963b1c0df19815cb546ab12cc491dad60d6a826a8e22a0, postalCode=431006, street=Aurangabad, pseudonym=12458d12128a181ff85ffef46fc896f5, serialNumber=4eb4b8a074110a8a8a79ac3e086ddb3940d9f46a54699b2153a641c25fec6de9, o=Personal, cn=KUMARPAL JAWAHARLAL KOTHARI Date: 2022.05.09 13:29:55 +05'30'

VIPIN BALI Digitally signed by VIPIN BALI Date: 2022.05.09 17:54:39 +05'30'

Ritu Seth	**Kumarpal Kothari**	**Vipin Bali**
Company Secretary	Chief Financial Officer	**Partner**
PAN : AVYPS9758C	**PAN : AOMPK8049R**	**M. No. 083436**

Place : Noida

Date : 09-05-2022

1. Corporate information

Samvardhana Motherson Innovative Solutions Limited (formerly known as Tigers Connect Travel Systems and Solutions Limited (the 'Company') is wholly owned subsidiary company of M/s Motherson Sumi Systems Limited (MSSL) WEF 21st January 2022 (Samvardhana Motherson International Limited (SAMIL) till 20th January 2022).

The Company was incorporated in July 2006. The objects clause of the Company was changed in the financial year 2017-18 to undertake the business of manufacturing, fabricating, assembling, buying, selling, importing, exporting, distributing and dealing in automobile parts of all kinds and descriptions, automotive and other parts and the Certificate of Registration confirming alteration of the objects clause of the Memorandum of Association was issued on 26th February, 2018 by the Registrar of Companies, Mumbai.

Up to 20th January 2022 Samvardhana Motherson International Limited (SAMIL) held 100% shareholding (including 600 shares held by nominees) of the company. The Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 22nd December, 2021 sanctioned the composite scheme of amalgamation and arrangement amongst Motherson Sumi Systems Limited (MSSL) and SAMIL resulting in merger of SAMIL with MSSL. The appointed and effective date of the merger is 21st January, 2022. Accordingly, equity shares held by SAMIL in the company stand transferred to MSSL on 21st January 2022 which then becomes the company's holding company WEF 21st January 2022. Also, nominees holding 600 equity shares become nominees of MSSL wef the said date.

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 certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) which have been measured at fair value or revalued amount.
The financial statements are presented in INR and all values are rounded to the nearest lakhs, except when otherwise stated. Amount appearing as zero “0” in the financial statements are below the rounding off norm adopted by the Company.

B. Presentation of financial statements

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).

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances.

i) The normal course of business
ii) The event of default
iii) The event of insolvency or bankruptcy of the company and/or its counterparties

Summary of significant accounting policies

C. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

D. 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 recognized in profit and 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.

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 recognized in profit and 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 FVTOCI are recognized in other comprehensive income.

E. Revenue recognition and other income

The Company recognizes revenue from contracts with customers based on a five-step model as set out in IND AS

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. Recognize revenue when (or as) the company satisfies a performance obligation.

The company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met.
(a) 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 recognized 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 recognized 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.

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

Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue from sale of goods is recognized at single point of time and when each performance obligation is satisfied, usually on delivery of the goods.

Sale of services

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

Interest Income

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

Export incentive

Export incentive is recognized on accrual basis.

Dividend income

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

F. Income tax

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

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 realized or the deferred income tax liability is settled.

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

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

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

G. 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 fulfillment 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

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

i) Right-of-use assets

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

• Motor vehicles and machineries 0 to 5 years.
• Premises 5 years.

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2 (h) Impairment of non-financial assets

ii) Lease Liabilities.

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

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

iii) Short-term leases and leases of low-value assets

The company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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.

H. 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 recognized 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 recognized 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 recognized 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 recognized. 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 recognized for the asset in prior years. Such reversal is recognized 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.

I. 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.

J. 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.

<u>Financial assets</u>

Initial recognition and measurement
All financial assets are recognized 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 recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- Debt instruments at amortized 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 amortized cost

A 'debt instrument' is measured at the amortized 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 amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the profit and loss. The losses arising from impairment are recognized in the profit and 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:

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 de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI 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 recognized 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 Statement of Profit and Loss.

Investment in subsidiaries, joint ventures and associates are recognised at cost in accordance with IND AS 27

De-recognition

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

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

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

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

Impairment of financial assets

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

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Financial assets that are debt instruments and are measured as at FVTOCI
- Trade receivables or any contractual right to receive cash or another financial asset that result from that are within the scope of Ind AS 11 and Ind AS 18
- Loan commitments which are not measured as at FVTPL
- 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 recognizes 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 recognizing impairment loss allowance based on 12-month ECL.

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

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

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

- Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the Gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortized cost is recognized 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 recognized 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 recognized in the profit and 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 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 recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

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

Amortized 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 amortization 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 recognized 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 recognized less cumulative amortization.

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

Off- setting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realized the assets and settle the liabilities simultaneously.

K. Fair value measurement

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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (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 premeasured 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.

L. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized 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 recognized in profit and 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 recognized as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

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

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

Assets Useful Life (in years)
Building - 30 Yrs
Furniture & Fixtures - 6 Yrs
Vehicles - 4 Yrs
Plant & Machinery - 10 Yrs
Office Equipment - 5 Yrs
Electrical Installation - 10 Yrs
Factory Equipment - 7.5 Yrs
Molds & Dies - 6 Yrs
Computers - 3 Yrs

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

In respect of revalued assets, depreciation is provided on the revalued amounts over the remaining useful life of the assets at the SLM rates. Leasehold land/ leasehold improvements are amortized over the period of lease/ balance period of lease respectively.
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.

Consequent to amalgamation of Motherson Advanced Tooling Solutions and Motherson Sintermetal Technology with the Company, a technical evaluation by Chartered Engineers of the useful life property, plant and equipment of the merging companies was undertaken and depreciation is now being charged on straight line method on the values at which the assets were transferred to the Company on the appointed date, i.e. March 22. 2018, over the balance re-evaluated useful life of the assets.

Intangible assets

Intangible assets are acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful life for amortization adopted is:
Assets - Useful life in years
Software - 3 Yrs

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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

M. Inventories
Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

Raw Materials: - cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress: - cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Store & Spares: - cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

N. Provisions and contingent liabilities

Provisions
Provisions for legal claims, product warranties and make good obligations are recognized 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 recognized 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 recognized 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 recognized 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 recognized 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.

O. 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 recognized 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.

Provident Fund & Employee State Insurance

Contribution towards provident fund and employee state insurance 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 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 recognized 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 recognized in statement of profit and loss in the period in which they arise. Past-service costs are recognized immediately in income.

P. Dividends

The Management of the Company shall advice the board of Directors of the Company any amount to be recommended as final Dividend. Accordingly, the Board of Directors may recommend / Propose final dividend payable to shareholders in its meeting after considering various other parameters. The dividend proposed by the board to be approved by Shareholders in the Annual General Meeting before distributed to the shareholders.

Unit of dividend declaration: The dividend shall be declared on per share basis only.

The dividend distribution are subject to applicable provision of "Companies Act 2013 " on dividend distribution.

Q. Earnings per share

i) Basic earnings per share

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

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

ii) Diluted earnings per share

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

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

R. Standards issued but not yet effective

The amendments to standard that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

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 unamortized depreciable amount is charged over the remaining useful life of the assets.

ii) Taxes

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

Samvardhana Motherson Innovative Solutions Limited
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Notes to the financial statements for the period ended March 31, 2022

(All amounts in INR Lakh, unless otherwise stated)

3. Property, plant and equipment

Particulars	Leasehold Land	Buildings	Plant & Machinery	Factory Equipment	Office equipments	Electrical Installation	Furniture & fixtures	Dies and Tools	Vehicles	Computers	Total	Capital work-in-progress
Year ended March 31, 2021												
Gross carrying amount												
Opening gross carrying amount as at April 01, 2020	4,818	1,193	5,846	620	97	362	21	94	0	20	**13,071**	**464**
Additions	-	8	310	7	4	0	6	-	-	1	**337**	1,272
Addition on account of acquisition	-	-	-	-	-	-	-	-	-	-	**-**	-
Disposals	-	-	(19)	-	-	-	-	-	-	-	**(19)**	(259)
Closing gross carrying amount as at March 31, 2021	**4,818**	**1,200**	**6,137**	**628**	**101**	**362**	**28**	**94**	**0**	**21**	**13,389**	**1,478**
Accumulated depreciation												
Opening accumulated depreciation as at April 01, 2020	186	80	1,448	273	56	150	11	62	0	11	**2,279**	-
Depreciation charge during the year	92	40	813	141	18	60	6	31	0	5	**1,205**	
Disposals	-	-	(17)		-	-	-	-	-	-	**(17)**	-
Closing accumulated depreciation as at March 31, 2021	**277**	**120**	**2,245**	**414**	**74**	**210**	**17**	**93**	**0**	**16**	**3,467**	**-**
Net carrying amount as at March 31,2021	**4,541**	**1,080**	**3,892**	**213**	**27**	**152**	**11**	**1**	**0**	**5**	**9,922**	**1,478**
Year ended March 31, 2022												
Gross carrying amount												
Opening gross carrying amount as at April 01, 2021	4,818	1,200	6,137	628	101	362	28	94	0	21	**13,389**	**1,478**
Additions	-	52	1,073	30	9	-	6	-	-	10	**1,179**	3,470
Addition on account of acquisition	-	-	-	-	-	-	-	-	-	-	**-**	-
Disposals	-	-	(11)	-	(1)	(3)	-	-	-	-	**(16)**	(1,155)
Closing gross carrying amount as at March 31, 2022	**4,818**	**1,253**	**7,199**	**657**	**108**	**359**	**34**	**94**	**0**	**30**	**14,553**	**3,793**
Accumulated depreciation												
Opening accumulated depreciation as at April 01, 2021	277	120	2,245	414	74	210	17	93	0	16	**3,467**	-
Depreciation charge during the year	92	40	828	141	19	60	3	1.11	0.12	4	**1,188**	
Disposals	-	-	(10)	-	(1)	(3)	-	-	-	-	**(14)**	-
Closing accumulated depreciation as at March 31, 2022	**369**	**160**	**3,063**	**556**	**92**	**267**	**20**	**94**	**0**	**20**	**4,641**	**-**
Net carrying amount as at March 31,2022	**4,449**	**1,093**	**4,136**	**102**	**16**	**92**	**14**	**(0)**	**(0)**	**11**	**9,912**	**3,793**

Note: Refer to Note 41 for information on Property, plant and equipment hypothecated as security by the company for credit facilities obtained from Banks

Capital work in progress (CWIP) ageing schedule

Capital work in progress (CWIP)	Amount in CWIP for a period of				
	Less than 1 Year	**1-2 years**	**2-3 years**	**More than 3 years**	**31-Mar-22**
Projects in progress*	2,998	795	-	-	**3,793**
Projects temporarily suspended	-	-	-	-	**-**
Total	2,998	795	-	-	**3,793**

***Plant & Machinery**

Capital work in progress (CWIP)	Amount in CWIP for a period of				
	Less than 1 Year	**1-2 years**	**2-3 years**	**More than 3 years**	**31-Mar-21**
Projects in progress*	955	462	32	30	**1,478**
Projects temporarily suspended	-	-	-	-	**-**
Total	955	462	32	30	**1,478**

***Plant & Machinery**

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(All amounts in INR Lakh, unless otherwise stated)

4A. Intangible assets	**Software**	**Under development**
Year ended March 31, 2021		
Gross carrying amount	**-**	**-**
Opening gross carrying amount as at April 01, 2020	48	1
Additions	1	-
Disposals	-	-
Closing gross carrying amount as at March 31, 2021	**49**	**1**
Accumulated amortisation		
Opening accumulated amortisation as at April 01, 2020	25	-
Amortisation charge during the year	16	
Disposals	-	-
Other adjustment	**-**	**-**
Closing accumulated amortisation as at March 31, 2021	**41**	**-**
Net carrying amount as at March 31, 2021	**8**	**1**

Year ended March 31, 2022		
Gross carrying amount	**-**	**-**
Opening gross carrying amount as at April 01, 2021	49	1
Additions	1	(1)
Disposals	-	-
Closing gross carrying amount as at March 31, 2022	**51**	**-**
Accumulated amortisation		
Opening accumulated amortisation as at April 01, 2021	41	-
Amortisation charge during the year	7	
Disposals	-	-
Other adjustment	**-**	**-**
Closing accumulated amortisation as at March 31, 2022	**48**	**-**
Net carrying amount as at March 31, 2022	**2**	**-**

Intangible Assets under Development aging schedule

Intangible Assets under Development	**Amount in Intangible Assets under Development**			
	Less than 1 year	**1-2 years**	**2-3 years**	**31-Mar-22**
Projects in progress	-	-	-	-
Projects temporarily suspended	-	-	-	-
Total	-	-	-	-

Intangible Assets under Development	**Amount in Intangible Assets under Development**			
	Less than 1 year	**1-2 years**	**2-3 years**	**31-Mar-21**
Projects in progress		-	1	**1**
Projects temporarily suspended				**-**
Total	-	-	1	**1**

(All amounts in INR Lakh, unless otherwise stated)

4B. Right of use assets

Particulars	Vehicles	Premises	Machinery	Total
Year ended March 31, 2021				
Gross carrying amount				
Opening gross carrying amount as at April 01, 2020	**97**	**503**	**309**	**910**
Addition during the year	-	-	-	-
Disposal during the year	-	-	-	-
Closing gross carrying amount as at March 31, 2021	**97**	**503**	**309**	**910**
Accumulated depreciation				
Opening accumulated amortisation as at April 01, 2020	**25**	**110**	**111**	**246**
Depreciation charge during the year	26	110	111	246
Disposals				
Closing accumulated depreciation as at March 31, 2021	**51**	**220**	**222**	**492**
Net carrying amount as at March 31, 2021	**47**	**284**	**87**	**418**

Particulars	Vehicles	Premises	Machinery	Total
Year ended March 31, 2022				
Gross carrying amount				
Opening gross carrying amount as at April 01, 2021	**97**	**503**	**309**	**910**
Addition during the year	6	-	-	-
Disposal during the year	-	-	-	-
Closing gross carrying amount as at March 31, 2022	**103**	**503**	**309**	**916**
Accumulated depreciation				
Opening accumulated amortisation as at April 01, 2021	**51**	**220**	**222**	**492**
Depreciation charge during the year	19	110	38	167
Disposals				
Closing accumulated depreciation as at March 31, 2022	**70**	**330**	**260**	**659**
Net carrying amount as at March 31, 2022	**33**	**174**	**49**	**257**

(All amounts in INR Lakh, unless otherwise stated)

5. Non-Current investments

	March 31,2022	March 31,2021
Investment in subsidiaries		
(Unquoted instruments valued at cost unless stated otherwise)		
Investment In Equity Shares		
Investment in subsidiary companies:		
Samvardhana Motherson Refrigeration Product Ltd	0	0
40,00,000 (March 31, 2021: 40,00,000) equity shares of INR 10/- each, fully paid-up		
Motherson Techno Tools Ltd	11,565	11,565
20,09,863 (March 31, 2021: 20,09,863) equity shares of INR 10/- each, fully paid-up		
Saks Ancilliaries Ltd	1,146	1,146
14,52,690 (March 31, 2021: 14,52,690) equity shares of INR 10/- each, fully paid-up		
Samvardhana Motherson Auto System Pvt Ltd	101	101
10,10,000 (March 31, 2021: 10,10,000) equity shares of INR 10/- each, fully paid-up		
Additional equity contribution in subsidiary		
Samvardhana Motherson Auto System Pvt Ltd	19	19
Motherson Machinery & Automation Ltd	70	70
5,00,000 (March 31, 2021: 5,00,000) equity shares of INR 10/- each, fully paid-up		
Motherson Sintermetal Technology B.V		
70,000 (March 31, 2021: 70,000) equity shares of Euro 1/- each, fully paid-up	10,560	10,560
TOTAL (A)	**23,461**	**23,461**

	March 31,2022	March 31,2021
Investment in associate companies:		
AES (India) Engineering Ltd	445	445
12,48,000 (March 31, 2021: 12,48,000) equity shares of INR 10/- each, fully paid-up		
TOTAL (B)	**445**	**445**
Investment in joint venture companies:		
Nissin Advanced Coating Indo Co Pvt Ltd	691	691
68,60,000 (March 31, 2021: 68,60,000) equity shares of INR 10/- each, fully paid-up		
Anest Iwata Motherson Coating Equipment Private Ltd,	1,229	1,229
98,000 (March 31, 2021: 98000) equity shares of INR 10/- each, fully paid-up		
Anest Iwata Motherson Private Ltd,	3,611	3,611
1,89,06,650 (March 31, 2021: 1,89,06,650) equity shares of INR 10/- each, fully paid-up		
Motherson Auto Solutions Ltd	17,862	11,592
27,11,60,000 (March 31, 2021: 20,84,60,000) equity shares of INR 10/- each, fully paid-up		
TOTAL (C)	**23,392**	**17,122**

	March 31,2022	March 31,2021
Unquoted - Preference shares		
Subsidiary Companies		
Samvardhana Motherson Refrigeration Product Ltd		
1,92,00,000 (March 31, 2021: 1,92,00,000) 7% Optionally convertible cumulative redeemable preference shares of INR 10/- each, fully paid-up	0	0
Samvardhana Motherson Auto Systems Pvt Ltd		
15,00,000 (March 31, 2021: 15,00,000) Preference Shares of INR 10/- each, fully paid up	150	150
TOTAL (C)	**150**	**150**
Total Investment in subsidiaries, associates and joint ventures -Gross	**47,448**	**41,178**
Less: Impairment allowance for Motherson Sintermetal Technology B.V	**(10,560)**	**(10,560)**
Total Investment in subsidiaries, associates and joint ventures -Net	**36,888**	**30,618**
Aggregate amount of unquoted investments	47,448	41,178
Aggregate amount of impairment in the value of investments	(10,560)	(10,560)

6. Loans

	March 31,2022		March 31,2021	
	Current	Non-current	Current	Non-current
(Unsecured, considered good, unless otherwise stated)				
Loans to related parties	1,190	6,529	2,250	5,436
	1,190	6,529	2,250	5,436
Less: Provision for impairment of loan	(70)	(69)	(20)	(86)
Total	**1,120**	**6,460**	**2,230**	**5,350**

Loan to related parties comprises :

Samvardhana Motherson Refrigeration Product Limited*	70	69	20	86
Less : Impaired	(70)	(69)	(20)	(86)
Samvardhana Motherson Auto System Private Limited	-	750	700	50
Samvardhana Motherson Global Carriers Limited	580	-	-	580
Samvardhana Motherson Adsys Tech Limited			-	-
Samvardhana Motherson Auto Component Private Limited	-	3,395	850	2,545
Samvardhana Motherson Maadhyam International Limited	140	20	20	140
Youngshin Motherson Auto Tech Limited	400	-	-	400
Motherson Invenzen Xlab Pvt Limited	-	2,295	660	1,635
Total	**1,120**	**6,460**	**2,230**	**5,350**

*Vide agreement dated March 21, 2018, the Company purchased investments in equity and preference shares held by and loans advanced to certain companies by its then holding company Samvardhana Motherson International Ltd; the loans purchased includes loans to Samvardhana Motherson Refrigeration Product Limited (SMRPL) amounting to INR 1,438 Lakhs purchased at NIL value. In the earlier years, further loans of INR 86 Lakhs had been given and loan of INR 20 Lakhs purchased from Samvardhana Motherson International Ltd. During the year, further loan of INR 33 Lakhs has been given taking the total loan amount (excluding INR 1438 Lakhs mentioned above) given to SMRPL to INR 139 Lakhs (Previous year INR 106 Lakhs). Based on the financial assessment of the Company, the loan along with interest accrued during the year amounting to INR 143 Lakhs has been impaired during the year. Refer note 34.

7. Other financial assets

	March 31,2022		March 31,2021	
(Unsecured, considered good)	Current	Non-current	Current	Non-current
Security Deposits	8	102	473	89
Deposits with bank having original maturity of more than 12 months*	-	62	-	60
Interest accrued on deposits with bank	-	49	-	42
Interest accrued on security deposit	1	-	1	-
Interest accrued on loans given to subsidiary and joint venture companies	132	1,736	188	1,035
Less: Provision for impairment of interest (refer note 6)	(14)	(349)	(2)	(252)
Less: Provision for impairment of security deposit	-		(3)	
Total	**127**	**1,599**	**658**	**975**

*includes deposits held by bank as margin for bank guarantees

8. Deferred tax assets (Net)

The company has carried out a computation of deferred tax which is given below

Year ended March 31, 2021	As at April 01, 2021	(Charge)/ credit to Statement of Profit and Loss	(Charge)/credit to other comprehensive income	As at March 31, 2022
Property, plant and equipment and intangible assets	8	(41)	-	(32)
Borrowings	31	(6)	-	25
Right of Use assets	105	(41)	-	64
Total deferred tax liabilities	**144**	**(88)**	**-**	**57**
Set-off of deferred tax assets pursuant to set-off provisions				
Allowance for doubtful debts - trade receivables	28	(9)	-	19
Provision for slow moving inventories	23	(1)	-	23
Provision for employee benefits	81	8	1	90
Impairment allowance on loans and interest accrued	91	35	-	127
Provision for impairment of investment	2,658	-	-	2,658
Carry forward of losses	3,857	1		1
Unabsorbed depreciation	1,962	57		2,019
Impact of lease liability	118	(42)	-	76
Others adjustments	36	2	-	39
Total deferred tax assets	**8,855**	**51**	**1**	**5,050**
Net deferred tax assets/(liabilities) (net)	**8,711**	**139**	**1**	**4,994**
Less: Unrecognized deferred tax assets*	(8,711)	(139)	(1)	(4,994)
Recognised deferred tax assets/(liabilities) (net)	**-**	**-**	**-**	**-**

In the view of restructuring that has taken place within the group resulting in change in shareholding of the company, deferred tax assets on carry forward of business losses till 31-03-2021 amounting to INR 3,857 lakhs have not been recognized as these losses are not available to company any more pursuant to section 79 of Income Tax Act, 1961.

* The Company has not recognised net deferred tax assets, in absense of virtual certainity of sufficient taxable profits in the near future to realise the same.

Year ended March 31, 2021	As at April 01, 2020	(Charge)/ credit to Statement of Profit and Loss	(Charge)/credit to other comprehensive income	As at March 31, 2021
Property, plant and equipment and intangible assets	1,428	(1,420)	-	8
Borrowings	29	1	-	31
Right of Use assets	167	(62)	-	105
Total deferred tax liabilities	**1,625**	**(1,480)**	**-**	**144**
Set-off of deferred tax assets pursuant to set-off provisions				
MAT credit	98	(98)	-	-
Allowance for doubtful debts - trade receivables	30	(1)	-	28
Provision for slow moving inventories	30	(7)	-	23
Employee benefit provisions	72	9	1	81
Impairment allowance on loans and interest accrued	61	30	-	91
Provision for impairment of investment	2,746	(88)	-	2,658
Carry forward of losses	3,683	174	-	3,857
Unabsorbed depreciation	1,952	10	-	1,962
Impact of lease liability	176	(58)	-	118
Others adjustments	33	4	-	36
Total deferred tax assets	**8,880**	**(26)**	**1**	**8,855**
Net deferred tax assets/(liabilities) (net)	**7,256**	**1,455**	**1**	**8,711**
Less: Unrecognized deferred tax assets*	(7,158)	(1,553)	(1)	(8,711)
Recognised deferred tax assets/(liabilities) (net)	**98**	**(98)**	**-**	**-**

* The Company has not recognised net deferred tax assets, inabsense of virtual certainity of sufficient taxable profits in the near future to realise the same.

(All amounts in INR Lakh, unless otherwise stated)

9. Other non-current assets

	March 31,2022	March 31,2021
Secured:		
Capital advances - Secured against bank guarantee	27	-
Unsecured:		
Capital advances	-	1,975
Prepaid expenses	1	1
Total	**28**	**1,977**

10. Inventories

	March 31,2022	March 31,2021
Raw materials and components	640	415
Work-in-progress	662	638
Finished goods	122	97
Tools & Moulds	522	538
Consumables, stores and maintenance spares	217	265
Goods - in - transit (Purchase)	-	-
Total	**2,163**	**1,954**
Less: Provision in respect of slow-moving stock	(90)	(92)
Total	**2,074**	**1,861**

11. Current investments

	March 31,2022	March 31,2021
Investment in equity instruments at FVTPL		
Unquoted		
UTI Overnight Fund - Direct Growth Plan	-	50
NIL units (March 31, 2021: 1791.67 Units)		
(NAV as on March 31, 2021: INR 2817.659 per unit)		
Total current investments	**-**	**50**
Aggregate amount of unquoted investments	-	50

(All amounts in INR Lakh, unless otherwise stated)

12. Trade receivables

	March 31,2022	March 31,2021
(Unsecured, considered good, unless otherwise stated)		
Related Parties	31	175
Others	2,145	1,748
Credit impaired	75	113
	2,251	**2,036**
Less: Allowances for credit impaired	(75)	(113)
Total	**2,176**	**1,923**

Trade Receivables aging schedule

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	31-Mar-22
(i) Undisputed Trade Receivable-						
- considered good	2,111	44	15	6	-	**2,176**
- Which have significant increase in credit risk	-	-	-	-	-	**-**
- credit impaired	-	-	3	7	33	**43**
(ii) Disputed Trade Receivable-						
- considered good	-	-	-	-	-	**-**
- Which have significant increase in credit risk	-	-	-	-	-	**-**
- credit impaired	-	-	-	-	32	**32**
Total	**2,111**	**44**	**18**	**13**	**65**	**2,251**

Trade Receivables aging schedule

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	31-Mar-21
(i) Undisputed Trade Receivable-						
- considered good	1,864	59	-	-	-	**1,923**
- Which have significant increase in credit risk	-	-	-	-	-	**-**
- credit impaired		42	3	2	36	**83**
(ii) Disputed Trade Receivable-						
- considered good	-	-	-	-	-	**-**
- Which have significant increase in credit risk	-	-	-	-	-	**-**
- credit impaired	-	-	-	-	30	**30**
Total	**1,864**	**100**	**3**	**2**	**66**	**2,036**

13 Cash and cash equivalents

	March 31,2022	March 31,2021
Balances with banks:		
- in current accounts	53	343
Cash on hand	0	0
Total	**53**	**343**

14. Current tax assets (net)

	March 31,2022	March 31,2021
Opening balance	120	39
Add: Income Tax paid	40	84
Less: Refund received	-	(2)
Closing balance	**161**	**120**

15. Other current assets

	March 31,2022	March 31,2021
(Unsecured, considered good, unless otherwise stated)		
Advance to suppliers	8	5
Balances with government authorities	340	243
Prepaid expenses	23	22
Other advances	49	24
Export incentive receivable	8	10
Total	**428**	**303**

16 Share capital

	March 31,2022	March 31,2021
Authorised:		
36,20,00,000 Equity Shares of INR 10/- each (March 31, 2021: 36,20,00,000)	36,200	36,200
8,65,00,000 7% Optionally Convertible Cumulative Redeemable Preference Share of INR 10/- each (March 31, 2021: 86,500,000)	8,650	8,650
	44,850	**44,850**

16.A Equity Share Capital

a. Issued, Subscribed and Paid up:

	March 31,2022	March 31,2021
31,92,47,307 Equity Share of INR 10/- each, fully paid-up (March 31, 2021: 28,02,86,269)	31,925	28,029
Total	**31,925**	**28,029**

b. Movement in equity share capital

	Numbers	Amount
As at March 31,2021	**280,286,269**	**28,029**
Add: Issued on 25th March 2022*	38,961,038	3,896
As at March 31,2022	**319,247,307**	**31,925**

*On 25th March 2022, 0% optionally fully convertible debentures amounting to INR 9,000 Lakhs were converted to equity shares of INR 10 each (Fair value per share: INR 23.10). Accordingly 38,961,038 equity shares amounting to INR 3,896 Lakhs were issued and INR 5,104 Lakhs was credited to share premium account.

c. Shares held by the promoters at the end of the year

FY 2021-22 (upto January 20, 2022)

Sr No	Name	No of Shares	% of total shares	% Change during the year
1	Motherson Sumi Systems Ltd	319,247,307	100%	100%

Up to 20th January 2022 Samvardhana Motherson International Limited (SAMIL) held 100% shareholding (including 600 shares held by nominees) of the company. The Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 22nd December, 2021 sanctioned the composite scheme of amalgamation and arrangement amongst Motherson Sumi Systems Limited (MSSL) and SAMIL resulting in merger of SAMIL with MSSL. The appointed and effective date of the merger is 21st January, 2022. Accordingly, equity shares held by SAMIL in the company stand transferred to MSSL on 21st January 2022 which then becomes the company's holding company wef 21st January 2022. Also, nominees holding 600 equity shares become nominees of MSSL wef the said date.

FY 2021-22 (upto January 20, 2022)

Sr No	Name	No of Shares	% of total shares	% Change during the year
1	Samvardhana Motherson International Ltd	280,286,269	100%	(100%)

FY 2020-21

Sr No	Name	No of Shares	% of total shares	% Change during the year
1	Samvardhana Motherson International Ltd	280,286,269	100%	0%

d. Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

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

	March 31, 2022		March 31, 2021	
	Nos.	**%**	**Nos.**	**%**
Equity shares:				
Motherson Sumi Systems Limited	319,247,307	100.00%	-	0%
Samvardhana Motherson International Limited	-	0%	280,286,269	100.00%

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

(All amounts in INR Lakh, unless otherwise stated)

16.B Instruments entirely equity in nature

a. Issued, Subscribed and Paid up:

20,00,000 Preference shares of INR 10/- each, fully paid-up	200	200
(March 31, 2021: 20,00,000)		
Total	**200**	**200**

b. Movement in instruments entirely equity in nature

Preference shares:	**March 31,2022**	**March 31,2021**
As at March 31,2021	200	200
Add: Issued during the year	-	-
As at March 31,2022	**200**	**200**

c. Shares held by the promoters at the end of the year

Sr No	FY 2021-22 (From January 21, 2022)			
1	Name	No of Shares	% of total shares	% Change during the year
	Motherson Sumi Systems Ltd	2,000,000	100%	100%

Up to 20th January 2022 Samvardhana Motherson International Limited (SAMIL) held 100% shareholding of the company. The Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 22nd December, 2021 sanctioned the composite scheme of amalgamation and arrangement amongst Motherson Sumi Systems Limited (MSSL) and SAMIL resulting in merger of SAMIL with MSSL. The appointed and effective date of the merger is 21st January, 2022. Accordingly, equity shares held by SAMIL in the company stand transferred to MSSL on 21st January 2022 which then becomes the company's holding company wef 21st January 2022.

Sr No	FY 2021-22 (upto January 20, 2022)			
1	Name	No of Shares	% of total shares	% Change during the year
	Samvardhana Motherson International Ltd	2,000,000	100%	(100%)

Sr No	FY 2020-21			
1	Name	No of Shares	% of total shares	% Change during the year
	Samvardhana Motherson International Ltd	2,000,000	100%	0%

d. Rights, preferences and restrictions attached to shares
Preference shares:

The preference shares shall be redeemed with in a period of 20 years from the date of issue at the discretion of the Board of Directors (20,00,000 preference shares were alloted on March 15, 2010). The preference shares shall be redeemed at the issue price i.e. INR 10/- 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 holding.

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

	March 31,2022		March 31,2021	
	Nos.	%	Nos.	%
Motherson Sumi Systems Limited*	2,000,000	100.00%	-	0%
Samvardhana Motherson International Limited*	-	0%	2,000,000	100.00%

*With effect from 21st January 2022, Samvardhana Motherson International Limited (Previous holding company) merged with Motherson Sumi Systems Limited, which is now the holding company.

17. Other equity

	March 31,2022	March 31,2021
Equity contribution from parent company	276	276
Securities premium	13,175	8,071
Capital Reserve	31,666	31,666
Retained earnings	(35,682)	(35,064)
Equity portion of compound financial instruments	238	238
Total reserves and surplus	**9,673**	**5,188**

(i) Equity contribution from parent company

	March 31,2022	March 31,2021
Opening balance	276	245
Add: Addition during the year	-	31
Closing balance	**276**	**276**

(ii) Securities premium

	March 31,2022	March 31,2021
Opening balance	8,071	8,071
Add: Proceeds received on issue of Equity shares*	5,104	-
Closing balance	**13,175**	**8,071**

*On 25th March 2022, 0% optionally fully convertible debentures amounting to INR 9,000 Lakhs were converted to equity shares of INR 10 each (Fair value per share: INR 23.10). Accordingly 38,961,038 equity shares amounting to INR 3,896 Lakhs were issued and INR 5,104 Lakhs was credited to share premium account.

(iii) Capital Reserve	March 31,2022	March 31,2021
Opening balance	31,666	31,666
Closing balance	**31,666**	**31,666**

(iv) Retained earnings	March 31,2022	March 31,2021
Opening balance	(35,064)	(32,467)
Add: Additions during the year	(622)	(2,593)
Remeasurements of post-employment benefit obligation: (Gain)/Loss	3	(4)
Closing balance	**(35,682)**	**(35,064)**

(v) Equity portion of compound financial instruments - Refer Notes below

	March 31,2022	March 31,2021
Opening balance	**238**	**238**
Add: Additions during the year	-	-
Closing balance	**238**	**238**

	March 31,2022		March 31,2021	
Equity component of 7% Optionally Convertible Cumulative Redeemable Preference Shares				
Motherson Sumi Systems Limited*	2,500,000	100.00%	-	0.00%
Samvardhana Motherson International Limited*	-	0.00%	2,500,000	100.00%
Equity component of Cumpulsory Convertible Preference Shares				
Systematic Conscom Ltd	1,000,000	100.00%	1,000,000	100.00%

*With effect from 21st January 2022, Samvardhana Motherson International Limited (Previous holding company) merged with Motherson Sumi Systems Limited, which is now the holding company.

Equity component of optionally convertible redeemable preference shares

	Numbers	Amount
As at March 31,2021	**2,500,000**	**213**
Add: Issued during the year	-	-
As at March 31,2022	**2,500,000**	**213**
	2,500,000	**213**

Equity component of compulsory convertible preference shares

	Numbers	Amount
As at March 31,2021	**1,000,000**	**25**
Add: Issued during the year	-	-
As at March 31,2022	**1,000,000**	**25**
	1,000,000	**25**

a. Terms of conversion/redemption of convertible redeemable preference shares

The preference shares shall be redeemed within a period of 20 years from the date of issue at the discretion of the Shareholder (25,00,000 preference shares were alloted on November 01, 2010). The preference shares shall be redeemed at the issue price i.e. INR 10/- per share.

b. Terms of compulsory convertible preference shares

The preference shares shall be compulsory converted with in a period of 3 years from the date of issue (10,00,000 preference shares were allotted on March 18, 2020). The preference shares shall be converted at the Fair Market Value of equity share at the time of conversion.

Nature and purpose of reserves
Equity contribution from parent company

Comprises processing fees and fair value of corporate guarantee issued by holding company to the company's lenders and recorded as equity contribution.
Securities premium
This reserve was initially created at the time of amalgamation carried out during the year ended March 31, 2018. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
Retained earnings
Retained earnings represents cumulative losses of the Company.

18. Borrowings

	Non Current Portion		Current Maturities	
	As at	As at	As at	As at
	March 31,2022	March 31,2021	March 31,2022	March 31,2021
Secured				
a) Term Loans				
Indian rupee loan from banks	3,387	4,286	921	793
Less: Disclosed under Short term borrowings - Refer Note 22	-	-	(921)	(793)
b) Debentures	-	-	-	9,000
(0% Optionally convertible debentures)			-	(9,000)
Unsecured:				
c) Debt component of convertible redeemable preference shares	110	100		
d) Debt component of compulsory convertible preference shares	91	83		
Total	**3,588**	**4,469**		

Note:-

(a) Term Loans

The Company has sanctioned term loans from HDFC Bank :
Term Loan from HDFC Bank of INR 7,090 Lakhs

Nature of Security	
HDFC Bank : - Exclusive charge on all the current assets and movable fixed assets of the company (both present and future)	8.05% to 7.30% per annum (linked with 1 year MCLR with yearly reset)
- Unconditional and irrevocable corporate guarantee of Samvardhana Motherson International Limited amounting to INR 7,000 lakh to remain valid during the entire tenure of the credit facility.	Repayable in 28 equal quarterly installments beginning from November 2019.

Sanctioned and utilised limits

Facility	Sanctioned (INR Lakhs)		Utilised (INR Lakhs)	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Term loan - HDFC Bank	7,090	7,090	4,308	5,078
Total	**7,090**	**7,090**	**4,308**	**5,078**

(b) Debentures:

During FY 2018-19, the Company entered into a Debentures subscription agreement with Kotak Mahindra Investments Limited (Debenture Holder) dated March 28, 2019 to issue 900 redeemable, optionally fully convertible debentures having a face value of INR 9,000 Lakhs which were redeemable on the expiry of 36 months from the date of allotment along with the redemption premium at the rate of 11.7% p.a. compounded on a monthly basis. Further, the Debenture Holder had an option to convert these debentures into equity shares of the Company at any time after the expiry of 24 months.

In respect to these debentures, the then holding company, Samvardhana Motherson International Limited, had entered into a Put and Call option agreement dated March 28, 2019. As per the terms of the agreement, the holding company had an unconditional and irrevocable right to call and purchase the debentures at any time after the expiry of 12 months from the date of issue. Further, the Debenture holder is also entitled to have an unconditional irrevocable right to sell these debentures to the Holding company upon the occurrence of a Put option event defined as per the terms of the agreement or after the expiry of 24 months. Both call and put options are exercisable by the respective parties at a price equivalent to the Debentures outstanding amount including redemption premium accrued until the date of actual payment of such debentures.

During FY 2020-21, in accordance with the said put and call option agreement, SAMIL (the then holding Company) had purchased the above said debentures of INR 9,000 Lakh.

During FY 2021-22, on account of composite scheme of amalgamation and arrangement amongst Motherson Sumi Systems Limited (MSSL) and SAMIL resulting in merger of SAMIL with MSSL these debentures held by SAMIL in the company stand transferred to MSSL on 21st January 2022.

On 25th March 2022, these debentures amounting to INR 9000 Lakhs were converted to equity shares of INR 10 each (Fair value per share: INR 23.10). Accordingly 38,961,038 equity shares amounting to INR 3,896 Lakhs were issued to MSSL.

19. Other financial liabilities

	March 31,2022	March 31,2021
Non-current		
Advance recovery from employees	19	14
	19	**14**

(All amounts in INR Lakh, unless otherwise stated)

20. Provisions for Employee benefits

	March 31,2022		March 31,2021	
	Current	Non-current	Current	Non-current
Gratuity	16	248	16	219
Compensated absences	7	88	8	81
Total	**23**	**336**	**24**	**300**

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 under which 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's plan is unfunded.

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	March 31, 2021
Obligations at year beginning	234	202
Obligations at year beginning consequent to amalgamation	-	-
Service Cost - current	32	30
Interest expense	16	14
Amount recognised in profit and loss	**48**	**43**
<u>**Remeasurements**</u>		
Actuarial (gain) / loss from change in financial assumption		
Experience (gains)/losses	(3)	4
Amount recognised in other comprehensive income	**(3)**	**4**
Benefit payments	(16)	(15)
Adjustment due to transfer of employee	-	-
Obligations at year end	**263**	**234**

(ii) Assets and Liabilities recognized in the Balance Sheet	For the year ended	
	March 31, 2022	March 31, 2021
Present value of the defined benefit obligations	263	234
Amount recognized as liability	**263**	**234**

(iii) Defined benefit obligations cost for the year:	For the year ended	
	March 31, 2022	March 31, 2021
Service cost - current	32	30
Interest cost (net)	16	14
Actuarial (gain) / loss	(3)	4
Net defined benefit obligations cost	**44**	**47**

* Amount is below the rounding off norm adopted by the Company

(iv) Actuarial assumptions:	March 31, 2022	March 31, 2021
Discount rate per annum	6.9%	6.2%
Future salary increases	8.0%	8.0%

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.

v) Sensitivity analysis

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

	Change in Assumption		Impact	Increase in Assumption		Impact	Decrease in Assumption	
	March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2021
Discount rate per annum	1.00%	1.00%	Decrease by	(75)	(67)	Increase by	86	74
Future salary increases	1.00%	1.00%	Increase by	86	74	Decrease by	(75)	(67)

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 11.89 years (March 31, 2021: 12.10 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 (gratuity)	16	18	60	170	**263**
March 31, 2021 Defined benefit obligation (gratuity)	16	15	49	155	**235**

B. Defined Contribution Schemes

The Company deposits an amount determined at a fixed percentage of basic pay every month to the State administered Provident Fund, Employee State Insurance (ESI) and Social Insurance for the benefit of the employees.

Amount recognised in the Statement of Profit & Loss is as follows (Refer note 31):	For the year ended	
	March 31, 2022	March 31, 2021
Provident fund paid to the authorities	89	82
Employee state insurance paid to the authorities	8	6
	97	**89**

(All amounts in INR Lakh, unless otherwise stated)

21. Government grants

	March 31,2022	March 31,2021
Opening balance	131	167
Add: Grants received during the year	-	-
Less: Released to profit and loss	(39)	(36)
Closing balance	**92**	**131**

	March 31,2022	March 31,2021
Current portion	-	-
Non-current portion	92	131
Total	**92**	**131**

22. Borrowings

	As at March 31,2022	As at March 31,2021
Secured		
Working capital loans repayable on demand - from banks		
Indian rupee loan (Refer (i) below)	1,296	1,518
Current maturities of long term debt	921	9,793
Unsecured		
Loan from related parties* (Refer (ii) below)	13,850	3,850
Total	**16,067**	**15,161**

i) The Company has sanctioned working capital loans from YES Bank and HDFC Bank:
- Cash Credit I of INR 800 lakh from YES Bank : Interest during the year ranging between 7.60% to 7.85%p.a. (linked to YES Bank base rate plus 0.65% p.a)
- Cash Credit II of INR 1,000 lakh from HDFC Bank : Interest during the year ranging between 7.50% to 7.30% p.a. (linked to 1 year MCLR with yearly reset)

Working capital loans from bank are secured as under

YES bank :

- First pari passu charge on all the current assets and movable fixed assets of the company (both present and future)

HDFC bank :

- First pari passu charge on all the current assets and movable fixed assets of the company (both present and future)

Monthly returns/statements of current assets filed by the company with bank are in agreement with books of account

Corporate Guarantee

Unconditional and irrevocable corporate guarantee of Motherson Sumi Systems Limited to remain valid during entire tenure of both the credit facility mentioned above.

Sanctioned and utilised limits

Facility	Sanctioned (INR Lakhs)		Utilised (INR Lakhs)	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Cash Credit - HDFC & YES Bank	1,800	1,800	1,296	1,518
Letters of credit - Non Funded	600	-	74	-
Bank guarantees - Part of CC Limit	62	62	62	62
Total	**2,462**	**1,862**	**1,432**	**1,581**

ii) Loans from related parties:
1) Motherson Sumi Systems Ltd: INR 11,350 Lakhs (As on 31st March 2021: INR 3,850 Lakhs) - Interest payable @ 9% p.a*
2) SMR Automotive Systems India Ltd: INR 2,500 Lakhs (As on 31st March 2021: NIL) - Interest payable @ 9% p.a. The tenure of this loan is 6 Months from the date of disbursement (25th March 2022)

*During FY 2021-22, on account of composite scheme of amalgamation and arrangement amongst Motherson Sumi Systems Limited (MSSL) and SAMIL resulting in merger of SAMIL with MSSL, the loan given by SAMIL to the company stands transferred to MSSL wef 21st January 2022.

(All amounts in INR Lakh, unless otherwise stated)

23. Trade payables

	March 31,2022	March 31,2021
Total outstanding dues of micro and small enterprises		
- Related parties	7	34
- Others	40	71
Total outstanding dues of creditors other than micro and small enterprises		
- Related parties	122	99
- Others	1,199	1,107
Total	**1,367**	**1,311**

Trade Payables aging schedule

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	31-Mar-22
(i) MSME*	47	-	-	-	**47**
(ii) Others	1,320	-	-	-	**1,320**
(iii) Disputed dues - MSME*	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	**-**
Total	**1,367**	**-**	**-**	**-**	**1,367**

*Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act,2006

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	31-Mar-21
(i) MSME*	105	-	-	-	**105**
(ii) Others	1,206	-	-	-	**1,206**
(iii) Disputed dues - MSME*	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	**-**
Total	**1,311**	**-**	**-**	**-**	**1,311**

*Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act,2006

24. Other financial liabilities

	March 31,2022	March 31,2021
Interest accrued on borrowings	818	139
Creditors for capital goods	232	295
Employee benefits payable	124	73
Advance recovery from employees	3	18
Premium on redemption of debentures	-	2,156
Total	**1,178**	**2,681**

25. Provisions

	March 31,2022	March 31,2021
For warranty	29	23
Total	**29**	**23**

Warranty

Warranty provision relates to the estimated outflow in respect of warranty for products sold by the company due to the very nature of such costs it is not possible to estimate the timing / uncertainties relating to the outflows of economic benefits

26. Other current liabilities

	March 31,2022	March 31,2021
Statutory dues	211	224
Advance received from customers	65	15
Total	**276**	**238**

(All amounts in INR Lakh, unless otherwise stated)

27	**Revenue from operations**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
	Sales of products		
	Finished goods		
	Within India	8,407	5,228
	Outside India	595	282
		9,002	**5,510**
	Sales of Services:		
	-Within India	134	93
		134	**93**
	Other operating revenue:		
	Scrap sales	87	53
	Export incentives	9	8
		96	**60**
	Total	**9,232**	**5,663**

28.	**Other income**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
	Dividend income	1,667	100
	Income from government grant [refer note 21]	39	36
	Liabilities written back to the extent no longer required	3	-
	Profit on sale of tangible assets (net)	5	15
	Commission Income	-	121
	Net gain/ (loss) on financial instruments at fair value through profit or loss	-	0
	Profit on sale of investments in mutual fund	20	1
	Exchange fluctuation (net)	18	35
	Interest income from financial assets at amortised cost	1	41
	Interest		
	- banks	10	22
	- loan to related parties	790	862
	- others	2	0
	Provision for doubtful debts written back	3	2
	Miscellaneous income*	19	9
	Provision for Slow Moving Inventory written back	2	24
	Total	**2,579**	**1,270**

* Includes INR 10 Lakhs (INR 3 Laks in FY 2020-21) from insurance claims during the FY 2021-22

29.	**Cost of material consumed**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
	Opening stock of raw materials	415	410
	Add : Purchase of raw materials	3,150	1,721
	Less: Closing stock of raw materials	(615)	(415)
	Cost of material consumed	**2,950**	**1,716**

(All amounts in INR Lakh, unless otherwise stated)

30. Changes in inventory of finished goods and work in progress

	For the year ended March 31, 2022	For the year ended March 31, 2021
(Increase)/ decrease in stock		
Stock at the opening of the year:		
Finished goods	97	72.65
Work-in-progress	638	675.36
Total A	**736**	**748**
Stock at the end of the year:		
Finished goods	122	97
Work-in-progress	662	638
Total B	**784**	**736**
(Increase)/ decrease in stock (A-B)	**(48)**	**12**

31. Employee benefits expense

	For the year ended March 31, 2022	For the year ended March 31, 2021
Salary, wages & bonus	1,902	1,637
Contribution to provident & other fund	97	89
Gratuity (Refer note 20)	48	43
Staff welfare and other expenses	112	64
Total	**2,158**	**1,833**

32. Finance costs

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on bank loans	443	545
Interest on delayed payment of statutory dues	-	6
Interest and finance charges on financial liabilities	41	39
Interest and Finance charges on lease liability	35	53
Interest and finance charges on debentures	1,350	1,224
Interest on other loan	710	107
Total	**2,578**	**1,974**

(All amounts in INR Lakh, unless otherwise stated)

33. Depreciation and amortization expense	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Property, Plant and Equipment	1,188	1,205
Intangible assets	7	16
Right of use assets	167	246
Total	**1,362**	**1,468**

34. Other expenses	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Repairs and maintenance :		
Machinery	230	114
Building	54	44
Others	15	16
Electricity, water and fuel	648	450
Consumption of stores & spare parts	647	399
Labour & processing charges	621	394
Amortisation cost of lease rent Machinery	2	31
Rent Office and others considered short term	63	70
Lease Rent consider low value - Machinery	48	38
Amortisation of Lease Rent Car and others	5	7
Rates & taxes	24	33
Insurance	34	37
Printing and stationery	13	9
Donations	1	1
Travelling expenses	76	45
Freight and forwarding	245	140
Communication expenses	7	7
Water charges	3	2
Commission	21	12
Business promotion	10	9
Bank charges	4	6
Security expenses	81	76
Warranty expenses	26	21
Training expenses	1	-
Auditors remuneration (refer note (a) below)	11	11
Provision for Doubtful Debts	1	-
Impairment of loan and interest accrued*	143	127
Legal & professional expenses	159	132
Director Sitting Fees	3	6
Tool expenses	155	120
Miscellaneous expenses	34	33
Computer and software expenses	43	36
Total	**3,433**	**2,424**

	For the year ended March 31, 2022	**For the year ended March 31, 2021**
***Impairment of loan and interest accrued comprises:**		
Loan to Samvardhana Motherson Refrigeration Product Limited	33	16
Interest accrued on loan to Samvardhana Motherson Refrigeration Product Limited	110	111
	143	**127**

(a): Payment to auditors:

As Auditor:		
Audit fees	8	8
Other audit and certification work to be done by statutory auditor	3	3
Reimbursement of expenses	-	-
Total	**11**	**11**

(All amounts in INR Lakh, unless otherwise stated)

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	-	-
Adjustments for current tax of prior periods on completion of assessment	-	-
Total current tax expense	**-**	**-**
Deferred tax		
Decrease / (increase) in deferred tax assets (net)		98
Total deferred tax expense / (benefit)	**-**	**98**
	-	**98**

(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/(loss) before tax	(622)	(2,495)
Tax @ 25.168%		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	(157)	(628)
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	18	17
Effect of change in tax rate	-	229
Adjustments of MAT Credit	-	98
Prior Period Tax adjustment	-	(1,172)
Tax effect of unrecognised deferred tax assets	139	1,552
Other adjustments	-	2
Income tax expense	**0**	**98**

(All amounts in INR Lakh, unless otherwise stated)

35. Earnings per share

	March 31, 2022	March 31, 2021
a) Basic		
Net profit after tax available for equity shareholders	(622)	(2,593)
Weighted average number of equity shares used to compute basic and diluted earnings per share	319,247,307	280,286,269
Basic earnings per share	**(0.19)**	**(0.93)**
b) Diluted (refer note below)		
Net profit after tax available for equity shareholders	(622)	(2,593)
Weighted Average number of equity shares used to compute basic earnings per share	319,247,307	280,286,269
Add: potential equity shares	1,000,000	1,000,000
Weighted average number of equity shares	320,247,307	281,286,269
Basic earnings per share	**(0.19)**	**(0.93)**
Diluted earnings per share*	**(0.19)**	**(0.92)**

* During FY 2021-22, on account of composite scheme of amalgamation and arrangement amongst Motherson Sumi Systems Limited (MSSL) and SAMIL resulting in merger of SAMIL with MSSL, the 7% Optionally convertible cumulative redeemable preference shares held by SAMIL in the company stand transferred to MSSL on 21st January 2022. These are antidilutive in nature and therefore not considered for the purpose of dilutive earning per share.

(All amounts in INR Lakh, unless otherwise stated)

36. Fair value measurements

i. Financial instruments by category

	March 31, 2022			March 31, 2021		
	FVTPL	**FVTOCI**	**Amortised Cost**	**FVTPL**	**FVTOCI**	**Amortised Cost**
Financial assets						
Investments*	-	-	-	50	-	-
Trade receivables*	-	-	2,176	-	-	1,923
Cash and cash equivalents*	-	-	53	-	-	343
Loans*	-	-	1,120	-	-	2,230
Other financial assets*	-	-	127	-	-	658
Total financial assets	**-**	**-**	**3,476**	**50**	**-**	**5,153**
Financial Liabilities						
Borrowings*	-	-	16,067	-	-	15,161
Lease Liability	-	-	178	-	-	169
Trade payables*	-	-	1,367	-	-	1,206
Other financial liabilities*	-	-	1,178	-	-	2,681
Total financial liabilities	**-**	**-**	**18,789**	**-**	**-**	**19,217**

i. Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements

	March 31, 2022			March 31, 2021		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial asset						
Financial Investments at FVTPL						
UTI Overnight Fund - Direct Growth Plan	-	-	-	50	-	-
Total	**-**	**-**	**-**	**50**	**-**	**-**

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 assets						
Other Financial Assets	-	-	1,599	-	-	975
Loans			6,460			5,350
Total financial assets	**-**	**-**	**8,059**	**-**	**-**	**6,325**
Financial liabilities						
Borrowings	-	-	3,588	-	-	4,469
Other financial liabilities	-	-	19	-	-	14
Total financial liabilities	**-**	**-**	**3,607**	**-**	**-**	**4,483**

*The carrying amounts of investments, trade receivables, cash & cash equivalents, other bank balances, borrowings, trade payables and other financial assets and liabilities are considered to be the same as fair value due to their short term maturities.

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				
Loans	6,460	6,460	5,350	5,350
Other financial assets	1,599	1,599	975	975
	8,059	**8,059**	**6,325**	**6,325**
Financial liabilities				
Borrowings	3,588	3,588	4,469	4,469
Other financial liabilities	19	19	14	14
	3,607	**3,607**	**4,483**	**4,483**

The fair value of non-current financial assets and liabilities carried at amortized cost is substantially same as their carrying amount.

Specific valuation technique used to value financial instruments include:

a. The use of various valuation methods (including NAV and price of recent investment method).

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

(All amounts in INR Lakh, unless otherwise stated)

37. Financial risk management

The company is engaged in manufacturing and sale of broaches, gauge, gear cutting tools, cams, piston roller, powertrain parts and shock absorbers in India and other countires outside India. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks. Below notes explain the sources of risks in which the Company is exposed to and how it manages the risks:

Market risk:

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market price/rate. Market risk comprises: Price risk, Foreign currency risk, Interest rate risk, Credit risk and Liquidity risk.

A Price risk:

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company.

One of the key raw materials of the Company is cutting tools and sintermetal manufacturing business is High Speed Steel (HSS)and iron powder respectively. There is substantial fluctuations in prices of both the raw materials. If there are substantial fluctuations in the price of raw materials, the Company can mitigate risk through negotiating with suppliers.

The Company is regularly taking initiatives to reduce its raw material costs to meet targets set up by its customers for cost downs.

B Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company’s exposure to the risk of changes in foreign exchange rates relates primarily to the Company’s operating activities (when revenue or expense is denominated in a foreign currency). The exchange variations in India has mainly impacted the imports.

The company does not have any derivative instruments outstanding at the end of reporting periods and further unhedged foreign currency exposure is given as follows:

(i) Particular of unhedged foreign exposure as at the reporting date (Net exposure to foreign currency risk)

	As at March 31, 2022 Payable / (Receivable)		As at March 31, 2021 Payable / (Receivable)	
	Amount in Foreign currency	**Amount in INR.**	**Amount in Foreign currency**	**Amount in INR.**
Euro	2	209	4	336
USD	0	8	1	63
Euro	(0)	(33)	(0)	(10)
USD	(2)	(137)	-	-

C Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk.

(i) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	March 31, 2022	March 31, 2021
Variable rate borrowings	5,603	6,597
Nil Rate Borrowing	-	-
Fixed rate borrowings	13,850	9,000
Total borrowings	**19,453**	**15,597**

(ii) Sensitivity analysis

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

	Impact on profit after tax	
	March 31, 2022	March 31, 2021
Interest rates-increase by 50 basis points*	(3)	(3)
Interest rates-decrease by 50 basis points*	3	3

* Holding all other variables constant

(All amounts in INR Lakh, unless otherwise stated)

D 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 amd deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables.

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers. Clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default.

E Liquidity risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liábilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period.

	March 31, 2022	March 31, 2021
Floating rate		
- Expiring within one year (cash credit facility)	504	282

(ii) 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	16,067	3,486	102	**19,655**
Lease Liability	178	126	-	**304**
Trade payables	1,367	-	-	**1,367**
Other financial liabilities	1,178	19	-	**1,197**
Total non-derivative liabilities	**18,789**	**3,632**	**102**	**22,523**

Year Ended March 31, 2021	Upto 1 year	1 to 5 years	More than 5 years	Total
Borrowings	15,161	3,076	1,393	**19,630**
Lease Liability	169	299	-	**467**
Trade payables	1,311	-	-	**1,311**
Other financial liabilities	2,681	14	-	**2,695**
Total non-derivative liabilities	**19,322**	**3,388**	**1,393**	**24,103**

(All amounts in INR Lakh, unless otherwise stated)

38. 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/(loss) before tax plus depreciation and amortization expense plus

The Company's Net Debt to EBITDA ratios are shown as follows:

	March 31, 2022	March 31, 2021
Net Debt	19,602	19,287
EBITDA	3,318	845
Net Debt to EBITDA	5.91	22.83

(b) Loan covenants

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

Samvardhana Motherson Innovative Solutions Limited
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Notes to the financial statements for the period ended March 31, 2022

39 (i) LIST OF RELATED PARTIES AS PER IND AS- 24		
a)		**Holding Company**
		Samvardhana Motherson International Limited (till January 21, 2022)
		Motherson Sumi Systems Limited (from January 22, 2022)
b)		**Fellow subsidiaries : with whom transactions have taken place**
	1	Motherson Consultancies Service Limited
	2	MS Global India Automotive Private Limited
	3	Samvardhana Motherson Maadhyam International Limited
	4	Samvardhana Motherson Global Carriers Limited (SMGCL)
	5	Samvardhana Motherson Refrigeration Product Limited
	6	Motherson Machinery and Automations Limited
	7	Samvardhana Motherson Auto System Private Limited
	8	Motherson Sintermetal Technology B.V.
	9	Motherson Invenzen XLab Private Limited
	10	SMR Automotive Systems India Limited
	11	MothersonSumi Infotech & Designs Limited (MIND)
	12	Samvardhana Motherson Health Solutions Limited (Subsidiary through MIND)
	13	Motherson Techno Tools Limited
	14	Motherson Air Travel Agencies Limited
	15	Samvardhana Motherson Auto Component Private Limited
	(ii)	**Joint ventures/Associates of holding company: with whom transactions have taken place**
	1	Youngshin Motherson Auto Tech Limited
	2	Matsui Technologies India Limited
	3	Nissin Advanced Coating Indo Co. Pvt. Ltd.
	4	Anest Iwata Motherson Private Limited
	5	Marelli Motherson Auto Suspension Parts Pvt. Ltd. (formerly Magneti Marelli Motherson Shock Absorbers India Pvt Ltd)
	6	Motherson Auto Solutions Limited
c)		**Other related parties : with whom transactions have taken place**
	1	Motherson Auto Limited
	2	Motherson Lease Solution Limited
	3	Systematic Conscom Limited
	4	Samvardhana Motherson Adsys Tech Limited
d)		**Key Management Personnel**
	1	Mr. Vivek Chaand Sehgal (wef 21st Jan 2022)
	2	Mr. Laksh Vaaman Sehgal (wef 21st Jan 2022)
	3	Mr. Shunichiro Nishimura (wef 21st Jan 2022)
	4	Mr. Gautam Mukherjee (wef 21st Jan 2022)
	5	Mr. Naveen Ganzu (wef 21st Jan 2022)
	6	Ms. Rekha Sethi(wef 21st Jan 2022)
	7	Mr. Robert Joseph Remenar (wef 21st Jan 2022)
	8	Ms. Veli Matti Rutsala (wef 21st Jan 2022)
	9	Mr. Norikatsu Ishida (wef 21st Jan 2022)
	10	Mr. Pankaj Mital (wef 21st Jan 2022)
	11	Mr. Kunal Malani (wef 21st Jan 2022)
	12	Mr. Alok Goel (wef 21st Jan 2022)
		Directors of the Company
	1	Mr. Ashok Tandon
	2	Mr. Sanjay Mehta
	3	Mr. Parthasarathy Srinivasan
	4	Mr. Sanjay Kalia
	5	Ms. Madhu Bhaskar
	6	Mr. Shailesh Prabhune
		Other KMP
	1	Ms. Ritu Seth: Company Secretary
	2	Mr. Kumarpal Jawaharlal Kothari: CFO
	3	Mr. Vineet Chandran, Manager wef 03-09-2021

Samvardhana Motherson Innovative Solutions Ltd
Notes to the financial statements for the year ended March 31, 2022
(All amounts in INR Lakh, unless otherwise stated)

Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties:

(b) Transactions with related parties

SN	Particulars	Key Management Personnel		Holding Company		Fellow subsidiaries, Joint ventures and Associates of holding company		Other related parties	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
1	Sale	-	-	-	-	73	121	-	-
2	Remuneration to Key Managerial persons	209	169	-	-	-	-	-	-
3	Computer and software expenses	-	-	-	-	35	31	-	-
4	Travelling Expenses	-	-	-	-	-	-	42	33
5	Professional Charges	-	-	49	47	64	53	1	2
6	Purchase of Goods	-	-	-	-	57	61	-	-
7	Operating Lease Rent	-	-	-	-	-	-	7	87
8	Business Promotion Expenses	-	-	9	9	-	-	-	-
9	Other Expenses	-	-	0	-	118	49	68	25
10	Repair & Maintenance	-	-	-	-	-	12	-	2
11	Interest Expenses	-	-	2,056	739	4	-	-	-
12	Interest Income	-	-	-	-	790	862	-	-
13	Rent Paid	-	-	-	-	172	165	86	86
14	Reimbursement of Expenses Paid	-	-	0	-	60	47	3	2
15	Reimbursement of expenses	-	-	-	-	45	7	-	-
16	Sitting Fee to Directors	3	6	-	-	-	-	-	-
17	Commission Income	-	-	-	-	-	121	-	-
18	Loan Repaid during the year	-	-	-	-	-	-	-	-
19	Loan / ICD Given	-	-	-	-	33	381	-	-
20	Loan / ICD Received back	-	-	-	-	-	2,118	-	-
20	Investment in Equity - Done	-	-	-	-	6,270	1,754	-	-
20	Investment in Pref Shares	-	-	-	-	-	-	-	-
21	Purchase of Fixed Assets	-	-	-	-	13	2	-	1
22	Expenses capitalised	-	-	-	-	2,032	6	104	62
23	Divedend Received	-	-	-	-	1,667	100	-	-
24	Security Deposit Paid	-	-	-	-	-	-	14	5
25	Security Deposit Refund received	-	-	-	-	-	-	447	-
26	Loan Taken	-	-	7,500	3,850	2,500	-	-	-
27	Investment in Equity - Received	-	-	9,000	-	-	-	-	-
27	Capital Advance Paid	-	-	-	-	-	1,943	-	-

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

SN	Particulars	Key Management Personnel		Holding Company		Fellow subsidiaries, Joint ventures and Associates of holding company		Other related parties	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
27	Loan payable	-	-	11,350	3,850	2,500	-	-	-
28	Payable for capital goods	-	-	-	-	4	22	2	33
29	Security deposit	-	-	-	-	-	-	-	-
30	Investment in equity shares of subsidiary	-	-	-	-	-	-	-	-
31	Loan to Subsidiary	-	-	-	-	-	-	-	-
32	Payable others (current liabilities)	-	2	793	119	87	89	40	31
33	Receivable others (Current Assets)	-	-	0	-	1,923	1,403	-	-
34	Prepaid Expenses	-	-	-	-	-	-	-	-
35	Capital Advance Paid	-	-	-	-	-	1,954	-	-
36	ICD Receivable	-	-	-	-	7,719	7,686	-	-
37	Corporate Gaurantee	-	-	7,000	7,000	-	-	-	-
38	Optionally Convertible Debenture	-	-	-	9,000	-	-	-	-
39	Premium on redemption on Debenture	-	-	-0	2,156	-	-	-	-

Samvardhana Motherson Innovative Solutions Ltd

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

(All amounts in INR Lakh, unless otherwise stated)

(d) Loans & advances to / from related parties

SN	Particulars	Holding Company		Fellow subsidiaries, Joint ventures and Associates of holding company		Other related parties	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
i.	**Security deposits given:**						
	Beginning of the year	-	-	-	-	494	489
	Security deposit given	-	-	-	-	16	5
	Security deposits received back	-	-	-	-	467	-
	End of the year	-	-	-	-	**42**	**494**
ii. (a)	**Loans received**						
	Beginning of the year	3,850	-	-	-		
	Loans received	7,500	3,850	2,500	-		
	Loans repaid	-	-	-	-		
	Loans transferred due to merger / transfrd to SMISI	-	-	-	-		
	End of the year	**11,350**	**3,850**	**2,500**	-		
ii. (b)	**Interest receivable at beginning of the year**	-	-	**1,223**	754		
	Interest charged	-	-	790	862		
	Impact of Foreign exchange	-	-	-	-		
	Interest received	-	-	114	328		
	TDS dedcucted	-	-	32	65		
	Transfer from SAMIL	-	-	-	-		
	Interest receivable at end of the year	-	-	**1,868**	**1,223**		
iii (a)	**Loans given**						
	Beginning of the year	-	-	7,580	9,333		
	Loans given	-	-	33	381		
	Impact of Foreign exchange	-	-	-	-		
	Ind AS Adjustment	-	-	-	-		
	Loans received back	-	-	-	2,118		
	Reversal of impairment	-	-	-	-		
	Impairment of Loan	-	-	33	16		
	End of the year	-	-	**7,580**	**7,580**		
iii. (b)	**Interest payable at beginning of the year**	106	-	-	-		
	Interest charged	706	106	-	-		
	TDS Paid	25	-	-	-		
	Interest paid	-	-	-	-		
	Interest payable at end of the year	**787**	**106**	-	-		

(All amounts in INR Lakh, unless otherwise stated)

40. Segment Information:

Description of segments and principal activities

The Company is primarily in the business of manufacture and sale of components to automotive original equipment manufacturers.

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Officer "COO" of the respective division. The COO, who is responsible for allocating resources and assessing performance of the operating segments examines the Company's performance categorised into following segments:

Motherson Advanced Tooling Solutions Ltd	Represents division of the Company which is engaged in the business of manufacturing of Gauges and Broaches for Automotive Industry.
Motherson Sintermetal Technology	Represents division of the Company which is engaged in business as manufacturer, developer, exporter, importer, seller, buyers, distributors and assembly and marketing of sintered powder metal parts for automobiles and other industries.
Corporate / Others	Represents operations of the Company that are below the threshold for separate reporting as operating segments

A. Information about geographical areas:

The following information discloses revenue from external customers based on geographical areas:

	March 31, 2022	March 31, 2021
i) Revenue from external customers		
Motherson Advanced Tooling Solutions Ltd	4,141	2,492
Motherson Sintermetal Technology	5,090	3,171
Corporate / Others	-	-
	9,232	**5,663**
India	8,637	5,382
Outside India	595	282
	9,232	**5,663**

ii) Segment Assets

Total of non-current assets other than financial instruments, investment in subsidiaries and joint ventures and deferred tax assets broken down by location of the assets, is shown below:

	March 31, 2022	March 31, 2021
Motherson Advanced Tooling Solutions Ltd	8,257	8,760
Motherson Sintermetal Technology	5,732	5,029
Corporate / Others	2	14
	13,991	**13,803**
India	13,991	13,803
Outside India	-	-
	13,991	**13,803**

iii) There are no revenues from transactions with a single external customer amounting to 10 per cent or more of the Company's revenue.

41. Assets hypothecated as security

The carrying amount of assets hypothecated as security for current and non-current borrowings are as follows:

	March 31, 2022	March 31, 2021
First charge		
Non current:		
Property, plant and equipment	4,368	9,839
Software	2	8
Capital Work in Progress	3,793	1,478
Intangible assets under development	-	1
Total	**8,163**	**11,325**
Current:		
Inventory	2,074	1,861
Trade receivable	2,176	1,923
Cash and cash equivalent	7	21
Security deposits	8	470
Interest receivable	1	1
Other current assets	80	51
Total	**4,346**	**4,327**
Total assets pledged as security	**12,509**	**15,652**

Note: Assets hypothcated to HDFC Bank and YES Bank

42. Capital and other commitments

Capital expenditure contracted at the end of the reporting period but not recognised as liabilities is as follows:

	March 31, 2022	March 31, 2021
Property, Plant and Equipment		
Estimated value of contracts in capital account remaining to be executed, [Net of Advances of INR 27 Lakhs in FY 21-22 (March 31, 2021: INR 1,975 Lakhs)]	434	443
Total	**434**	**443**
Other Commitments		
EPCG Export Obligation	**777**	**1,107**

43. Contingent liabilities:

		March 31, 2022	March 31, 2021
a)	Sales tax matters (Pending C Form Liability)	14	23
b)	Bank guarantees	62	51
c)	Claims filed by workers	2	10
d)	EPCG Grant	92	131
	Total	**171**	**216**

Appeals filed with sales tax authorities

a) Sales Tax department, Uttar Pradesh, for FY 2015-16 raised a demand of INR 6 Lakhs towards differential tax against pending C Forms. The Company has filed an appeal with Additional Commissioner (Appeals), Commercial Tax, Noida, Uttar Pradesh against the said Order. The above figure of INR 14 Lakhs includes this contingent liability.

44. Due's to Micro and Small enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The principal amount due (provided in the books of accounts) and interest thereon (not provided in the books of accounts) is as follows:

Particulars	March 31, 2022	March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	46	105
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1	0
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	184	8
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	-	-

(All amounts in INR Lakh, unless otherwise stated)

45. Impact of application of Ind AS 115 Revenue from Contracts with Customers

The Company has adopted Ind AS 115 Revenue from Contracts with Customers from April,1 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements where ever required. In accordance with the transition provisions in Ind AS 115, the Company has adopted the new rules modified retrospectively .

i. The provison recognised on trade receivables arising from an entity's contracts with customers.
Movement of provision

	March 31, 2022	March 31, 2021
Opening Balance	**113**	**115**
Add:- Additions on account of amalgamation	**-**	**-**
Less: Written back	(38)	(2)
Less: Utilised during the year	-	-
Add: Provided at the end of year	-	-
Closing balance	**75**	**113**

ii. Disaggregation of revenue from contracts with customers

Segments	March 31, 2022	March 31, 2021
Revenue by Geography		
In India	8,637	5,382
Outside India	595	282
Total revenue from contract with customers	**9,232**	**5,663**
Revenue by major product lines		
Sale of product	9,098	5,570
Sale of services	134	93
Total revenue from contract with customers	**9,232**	**5,663**
Timing of revenue recognition		
At a point in time	9,232	5,663
Over time	-	-
Total revenue from contract with customers	**9,232**	**5,663**

iii. Contract Balances

The following table provides information about receivables and contract liabilities from contracts with customers.

	March 31, 2022	March 31, 2021
Receivables (Unconditional right to consideration)	2,176	1,923
Contract liabilities	65	15

iv. Revenue from contracts with customers

	March 31, 2022	March 31, 2021
Revenue recognised from		
Amounts included in contract liabilities at the beginning of the year	11	9

46. Ratio Analysis

Ratio	Numerator	Denominator	For the year ended 31st March, 2022	For the year ended 31st March, 2021	Variance %	Reason for variance for more than 25%
Current Ratios	Current Assets	Current Liabilities	3.40	2.97	14.6%	-
Debt- Equity Ratio	Debt	Shareholder's Equity	0.48	0.60	-20.6%	-
Debt Service Coverage ratio	Earnings available fo Debt service	Debt Service	0.90	0.07	1178.0%	Variance due to combined effect off - 1) Increase in earnings available for debt service in FY 2021-22 (INR 3,318 Lakhs) Vs. FY 2020-21 (INR 849 Lakhs) 2) Decrease in debt repayments in FY 2021-22 (INR 3,669 Lakhs) Vs. FY 2020-21 (INR 11,994 Lakhs)
Return on Equity ratio	Profit/(loss) after tax	Shareholder's Equity	-1.49%	-7.76%	-80.8%	Variance due to combined effect off - Decrease in Loss in FY 2021-22 (INR 619 Lakhs) Vs. FY 2020-21 (INR 2,597 Lakhs)
Inventory Turnover ratio	Cost of goods sold	Average Inventories	5.96	4.67	27.6%	Variance due to combined effect off - Increased cost of goods sold in in FY 2021-22 (INR 7,673 Lakhs) Vs. FY 2020-21 (INR 5,468 Lakhs). (Inventory comprises Raw Material, Work in progress and Finished Goods)
Trade Receivable Turnover Ratio	Revenue from contract with customers	Average Trade Receivable	5.49	3.70	48.3%	Variance due to combined effect off - 1) Increase in gross sales in FY 2021-22 (INR 11,251 Lakhs) Vs. FY 2020-21 (INR 6,931 Lakhs) (GST included in gross sales) 2) Increase in Average receivable in FY 2021-22 (INR 2,049 Lakhs) Vs. FY 2020-21 (INR 1,872 Lakhs)
Trade Payable Turnover Ratio	Net Credit Purchases	Average Trade Payables	2.35	1.38	70.4%	Variance due to combined effect off- 1) Increase in purchase in FY 2021-22 (INR 3,150 Lakhs) Vs FY 2020-21 (INR 1,721 Lakhs)
Net Capital Turnover Ratio	Revenue from contract with customers	Average Working Capital	5.57	2.41	131.1%	Variance due to combined effect off - 1) Increase in sales in FY 2021-22 (INR 9,232 Lakhs) Vs. FY 2020-21 (INR 5,663 Lakhs) 2) Reduction in average working capital in FY 2021-22 Vs. FY 202021
Net Profit ratio	Profit/(loss) after tax	Revenue from Operations	-5.26%	-37.40%	-85.9%	Variance due to combined effect off - 1) Reduced loss in FY 2021-22 (INR 622 Lakhs) Vs. FY 2020-21 (INR 2,593 Lakhs) 2) Increased revenue from operations
Return on Capital Employed	Earning before interest and tax	Average Capital Employed	3.42%	-1.10%	-411.6%	Variance due to combined effect off - 1) EBIT Profit in FY 2021-22 (INR 1,957 Lakhs) Vs.EBIT Loss in FY 2020-21 (INR 521 Lakhs) 2) Increase in Average Capital employed FY 2021-22 (INR 57,244 Lakhs) Vs. FY 2020-21 (INR 47,479 Lakhs)
Return on Investment						
A) Return on investments in subsidiaries, joint ventures and associates	Dividend Received	Average Investments	4.9%	0.3%	1361.3%	Variance due to combined effect off - 1) Increase in dividend in FY 2021-22 (INR 1,667 Lakhs) Vs FY 2020-21 (INR 100 Lakhs) 2) Increase in Average investment FY 2021-22 (INR 33,753 Lakhs) Vs FY 2020-21 (INR 29,741 Lakhs)
B) Return on Loans given	Interest received / accrued	Average Loans given	10.3%	10.1%	1.8%	-
C) Return on current Investments	Profit / Gain	Average Investments	80%	5%	1456.7%	Variance due to combined effect off - 1) Total investment in mutual funds sold for INR 70 lakhs in FY 2021-22 (Carrying value INR 50 Lakhs)

(All amounts in INR Lakh, unless otherwise stated)

47. Leases

Ind AS 116 Leases was notified on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company has adopted Ind AS 116 effective annual reporting period beginning April 01, 2019 and its impact on financial statement presented below:

Impact Assessment of Ind AS 116

(i) Impact on the statement of financial position (increase/(decrease))

	March 31, 2022	March 31, 2021
Assets		
Property, plant and equipment (right-of-use assets)	257	418
Less : Prepayment	-	-
Deferred tax assets	-	-
Total	**257**	**418**
Liabilities		
Lease liabilities	304	467
Total	**304**	**467**
Net Impact on equity	**-47**	**-50**

(ii) Impact on the statement of profit or loss (increase/(decrease))

	March 31, 2022	March 31, 2021
Lease rent	204	281
Depreciation expense	-167	-243
Finance Cost	-35	-53
Deferred tax assets	-	-
	2	**-16**

Other disclosures		
Commitment for short term lease	-	-
Short-term and/ or low value leases		
Rent Office and others	63	70
Machinery	48	38

48. COVID-19 impact on financials

On March 11, 2020 the World Health Organization declared Coronavirus outbreak as a 'pandemic'. Responding to the potential serious threat that this pandemic has to public health, the Indian Government had taken a series of measures to contain the outbreak, which included imposing multiple ‘lock-downs’ across the country from March 22, 2020. The Lockdown's were imposed and then relaxed in a phased manner across the year. Another wave of Covid jolted the world in April 2021 and there were again series of lockdowns imposed in India, that had very marginal impact on the businesses, which got settled in about a month's time and businesses started flourishing again at the pre covid levels across India.

The company is in the business of selling, marketing, exporting and manufacturing of engineering tools and sintered parts for automobiles or any other related applications, as required. Many of customers had deferred their requirement due to the government imposed lockdowns which impacted our business resulting in lower revenues in FY2020-21. However, for FY 2021-22, the markets opened up again and the company was able to reach its pre-COVID levels and even surpassed the same in FY2021-22. The company expects that the growth will continue in FY 2022-23 also.

The company has assessed the possible impact of COVID-19 in preparation of the financial results, including but not limited to its assessment of liquidity and going concern assumptions, recoverable values of its financial & non-financial assets and the impact on revenues & costs. In developing the assumptions and estimates relating to the future uncertainties in the economic condition because of the pandemic, the company has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The company has taken all necessary measures to control costs & rationalise resources and is taking initiatives to uplift revenue.

49. Amount appearing as zero “0” in the financial statements are below the rounding off norm adopted by the Company.

50. Corresponding figures of previous year are regrouped/rearranged wherever necessary to confirm to the current year classification.

For and on behalf of the Board

SANJAY MEHTA Digitally signed by SANJAY MEHTA Date: 2022.05.09 15:30:07 +05'30'

Sanjay Mehta
Director
DIN : 03215388

ASHOK TANDON Digitally signed by ASHOK TANDON Date: 2022.05.09 15:30:39 +05'30'

Ashok Tandon
Director
DIN : 00032733

As per our report attached
For R K Khanna & Co.
Chartered Accountants
Firm Registration Number: 000033N

Ritu seth Digitally signed by Ritu seth Date: 2022.05.09 14:52:59 +05'30'

Ritu Seth
Company Secretary
PAN : AVYPS9758C

KUMARPAL JAWAHARLAL KOTHARI Digitally signed by KUMARPAL JAWAHARLAL KOTHARI
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pseudonym=12458d12128a181ff85ffef46fc896f5,
serialNumber=4eb4b8a074110a8a8a79ac3e086ddb3940d9f46a54699b2153a641c25fec6de9, o=Personal, cn=KUMARPAL JAWAHARLAL KOTHARI
Date: 2022.05.09 13:33:48 +05'30'

Kumarpal Kothari
CFO
PAN : AOMPK8049R

VIPIN BALI Digitally signed by VIPIN BALI Date: 2022.05.09 17:55:20 +05'30'

Vipin Bali
Partner
M. No. 083436

Place : Noida
Date : 09-05-2022