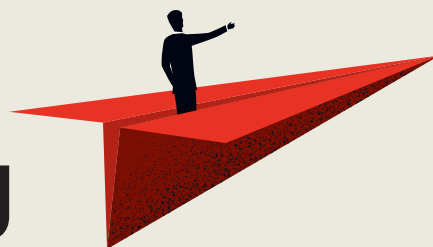


Motherson Technology Services Limited
(formerly known as MothersonSumi INFotech & Designs Limited)

ANNUAL REPORT 2021-22



Driving Technology-led Transformation



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Corporate Information

BOARD OF DIRECTORS

Directors

Mr. Laksh Vaaman Sehgal

Mr. Bimal Dhar

Mr. Arjun Puri (Independent Director)

Mr. Sanjay Kalia (Independent Director)

Mr. Shunichiro Nishimura

Mr. Hideaki Kobayashi

Ms. Lata Unnikrishnan

STATUTORY AUDITORS

S.R. Batliboi & Co. LLP

Chartered Accountants

(Firm Registration No.: 301003E/IE300005)

Golf View Corporate Tower-B,

Sector-42, Sector Road,

Gurugram – 122002,

Haryana, India

BANKERS

Axis Bank Ltd.

HDFC Bank Ltd.

State Bank of India

ICICI Bank Limited

REGISTERED OFFICE

2nd Floor, F-7, Block B-1,
Mohan Cooperative Industrial Estate,
Mathura Road,
New Delhi - 110 044, India

GLOBAL PRESENCE

INDIA

Motherhood Technology Services Limited

(formerly known as MotherhoodSumi Infotech & Designs Limited)

C- 26, Sector 62, NOIDA - 201309, Uttar Pradesh

Samvardhana Motherhood Corporate Tower,

Plot No. 01, Sector-127, Noida - 201301, Uttar Pradesh

GERMANY

Motherhood Technology Services GmbH

(Formerly known as MotherhoodSumi Infotech And Designs GmbH)

Schlossmattenstrasse 7a, D-79268 Boetzingen, Germany

JAPAN

MotherhoodSumi Infotech and Designs KK

4F BPR Place, 16-4, 1-chome Marunouchi Naka-ku, Nagoya

460-0002, Japan

MotherhoodSumi Infotech and Designs KK

4F Seiki No.2 Building, 5-2-11, Sotokanda, Chiyoda-ku, Tokyo,

101-0021, Japan

SINGAPORE

Motherhood Technology Services SG Pte. Ltd.

(formerly known as MotherhoodSumi Infotech and Designs SG Pte. Ltd.)

7 temasek boulevard, #20-06, Suntec Tower One, 038987

SPAIN

Motherhood Information Technologies Spain S.L.U.

Pol. Neg. Mas Blau, Calle Berguedá, 1 2ª planta 08820 El Prat del Llobregat

UAE

Motherhood Technology Services Mid East FZ-LLC

(Formerly known as Motherhood Infotech Designs Mis East FZ-LLC)

Premises 105, 1st Floor, Building No. 15, Dubai Internet City, Dubai, United Arab Emirates

UK

Motherhood Technology Services United Kingdom Limited

(Formerly known as MotherhoodSumi Infotech & Solutions UK Limited)

Thames Valley Park, Office 205B, 400 Thames Valley Park Dr.

Earley, Reading RG6 1PT, United Kingdom

USA

Motherhood Technology Services USA Limited

(formerly known as MSID U.S. Inc.)

1101 Perimeter Drive, Ste. 150, Schaumburg, IL 60173

SMI Consulting Technologies Inc.

C T CORPORATION SYSTEM , 28 LIBERTY STREET, NEW YORK, NY, 10005, USA

Who Are We

Motherson Technology Services is the Technology and Industrial Solutions Vertical of the Motherson Group, one of the world's leading auto components manufacturers renowned for its diversified portfolio of auto ancillary products and services.

We came into existence in the year 2000 with the goal of serving the technology needs of the Motherson group and to expedite its' digital and technology transformation processes. We began our journey with manufacturing focussed solutions. As the group proliferated and expanded globally, we too expanded our solutions and offerings base to solve new business problems. We now have developed competencies and offerings across a large gamut of technologies to be a holistic IT products and services player with a focussed approach towards Industry Agnostic, Plug and Play solutions that are customisable, secure and scalable.

As a CMMI Level 5 company, we have executed, implemented and delivered best-in-class solutions to more than 430+ customers in 41+ global locations across the globe. Our competent workforce leverages its deep expertise to enable tangible business impact for its stakeholders and while not limiting ourselves to just a service provider. We echo the Motherson mantra of growth aligned with customer needs and have inculcated learnings from servicing them to fortify our portfolio and add new products & services to be a business partner of choice. Motherson Technology Services pledges to continually innovate and be a pioneer of future-centric solutions among its peers and uncover new growth opportunities for its customers.

Trust is sacrosanct in all our relations as we work towards our vision of becoming a globally preferred technology solutions company.



What We Do?

Over the last two decades, Motherson Technology Services has proliferated into Industry 4.0, Cloud, ERP, Digital & Engineering, Digital & Analytics, and IT Infra solutions to help enterprises enable their journey towards digital transformation and technology enablement at an accelerated pace. These solutions are fortified and secured by our competent Cybersecurity arm which imbibes a strong process of identifying and countering malicious attacks with a strong remedial response system in place. We start by understanding the customer's business needs and priorities to create a technology-based roadmap customised to meet and deliver business outcomes with measurable checkpoints spread across the entire journey. Our future centric

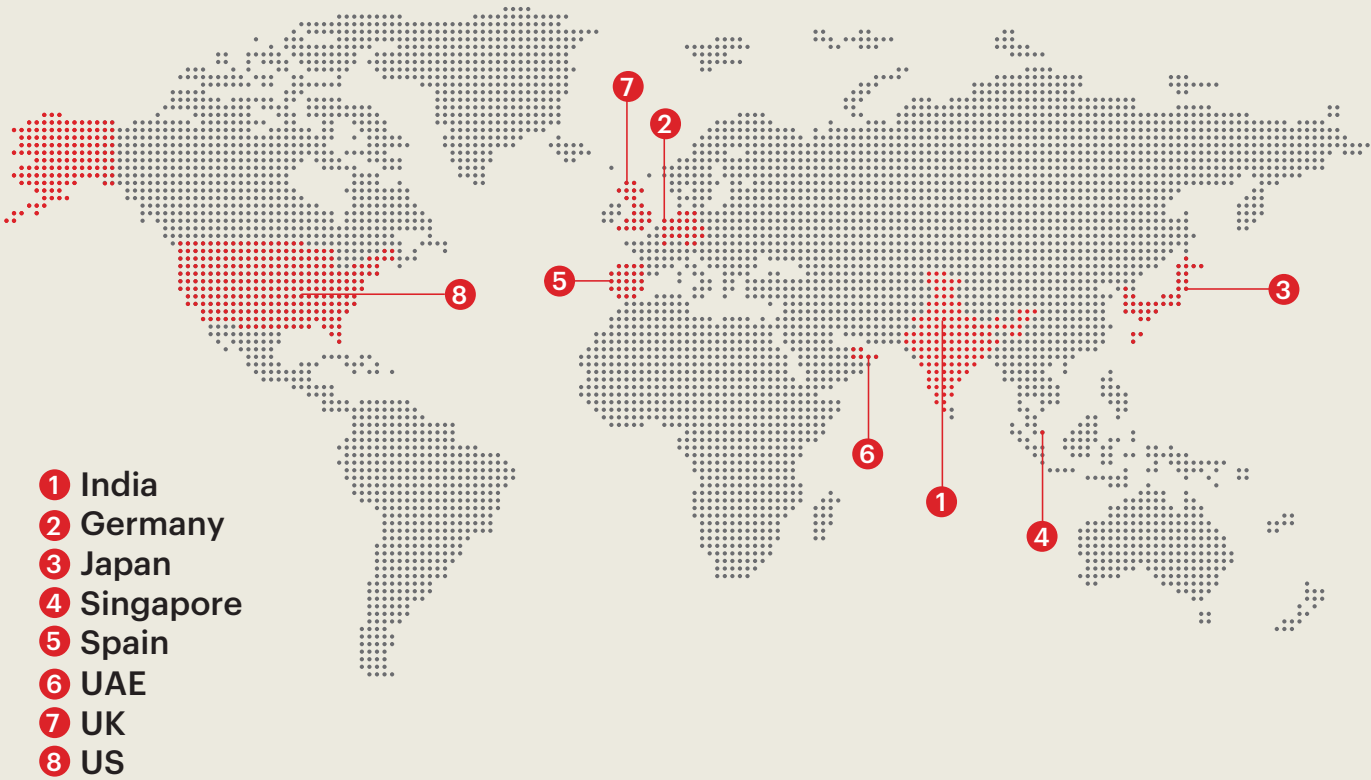
solutions help businesses adapt to market fluctuations and enable them for market leadership. We are abreast with industry best practices and trends and keenly share this with our customers while building this mindshare into our solutions.

Our customer base is now spread across Automotive, Manufacturing, Education, Hi-Tech, Financial Services, and Lifesciences & Healthcare industries.

We don't just see ourselves as a Technology Solutions company but as a Digital Partner and advisor to our Group and our valuable customers in their respective journeys. Our progress resides in their success.

Our Network

We help our customers drive technology powered transformation in context to their business challenges in 41+ locations globally and with offices located across 8 countries.



Maximizing Value through Comprehensive Digital Coverage

We understand that future digital coverage encompasses a multitude of technologies and true business value cannot be realized through isolated solutions or technologies.

At Motherson Technology Services, we continually innovate to deliver new solutions that leverage technologies that have proven past success and marry them with future proof ideas. Our Digital and Analytics arm has been revamped to include a slew of products and services, each catering to address a myriad of business problems. Central console dashboards have been developed to provide a single source of truth to the end customer. AI and ML algorithms are being developed to help take critical decisions based on huge stockpiles of data. These solutions and services can be hosted on cloud or on-prem as per requirement. Given that we have a flourishing Cloud Practice, implementing agile solutions is our second nature. We enable multi cloud platforms – public, private & hybrid. This is substantiated by our deep alliances with global cloud leaders – AWS, GCP and Microsoft Azure. The cloud workforce at MTSL is at par with the best in the world complete with the highest levels of certifications.

We have a dedicated MES solution -iDACS, that has been well-recognised across Industry bodies. This product has leveraged MTSL's legacy of serving a manufacturing giant over the past two decades and is packaged in a remarkably nimble solution which is platform agnostic and is routinely upgraded to solve problems of the future. It further includes Digital and Analytics capabilities to provide actionable insights of the shopfloor with real time visibility through an intelligent dashboard. On-Cloud or On-Prem options have been built in. New functionalities like Track and Trace, Production, Warehouse and Quality Control etc. have been added to resolve complexities and deliver business value across industries.

Our cybersecurity arm provides the protective shield to not only protect valuable data but also thwart attempts to hinder smooth working across the entire ecosystem.

As the world prepares for Industry 4.0 – we are building a new iDACS which shall be an amalgamation of MES, Cloud, Digital and Analytics, Cybersecurity to provide a rich and immersive digital transformation experience to customers across the world.

Our Service Offerings



Our Flagship Products

iDACS

An IoT based ERP/ Machine agnostic system from Motherson Technology Services with real-time data acquisition & production monitoring capabilities

MOTIF

A big data and analytics-based solution suite that provides data based intelligent insights across the entire stakeholder value chain

HRIS1

Elevating & energizing employees experience with human resource information system (HRIS1)

Rollr Mini

A seamless platform for everything on the move

eMPRO

Aligning business processes to the customer needs through native ERP

MORANGO Ledger

A Digital & Analytics powered Smart Warehouse Management System (WMS), delivering end-to-end traceability of inventory within and outside the four walls along with a secure and transparent transfer of ownership powered by blockchain in near real-time

Message from Chief Executive Officer

Dear Shareholders,

It is my pride and joy to share that, for the first time in the history of the organization, we have achieved a **top line growth of 30%**. This is impressive, especially given the tumultuous background of what the world went through these past few years. Further, we officially increased our geographical footprint to **8 countries** and laid the foundation for many more in the future.

Truly moving beyond just group business, we acquired **100+ New External Customers** across the globe in diverse industries. Across Practices, we have strengthened our propositions, positioned them in a customized manner and hence reaped good results. Especially in our Cloud Business, we have seen a cross-industry growth and now have substantially increased our customer base. This was further fuelled by achieving Azure Gold competency in Cloud Computing.

There were significant updates in the other Practices as well. We launched 12 new products complementing our business lines. Within Digital & Analytics itself, we created 13 new service lines and introduced three new divisions of Analytics, namely, Data Science, Data Visualization & Big Data Management. These competencies have helped now garner marquee customers.

Our Infrastructure services are now supporting operations in 41+ countries and are in the process of building an Integrated Global Helpdesk for the entire Group with revamped Industry standard tools and processes. Security Operations Centre (SOC) and End Point Detection & Response (EDR) - 24*7 services went live on 1st Dec-21 for SMG group. These projects will become a key pillar for our Integrated Cybersecurity Defence (ICD) portfolio and will be leveraged to build our Cybersecurity Line of Business + partner ecosystem to address external markets.

Our Systems, Applications & Products (SAP) practice has now over 200+ SAP certified consultants globally. Soon, we will also be building a dedicated Onsite Delivery Center for the Group starting with 50+ dedicated resources

Our Digital Engineering Services (DEX) & Product Lifecycle Management (PLM) teams have also grown to 300+ members. And now we are developing new competencies in other PLM products like Windchill, Flex PLM, Enovia and focusing on “PLM on Cloud” & Enterprise Resource Planning (ERP) integration.

Last year was a turning point for our Internet of Things (IoT) services. Our Manufacturing Execution System, iDACS has been listed In Gartner Market Guide for top 40 edge computing solutions for Industrial IoT. We have observed global traction and client interest in iDACS and have created robust domestic and international funnels.

Electronic Data Exchange has been one of our most consistent performing practices internally and externally. We have realized the practice has high potential of growth in the international market and are in the process of building pillars of support for global expansion.

Another practice which is our focus for the new financial year is the Oracle Services. With a highly competent team and proven results in the past years within the group, we are confident that this practice will make a dent in the external market as well. In fact, last year the team won its first large international Govt. order in UAE, Singapore and a few sizeable deals in India (Private and Govt. sector) and the Practice has a strong project pipeline under discussion. We are also building similar traction in the UK and US markets leveraging our strong alliance with the Oracle Original Equipment Manufacturer.

We experienced interesting results with our geographies. Some did well, others created benchmarks of best practices and built healthy funnels for the future, and some are still developing. No geography is easy when it comes to establishing presence and business hold in a competitive market, but we are here to achieve the same.

Our India team has done a remarkable job. We have onboarded **50+ new customers, achieved significant growth** and brought in some marquee customers. The team has shown commitment towards our existing clients and mined some good opportunities from them.

On similar lines, our US GEO has shown good **growth**. They have created good traction for practices like Digital Engineering Services, Systems, Applications & Products, Staff Augmentation and Cloud. We have observed both existing as well as new business flow in the region. Although, we have a long way to go, the region has helped us to move forward in our journey.

Other geographies like Middle East, Singapore and UK have created robust funnels, and brought in some great deals in **Automotive, Media and Publication, IT and BFSI**. These are our first international projects in the respective domains. These regions are also engaged in strategic partnerships with industry leaders and global OEMs which is reflecting in their pipelines and growth trajectories.

The UAE team is creating benchmarks in terms of bringing sizeable deals especially in Govt. and large family businesses in the Gulf region. We have high hopes for the team to deliver further sales excellence this year and entrench ourselves firmly in the Middle East market.

UK has done considerably well. The team has successfully established relationships with a technology leader which has created multiple opportunities in the previous year, and this has the potential of becoming a multi-million-pound account both from an offshore & onsite perspective. We have also established a robust alliances ecosystem enabling joint GTM and further business augmentation. Since the team has generated a valuable funnel especially in terms of clients and qualitative RFPs, we would be focusing on conversion.

The Singapore entity has strategically done tremendous work in establishing partnership model with leading technology partners. This is not only helping us in generating a healthy pipeline, mature business opportunities but also building brand awareness in Far East markets. We have grown business with existing clients and break into some interesting industries like BFSI, IT, Telecom etc. We have developed a watertight ground with certain alliances which would reap irrefutable results this year.

Our Spain entity was established last year and was primarily focusing on group business.

Germany had a group focused business establishment. This year our focus would be to propel external business and generate a strong pipeline to sell our service and product portfolio. We are in the process of building a partner channel in the region to establish our external foothold.

The Japan team has mined some existing accounts by growing them in size and volume of opportunities. This year's target would be dedicatedly maturing our external client funnel.

We are re-strategizing our plans for Japan & Germany and have made good headway in aligning our priorities for the new financial year to generate business traction in these geographies. We will be sharing these developments with the organization dynamically.

We have done key investments in the last two years and now is the time to reap its outcomes. Practices and Geos are being actively directed and nurtured to develop competencies, delivery efficiencies and establish sales excellence. We are also focusing on improving our productivity and utilization and are mapping the right talent at the right place. To achieve this, we have launched **Project Boost**.

To mitigate our global current and upcoming resource needs, we are also planning to initiate a Near Shore Delivery Centre. At the same time, to strengthen our group IT ecosystem we will be building a dedicated Offshore Delivery Centre for group customers. As we are growing globally and experiencing high expectations from our service portfolio, from our prospects and from existing clients, we are building a cutting-edge Customer Experience Centre at MIND to engage customers with a distinctive, world class experience of our expertise and collaborated offerings. We are also developing our Alliances ecosystem globally to build robust pipelines, strategize joint GTMs and to grow our brand awareness and presence in existing & new geographies.

This year we will be targeting business expansion globally and will be focusing more on international clients specifically in Cloud, Systems, Applications & Products, Digital & Analytics, Oracle, India Captive and iDACS. We have observed prospective interest towards these practices and our offerings in US, Far East, UK and UAE regions. Our focus will not be limited to growing the top line and streamlining our bottom line (margins) but will also be towards increasing our brand awareness in new regions.

We are also ensuring that our group IT wallet share grows significantly. We will be enhancing our existing and new customer experience by efficient deliveries to achieve customer delight. We are equipping our sales and delivery teams to strengthen relationships with existing clients to generate more up/cross-sell opportunities. We are positioning services' productization aligned along the pay-as-you-go model across geos to attract customers being cost agnostic. We are dedicatedly tapping into Motherson's growth with new greenfield/brownfield projects and acquisitions, which will generate multiple opportunities within Infra, Security, Digital & Analytics, Global Business Services (GBS), IoT and Systems, Applications & Products practices. Our GBS service is partnering with one of the Industry Leaders to expand our services across Motherson, globally. We are confident about rolling out our GBS services to the group companies in category A & B in this year.

Navigating rough waters is a trait that has defined Motherson and we have done so admirably over the past year. Our focus for the coming year will be the wellbeing of our associates. One of our organization's objectives is to become the Employer of Choice. Keeping the same in mind, we have launched a plethora of programs for our associates in the past year, including leadership connects, festival celebrations and associate engagements. These include Health & Wellness programs, Rewards & Recognitions (eg. Women of Excellence Awards) and GEM felicitations by Vice Chairman, Chairman and CEO to name a few. Other talent management programs like IJP, referral, jobs automation, freshers' academy and more were also rolled out.

We will also be launching more associate engagement and development programs in the coming year. This will include, programs promoting work-life balance, personal and professional growth, skill-building, global opportunities, rewards & recognitions etc. We will be cross-skilling and training resources for effective deployment across global projects. We are hiring 500+ freshers to build an in-house talent pool. More opportunities and responsibilities will be shouldered to associates with high potential along with the right recognition on all fronts. New competency development through self-learning, certifications and skill enhancement is another focus area for

us. While we introduced many engagement programs this past year, it will be our endeavour to make a holistic initiative supporting associates from all ends while working actively towards propelling skill sets for a long and fruitful tenure with us.

I will soon be planning an organizational townhall to discuss these and more developments in detail.

Concluding this note with optimism, faith, and ambition for the new Financial Year.

Yours sincerely,
Rajesh Thakur

DIRECTORS' REPORT

To the Members,

Your Directors have the pleasure in presenting to you the 37th Annual Report together with the audited financial statements of the Company for the financial year ended March 31, 2022. The consolidated performance of the Company and its subsidiaries has been referred to whenever required.

Financial Performance and Operative Performance of the Company

The summarized financial results for the year ended March 31, 2022 and for the previous year ended March 31, 2021 are as follows:

Particulars	Standalone		Consolidated	
	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2022	For the year ended 31.03.2021
Gross Revenue from Contract with Customers	4254.9	3351.4	5366.5	4154.7
Net Revenue from operations	4269.4	3401.6	5381.0	4204.9
Other Income	41.4	33.1	70	39.2
Profit Before Interest, Depreciation and tax	(174.3)	346.5	(371.1)	133.2
Less: Depreciation	159.8	157.8	176.0	168.7
Less: Finance Costs	91.7	56.9	97.6	62.2
Profit/ (Loss) Before Tax	(425.8)	131.7	(644.7)	(97.7)
Less: Provision for Taxation:	(44.0)	49.5	(41.4)	61.8
Profit after tax before minority interest and other comprehensive income	(381.8)	82.2	(603.3)	(159.5)
Add: Other comprehensive income	15.6	(5.7)	42.7	32.2
Less: Minority Interest				-
Profit for the year	(366.2)	76.5	(560.6)	(127.3)
Add: Balance brought forward	564.1	487.6	291.7	457.3
Net profit available for appreciation	197.9	564.1	(296.4)	291.7

Operations and Performance & State of the Company's Affairs

On standalone basis, your company achieved total revenue of INR 4269.4 Million over its revenue of INR 3401.6 Million of the previous financial year ended March 31, 2021. Net Loss for the year ended March 31, 2022 is INR 366.2 Million as compared to the previous year's net Profit of INR 76.5 Million.

On consolidated basis, the company has achieved an annual turnover of INR 5381.0 Million as compared to previous year's annual turnover of INR 4204.9 Million and Netloss was INR 560.6 Million during year ended March 31, 2022 whereas the net loss was INR 127.3 Million during previous financial year ended March 31, 2021.

Impact of COVID 19

The Company has assessed the impact of Covid-19 on its business operations and has prepared the cash flow projections and assessed the recoverability of receivables, expected credit loss, inventory management, re-evaluated the impairment indicators to test the carrying amount of the property, plant and equipment using various internal and external information up to the date of approval of these financial statement and has concluded that neither there is any material adverse impact on the business operations nor any material adjustments required in the financial statements. However, the impact of Covid-19 may be different from that estimated as at the date of approval of these financial statements and the Company will continue to monitor any material changes to future economic conditions. Since, the Company's operations have been impacted partially in the current and previous year by the outbreak of COVID-19 pandemic and the consequent lockdown announced by central and state governments, the figures presented for the current and previous year are not strictly comparable.

Reserves

For the financial year ended March 31, 2022, no amount has been transferred to reserves.

Dividend

The Directors do not recommend any dividend for the Financial Year 2021-22.

NAME CHANGE

Your Company name has been changed from MothersonSumi Infotech & Designs Limited to Motherson Technology Services Limited w.e.f May 19, 2022.

Consolidated Financial Statements

In accordance with the Companies Act, 2013 and Indian Accounting standard (Ind AS) 110 on Consolidated Financial Statements read with Ind AS 28 on Accounting for Investments in Associates and Ind AS 31 on Financial Reporting of Interests in Joint Ventures in consolidated financial statements, your Directors have the pleasure in attaching the audited consolidated financial statement which forms a part of the Annual Report.

Subsidiary Companies, Joint Ventures and Associate Companies

In accordance with section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the company and all its subsidiaries, which form part of the Annual Report.

Further, a statement containing the salient features of the financial statement including performance of the company's subsidiaries, attached in Form AOC-1, forms a part of the Annual Report.

SamvardhanaMotherson International Limited (SAMIL) being the shareholder of the Company held 53.67% of the shareholding of the Company till January 21, 2022.

The Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated December 22, 2021 sanctioned a composite scheme of amalgamation and arrangement ("Scheme") being undertaken amongst SamvardhanaMotherson International Limited (Formerly Motherson Sumi Systems Limited ("MSSL")) ("SAMIL"), erstwhile SamvardhanaMotherson International Limited ("erstwhile SAMIL"), Motherson Sumi Wiring India Limited ("MSWIL") and their respective shareholders and creditors. In compliance with the said Order erstwhile SAMIL got merged with SAMIL effective from

January 21, 2022 i.e. the effective date of Merger as per the Scheme resulting in the winding up of erstwhile SAMIL on Merger under the Scheme becoming effective. Consequently, the equity shares of the Company as held by erstwhile SAMIL stood transferred to SAMIL as on the date of Merger under the Scheme becoming effective and SAMIL holds 62.92% share capital in the company.

Details of performance of subsidiaries of the Company is as under:

Motherson Technology Services USA Limited(formerly known as MSID U.S. Inc.)our US GEO has shown good growth. They have created good traction for practices like Digital Engineering Services, SAP, Staff Augmentation and Cloud. We have observed a flow of both existing as well as new business in the region. Last year, we added some marquee automotive customers which are contributing significantly to our current order book. Multi-faceted deals are in the pipeline from different sectors.

MothersonSumi INFotech & Designs KK The Japan team has mined some existing accounts by growing them in size and volume of opportunities. This year's target would be dedicatedly maturing our external client funnel.

Motherson Technology Services GmbH(Formerly known as MothersonSumi Infotech And Designs GmbH, Germany) Germany had a group focused business establishment. This year our focus would be to propel external business and generate a strong pipeline to sell our service and product portfolio. We are in the process of building a partner channel in the region to establish our external foothold.

Motherson Technology Services United Kingdom Limited(Formerly known as MothersonSumi Infotech & Solutions UK Limited)has done considerably well. The team has successfully established relationships with a technology leader which has created multiple opportunities in the previous year, and this has the potential of becoming a multi-million-pound account both from an offshore & onsite perspective. We have also established a robust alliances ecosystem enabling joint GTM and further business augmentation. Since the team has generated a valuable funnel especially in terms of clients and qualitative RFPs, we would now be focusing on conversion. This is one region which has tasted positive response for almost all our practices i.e. Infra, DnA, Staff Aug, DEX, Cloud, IoT and has a healthy mix in their order book. We are pursuing some major deals supported by our partners and through our organic relationships. We are confident that by the end of this year it will be a well-established, self-sustained subsidiary.

MothersonTechnology Services Mid East FZ-LLC(Formerly known as MothersonInfotek Designs Mis East FZ-LLC)The UAE team is creating benchmarks in terms of bringing sizeable deals especially in Govt. and large family businesses in the Gulf region. We have high hopes for the team to deliver further sales excellence this year and entrench ourselves firmly in the Middle East market. Oracle practice is our key player in this market. Prospects are also showing interests in our cloud and DnA service offerings.

Motherson Technology Services SG Pte. Ltd. (formerly known as MothersonSumi INFotech and Designs SG Pte. Ltd.)The Singapore entity has strategically done tremendous work in establishing partnership models with leading technology partners. This is not only helping us to generate a healthy pipeline and mature business opportunities but is also building brand awareness in Far East markets. We have grown business with existing clients and broken into some interesting industries like BFSI, IT, Telecom etc. We have built a mature pipeline and many opportunities would be closing this year with the potential of being supersized. Our in-house demand generation engine is also working well in the region. Through our Singapore entity we have expanded operations in Thailand and Vietnam.

Motherson Information Technologies Spain S.L.U.Our Spain entity was established last year prior to which our Spanish operations were primarily focused on group business. We have kick started our external business. A healthy pipeline is now in place and we have established a good partner ecosystem in the region.

We are re-strategizing our plans for Japan & Germany and have made good headway in aligning our priorities for the

new financial year to generate business traction in these geographies. We will be sharing these developments with the organization dynamically

Internal controls with reference to the Financial Statements

Your company has adopted various policies and procedures for ensuring the orderly and efficient conduct of its business including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and timely preparation of reliable financial information. The company has appointed Internal Auditors to carry out both system and financial audit of its activities.

The company has laid special emphasis by ensuring that such controls are not only adequate but are also operating effectively.

Fixed Deposits

Your Company has neither invited nor accepted any Deposits covered under chapter V of the Companies Act, 2013 for the year ended on March 31, 2022. There is no unclaimed or unpaid deposit lying with the Company. There has been no default in repayment of deposits or payment of interest thereon during the year under review.

Auditors and Auditor's Report

Statutory Auditors

As per section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No.-301003E/E300005), were appointed as Statutory Auditors of the Company to hold the office from the conclusion of 35th Annual General Meeting of the Company held in the year 2020 till the conclusion of 40th Annual General Meeting of the Company scheduled to be held in the year 2025.

The report given by M/s. S R Batliboi & Co. LLP, statutory auditors on the financial statement of the Company for the year 2021-22 is part of the Annual Report. The observations of the Auditors and the relevant notes on the accounts are self-explanatory and therefore do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Further, during the year, in the course of the performance of their duties as auditor, no frauds were reported by them which they have reason to believe that an offence involving fraud has been committed against the Company by officers or employees of the Company.

During the Financial Year 2021-22, the Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

Cost Auditor

Your Company is not covered under the provisions of Section 148 of the Companies Act, 2013. The Company is not required to conduct audit of its cost accounting records for the financial year 2021-22.

Internal Auditor

M/s. Protiviti Advisory India Member Private Limited performs the duties of Internal Auditor of the Company for the financial year 2021-22.

Secretarial Auditor

Pursuant to the provisions of Section 204 of The Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 your Directors appointed M/s. Sharma Vijay & Associates as

Secretarial Auditor to conduct the Secretarial Audit for the Financial Year 2021-22.

The Secretarial Audit Report for the financial year ended March 31, 2022 forms part of annual report.

Further, during the year, in the course of the performance of their duties as auditor, no frauds were reported by them and they have no reason to believe that an offence involving fraud has been committed against the Company by officers or employees of the Company.

Particulars of Loans, Guarantees or Investments

Details of loans, guarantees or investments made by the Company in terms of the provisions of Section 186 of the Companies Act, 2013 and rules made thereunder along with the purpose for which loan or guarantee or security is proposed to be utilized by recipient, form part of the notes to the financial statements provided in this Annual Report.

Changes in the Share Capital

During the Year, the Authorised Share Capital of your company has been increased from INR 240 Million to INR 620 Million. Post March 31, 2022 the Authorised Share Capital of your company has been increased from INR 620 Million to INR 1120 Million.

Directors and Key Managerial Personnel

As per provisions of Companies Act, 2013, Mr. Laksh Vaaman Sehgal and Ms. Lata Unnikrishnan, Directors of the Company retire by rotation in the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board of Directors recommends his reappointment on the Board of the Company.

Brief resume of the above directors, nature of their expertise in functional areas, name of public companies in which they hold directorship and the Chairmanship/Membership of the committees of Board are given as annexure to the notice convening the Annual General Meeting.

During the Year, Ms. Pooja Mehra has resigned from the post of Company Secretary of the Company.

Key Managerial Personnel

In terms of provisions of Section 203 of the Companies Act, 2013 during the financial year under review the company has following whole time Key Managerial Personnel:

- a) Mr. Rajesh Thakur- Manager designated as Chief Operating Officer
- b) Mr. Rajesh Srivastava- Chief Financial Officer

Statement of Declaration by Independent Directors

The Company has received declarations from Independent Directors confirming that they meet with the criteria of independence as prescribed under sub section (6) of section 149 of the Companies Act, 2013. The Board is of the opinion that they are the persons of integrity and possesses relevant expertise and experience. During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fee and reimbursement of expenses, if any, incurred by them for the purpose of attending the meetings of the Board of Director and Committee.

Meetings of the Board

During the financial year ended March 31, 2022, four(4) meetings of Board of Directors were held. The details of meetings are given here:

The dates of meeting are (i) June 10, 2021, (ii) August 27, 2021 (iii) December 24, 2021 and (iv) March 3, 2022-. The intervening gap between two meetings was within the period prescribed under the Companies Act, 2013. The table for the attended record of the Directors is as given below:

Name of the Director	No. of Board Meetings Attended	Attendance at last Annual General Meeting
Mr. LakshVaamanSehgal	4	Present
Mr. Bimal Dhar	4	Present
Mr. Arjun Puri	4	Present
Mr. Sanjay Kalia	4	Present
Mr. Shunichiro Nishimura	4	Present
Mr. Hideki Kobayashi	3	Present
Ms. Lata Unnikrishnan	4	Present

Audit Committee

The Company has constituted audit committee in terms of section 177 of the Companies Act, 2013. Presently, the composition of audit committee is as under:

- Mr. Arjun Puri as Chairman,
- Mr. Bimal Dhar as Member and
- Mr. Sanjay Kalia as Member

The Audit committee meetings were held on June 10, 2021 and March 3, 2022

The necessary quorum was present at all the meetings and all the recommendations made by the Audit Committee were duly accepted by the Board.

The table for the attended record of the Members for audit committee is as given below:

Name of the Member	Designation	No. of Committee Meetings Attended
Mr. Arjun Puri	Chairman	2
Mr. Sanjay Kalia	Member	2
Mr. Bimal Dhar	Member	2

Corporate Social Responsibility (CSR)

In accordance with the requirements of section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility (CSR) Committee. The Company has also framed Corporate social Responsibility (CSR) Policy in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. Such policy is also available on the website of the company at <https://mothersontechnology.com/investor-relations> The Composition of Corporate Social Responsibility (CSR) Committee is as follows:

- Mr. Arjun Puri as Chairman
- Mr. Sanjay Kalia as Member and
- Mr. Bimal Dhar as Member

The Company has set up a trust in the name of Swarn Lata Motherson Trust for carrying out CSR activities for the group Companies.

The Annual Report on the CSR activities undertaken by the Company during the financial year under review is annexed to this Report as Annexure -A.

The CSR Committee meeting of the Company was held on March 3, 2022. The table for the attended record of the Members for CSR committee is as given below:

Name of the Member	Designation	No. of Committee Meetings Attended
Mr. Arjun Puri	Chairman	1
Mr. Sanjay Kalia	Member	1
Mr. Bimal Dhar	Member	1

Performance Evaluation of Board and Committees

Your Company has formulated Nomination and Remuneration Committee in terms of the Provisions of the Companies Act, 2013 and has done formal evaluation of Board, its Committees and all of its Directors in terms of the provisions of Companies Act, 2013.

In a separate meeting of Independent Directors, performance of non-independent Directors, performance of Board as a whole and performance of Chairman was evaluated, taking into account the views of Executive and non-executive directors.

Nomination and Remuneration Committee

The Company has constituted Nomination and Remuneration committee in terms of section 178 of the Companies Act, 2013. The composition of nomination and remuneration committee is as follows:

- Mr. Arjun Puri- Chairman
- Mr. Bimal Dhar- Member
- Mr. Sanjay Kalia- Member

As required under Section 178 of the Companies Act, 2013, the Board had, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial personnel and their remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters thereof. Such policy is also available on the website of the company and can be accessed through following link: <https://mothersontechnology.com/investor-relations>.

The Nomination and Remuneration Committee of the company was held on December 24, 2021. The table for the attended record of the members for Nomination and Remuneration Committee is as given below:

Name of the Member	Designation	No. of Committee Meetings Attended
Mr. Arjun Puri	Chairman	1
Mr. Sanjay Kalia	Member	1
Mr. Bimal Dhar	Member	1

Risk Management

Your Company has Risk management policy in place which covers elements which in the opinion of the Board may threaten the existence of the company.

Extract of the Annual Return

In accordance with Section 92(3) of the Companies Act, 2013, a copy of annual return in form MGT-7 has been placed on the website of the Company and the same can be accessed through following link <https://mothersontechnology.com/investor-relations>.

Particulars of contracts or arrangement with Related Parties

All contracts/ arrangements/ transactions entered by the Company during financial year with related parties were on arm's length basis and were in ordinary course of business. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material for which shareholders' approval is required. Thus provisions of Section 188 of the Companies Act, 2013 are not applicable to the Company.

The details of the transactions with related parties are provided in the note no.35 to accompanying Standalone financial Statement.

The Company has formulated the policy on Related Party Transactions as approved by the Board (as amended from time to time) and is uploaded on the Company's website.

Human Resources

The relations with the employees and associates continued to remain cordial throughout the year. The Directors of your Company wish to place on record their appreciation for the excellent team spirit and dedication displayed by the employees of the Company.

Particulars of Employees

The statement containing the names of employee as required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 forms part of Directors Report.

Directors' Responsibility Statement

As required under clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013 your Directors confirm:

1. in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
2. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year March 31, 2022 and of the profit and loss of the company for that period;
3. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. the directors had prepared the annual accounts on a going concern basis;
5. the directors have laid down Internal Financial Controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
6. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Energy conservation, technology absorption and foreign exchange earnings and outgo

Information under section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014 forms part of this Report.

Disclosure as Per the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the Financial Year 2021-22:

Number of complaints of sexual harassment received in the year	Nil
Number of complaints disposed of during the year	Nil
Number of workshops or awareness programme against sexual harassment carried out	3
Nature of action taken by employer or district officer	NA

General

Your Directors state that during the year ended March 31, 2022:

- There has been no change in the nature of business of the company during the year ended on March 31, 2022.
- There are no other material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.
- There are no significant & material orders passed by any regulators or courts or tribunals impacting the going concern status and Company's operations in future.
- There has been no Issue of equity shares with differential rights as to dividend, voting or otherwise.

Acknowledgements

Your Directors would like to place on record their sincere appreciation for the wholehearted support and contributions made by all employees of the company, Bankers, Regulatory Bodies towards the conduct of efficient operations of the company.

The Board of Directors of the company also expresses their gratitude to the shareholders for their valuable and un-stinted support extended to the company throughout the year.

**For & on behalf of the Board of Directors of
Motherson Technology Services Limited**
(formerly known as MothersonSumi Infotech & Designs Limited)

Place: Noida
Date: September 26, 2022

Sd/-
LakshVaaman Sehgal
DIRECTOR
DIN No-00048584

Sd/-
Lata Unnikrishnan
DIRECTOR
DIN No-08391470

Annexure-A

The Annual Report on CSR Activities to be Included in the board's Report is as under:

1. Brief outline on CSR Policy of the Company:

Our Company Vision is to create a more inclusive and sustainable environment. Our commitment to CSR emanates from the business mission that guides us to set new standards in good corporate citizenship. Therefore, our CSR programs have been structured to be made sustainable, measurable, replicable, and scalable which will enable us carve out a reputation for being one of the most socially and environmentally responsible Companies. Company shall identify and undertake all its CSR programs/ projects/activities under the following broader thrust areas of CSR:

- Skill Development and Vocation based education
- Livelihood enhancement
- Waste management and Sanitation
- Environmental sustainability
- Women and youth empowerment
- Disaster relief
- National Missions

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Bimal Dhar	Member/Non Executive Director	1	1
2.	Mr. Arjun Puri	Chairman/Non Executive Director	1	1
3.	Mr. Sanjay Kalia	Member/Non Executive Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: as required under the provisions of Section 135 of the Companies Act, 2013, the Company has CSR Committee and has framed its CSR Policy. Weblink is as under: <https://mothersontechnology.com/investor-relations>
4. Provide the executive summary of Impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule of the companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: NA
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for setoff for the financial year, if any :NA

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1			
2			
3			
	Total		

- (a) Average net profit of the company as per section 135(5): INR 172.7 Million
 - (b) Two percent of average net profit of the company as per section 135(5): INR 3.5 Million
 - (c) Surplus arising out of CSR Projects or programmes or activities of the previous financial years: NA
 - (d) Amount required to be set off for the financial year, if any: NA
 - (e) Total CSR obligation for the financial year [(b) + (c) – (d)]: INR 3.5 Million
6. (a) Amount spent on CSR Projects (both ongoing project and other than ongoing project): NIL
- (b) Amount spent in Administrative overheads: NIL
- (c) Amount spent on Impact Assessment, if applicable: NIL
- (d) Total amount spent for the Financial Year [(a) + (b) + (c)]: NIL
- (e) CSR amount spent or unspent for the Financial Year: INR 3.5 Million

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
----	3.5 Mn	April 29, 2022	NA	-	*

Excess amount for setoff, if any:

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	3.5 Million
(ii)	Total amount spent for the Financial Year	3.5 Million Transfer to unspent CSR Account
(iii)	Excess amounts spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

7. Details of Unspent CSR amount for the preceding three financial years: N.A.

Sl. No.	Preceding Financial Year (s)	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section (5) of section 135, if any.		Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of transfer		
1.	2020-21							
2.	2019-20							
3.	2018-19							
	Total							

8. Whether any capital assets have been created or acquire through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes ☒ No

If yes, enter the number of Capital Assets created/acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short of Particulars of the property or asset(s) {Including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Detail of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5):

Company has transferred Unspent CSR amount of Rs. 3.5 mn for the FY 2021-22 for the ongoing project in sperate bank account on April 29, 2022 ie. within a period of 30 days from the end of the financial year to a separate bank account opened in the name of “MothersonSUMi Infotech & Designs Limited - Unspent Corporate Social Responsibility Account for the year 2021-22” with ICICI Bank Limited, Noida.

For Motherson Technology Services Limited
(formerly known as MothersonSumi Infotech & Designs Limited)

Place: Noida
Date: September 26, 2022

Sd/-
Sanjay Kalia
Director
DIN. 03556087

Sd/-
Arjun Puri
Chairman-CSR Committee
DIN. 00211590

Information as per section 197 of the Companies Act, 2013 read with rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Employee name	Designation	Educational Qualification	Age	Experience (in years)	Date of joining	Gross remuneration paid (in INR Million)	Previous employment and designation	Percentage of equity shares held in the company	Whether relative of any director or manager of the company
Mr. Rajesh Thakur	Manager	EMBA	50	29	31/01/2020	37.99	HCL Technologies Limited	NIL	Designated as Manager under Companies Act, 2013
Mr. Rajesh Srivastava	CFO	CA	56	36	01/03/2019 GDI- 17/06/2006	13.09	MAL	Nil	No

**For & on behalf of the Board of Directors of
Motherson Technology Services Limited
(formerly known as MothersonSumi Infotech & Designs Limited)**

Sd/-
Laksh Vaaman Sehgal
(Director)
DIN : 00048584

Place: Noida
Date: September 26, 2022

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Information under section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014 is as follows:

(A) Conservation of energy:

(i) Steps taken or impact on conservation of energy;

The Company has taken following steps for conservation of energy:

- a) Conversion of Diesel Generators into duel fuel (LPG-Diesel) Generators, RAS raised approval under process.
- b) Old building Ground AC replaced with VRV air conditioning system.
- c) Operating one building for office use, saves electricity and other operational costs.

(ii) Steps proposed to be taken by the company for utilizing alternate source of energy;

- a) Planning to replace old building AC with VRV air conditioning system (old building 1st floor).
- b) Use of LPG/Diesel (duel fuel) system in generators.

(iii) Capital investment on energy conservation equipment;

- a) As a constant drive we have been focusing on replacing lighting fixtures and Air conditioners with LED fixtures and VRV air conditioning system in the facility.

(B) Technology absorption, adaption and innovation:

(i) The efforts made towards technology absorption;

Our focus areas for capability build up and absorption of advanced technologies is:

- Mature Cloud services, we have more than 50+ certified professionals and 300+ certification across hyperscalers. Currently, we are an AWS advanced consulting partner and have developed a 250+ customer base the platform. Additionally, we have expanded our focus on Azure, Oracle & Vmware and Google cloud for our multi-cloud adoption strategy.
- We have built Automation Frameworks (mCOT) for quick and seamless deployments for
 - o Landing Zone Build
 - o Migration
 - o SAP on Cloud
- Established a Cyber Security ecosystem with creation of Managed Security Services, Security Assurance and Cloud Security function
- Digital & Engineering is serving as Strategic partner for all the captive requirements in the areas of Industrial – HVAC, Power tools, Automotive Chassis systems, ADAS, Body electronics and Infotainment, Mechanical etc.
- We have strengthened our open stack competency and are building a platform approach for upcoming products

- New competencies that supplement SAP to support global projects:
 - o SAP Ariba Supply Chain
 - o SAP Integrated Business Planning (IBP)
 - o Financial Budgeting & Planning
- MI-XLAB has diversified in other Automotive electronics and consumer IOT products
- We have built a Capacity management system to determine the production capacity required by a Plant to meet changing demands of its customers
- We have developed a CQA Testing Application that helps the user to plan Harness Part testing and related task management and supports efficient usage of testing equipment.

(ii) *The benefits derived like product improvement, cost reduction, product development or import substitution;*

The usage of above mentioned technologies have helped our customers realize the following benefits:

- a. Enhanced service delivery and customer satisfaction
- b. Reinvent & reengineer to reduce the total cost of ownership for customers emerging market portfolio
- c. Lean Production & Supply chain operations
- d. Reduced production lead time
- e. Testing Application enable competitive advantage by providing extensive reporting to have instant analysis of the status of the Harness testing progress

(iii) *In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-*

(a) *The details of technology imported;* not applicable.

if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; - Not Applicable

(b) *The year of import;*-Not Applicable

(c) *Whether the technology been fully absorbed;* Not Applicable

(d) *The expenditure incurred on Research and Development.:* Nil

(C) Foreign exchange earnings and Outgo: (In Rupees)

Foreign Exchange earnings and outgo during the year ended March 31, 2022 are:

(i) Foreign Exchange earnings:

(Amount in INR Million)

FOB value of exports	2,439.1
Total Foreign Exchange earnings	2,439.1

(ii) Foreign Exchange Outgo:

(Amount in INR Million)

Business Promotion	1.5
Expense Payable	0.1
Prepaid Expenses	40.8
Travel	18.8
Trading	12.1
Communication	1.3
Design & Development	30.5
Others	0.1
Total Foreign Exchange outgo	105.2

**For & on behalf of the Board of Directors of
Motherson Technology Services Limited
(formerly known as MothersonSumi Infotech & Designs Limited)**

Place: Noida
Date: September 26, 2022

Sd/-
Laksh Vaaman Sehgal
(Director)
DIN : 00048584

Sd/-
Lata Unnikrishnan
(Director)
DIN : 08391470

AOC-1
Annexure 1- Statement containing silent features of the financial statements of subsidiaries/ associate/ joint ventures (Pursuant to first proviso to sub section (3) of section 129 of the Companies Act, 2013, read with rule 5 of the Companies (Accounts) Rules, 2014-AOC-1)

Name of the subsidiary	Financial period ended	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital (at historical rates)	Reserve and surplus (at historical rates)	Total assets	Total liabilities	Investments	Turnover	Profit/ (loss) before taxation	Provision for taxation	Profit/ (loss) after taxation	Proposed Dividend	% of shareholding
Motherson Technology Services USA Limited (formerly known as MSID U.S. Inc.)	March 31, 2022	1 USD = 75.79 INR	44200	(7598476)	169454815	177009091	-	320923577	(36313764)	308715	(36622479)	NIL	100%
Motherson Technology Services SG Pe. Ltd. (formerly known as MothersonSumi Infotech and Designs SG Pe. Ltd.)	March 31, 2022	1 SGD = 55.94 INR	8,60,61,518	(172869575)	88729830	175537887	1,57,86,995	12452678	(65373871)	-	(65373871)	NIL	100%
Motherson Technology Services GmbH (Formerly known as MothersonSumi Infotech and Designs GmbH, Germany)	March 31, 2022	1 EURO = INR 83.86	21,71,385	154109874	437265513	280984254	-	770859581	(5827720)	-	(5827720)	NIL	100%
SamvardhanaMotherson Virtual Analysis Limited	March 31, 2022	NA	2,09,86,420	(10788667)	10229254	31500	-	-	315427	-	315427	NIL	100%
Motherson Auto Engineering Service Limited	March 31, 2022	NA	3,50,00,000	(33453097)	1672374	125470	-	-	(382789)	36842	(419631)	NIL	100%
MothersonSumi Infotech & Designs KK	March 31, 2022	1 JPY = 0.62 INR	1,96,00,000	(337341292)	74325404	392066696	-	88018542	(96748734)	121107	(96869841)	NIL	85.71%
SMI Consulting, Inc., USA	March 31, 2022	1 USD = 75.79 INR	2,80,47,500	(145425752)	272505	117654469	-	-	(9788731)	-	(9588731)	NIL	100%
Motherson Technology Services United Kingdom Limited (Formerly known as MothersonSumiInfotech & Solutions UK Limited)	March 31, 2022	1 GBP = INR 100	1,02,53,240	(96897738)	176913745	263558243	-	640493	(80628288)	-	(80628288)	NIL	100%
Motherson Technology Services Mid East FZ-LLC (Formerly known as MothersonInfotek Designs Mis East FZ-LLC)	March 31, 2022	1 AED = INR 20.64	80,29,660	(69176035)	19717632	80864007	-	1654036	(59223389)	-	(59223389)	NIL	100%
SamvardhanaMotherson Health Solution Limited, India	March 31, 2022	NA	100000	(185868119)	37133433	222901551	-	129778517	(66575106)	-	(66575106)	NIL	100%
MIND Information Technologies Spain S.L.U	March 31, 2022	NA	8903379	5931509	68118966	53284103	-	195223554	8879187	2219764	6659423	NIL	100%

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9
of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Motherson Technology Services Limited
(formerly Mothersonsumi Infotech and Designs Limited)

I have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, for the compliance of the applicable Statutory Provisions and the adherence to good corporate practices by **Motherson Technology Services Limited** (formerly Mothersonsumi Infotech and Designs Limited) (hereinafter called as “the Company”) a company duly incorporated under the provisions of Companies Act, 1956 and bearing CIN **U67120DL1985PLC020695**. The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

1. Based on my verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information provided by the management and according to the examinations carried out by me and explanations furnished and representations made to me by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the Audit Period covering the Financial Year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
2. I have examined the books, papers, minute books, forms and returns filed and other records maintained by Motherson Technology Services Limited (hereinafter called as “the Company”) for the financial year commencing from 1st April, 2021 and ended on 31st March, 2022 (“Audit Period”) according to the provisions of:
 - i. The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (the Act) and the Rules made there under;
 - ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. Foreign exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings.
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) *The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) *The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (d) *The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) *The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

****Not applicable on the Company during the audit period.***

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Based on information received & records maintained, I further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Sharma Vijay & Associates
(Company Secretaries)

Place:- Gurugram
Date:- September 26, 2022

CS Vijay Sharma
(Proprietor)
ACS No. 45793, CP No. 19035
UDIN: A045793D001042571

Note: As per Section 203 of the Companies Act, 2013, the company should have company secretary as KMP on the board of the company. As per the management company is in process to appoint the same.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

‘Annexure A’

To,
The Members,
Motherson Technology Services Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Sharma Vijay & Associates
(Company Secretaries)

Place:- Gurugram
Date:- September 26, 2022

CS Vijay Sharma
(Proprietor)
ACS No. 45793, CP No. 19035
UDIN: A045793D001042571

INDEPENDENT AUDITOR'S REPORT

**To the Members of Motherson Technology Services Limited
(formerly known as MothersonSumi INFotech & Designs Limited)**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited) ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of his auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act

for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2022;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 40 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 45 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 45 to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Anil Mehta

Partner

Membership Number: 095812

UDIN: 22095812AJNVSW6897

Place of Signature: New Delhi

Date: May 24, 2022

Annexure 1 referred to in paragraph 1 of our report of even date under section ‘Report on other legal and regulatory requirements’

Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited) ('the Company')

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
B. The Company has maintained proper records showing full particulars of intangibles assets
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The title in respect of self-constructed building (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements included in property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification. There was no inventory lying with third parties.
- (b) As disclosed in note 33 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (iii) (a) During the year the Company has provided loans and guarantees to companies as follows:

Particulars	Loans (Amount in INR Millions)	Guarantee (Amount in INR Millions)
Aggregate amount granted/ provided during the year – Subsidiaries	171.5	300.0
Balance outstanding as at balance sheet date in respect of above cases - Subsidiaries	291.0	300.0

- (b) During the year the investments made, guarantees provided and the terms and conditions of the grant of all loans in the nature of loans and guarantees to companies are not prejudicial to the Company's interest.
- (c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans granted to companies which are overdue for more than ninety days.

- (c) During the year, the Company had renewed loans to company (subsidiary) to settle the loan granted to subsidiary which had fallen due during the year.

Name of Parties	Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Samvardhana Motherson Health Solutions Limited	INR 165.6 million	56.9%

*This loan has been impaired during the year. Refer Note 13 (b) of the financial statements.

- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, provisions of 186 of the Companies Act, 2013 in respect of loans and advances given and investments made have been complied with by the Company. There are no loans in respect of which provisions of section 185 of the Companies Act, 2013 are applicable and hence no commented upon.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions of sales-tax, service tax, duty of excise and value added tax are not applicable to the Company.
- (b) The dues of income-tax, duty of custom, duty of excise, cess, and other statutory dues have not been deposited on account of any dispute, are as follows.

Name of the statute	Nature of dues	Amount in Rs. Million (Net of duty paid under protest)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Transfer Pricing	88.5	AY 2016-2017	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Transfer Pricing	71.3	AY 2018-2019	Commissioner of Income Tax (Appeals)
Customs Act, 1962	Customs Duty	1.5	AY 2017-2018	Commissioner of Income Tax (Appeals)
Central Excise Act, 1944	Central Excise Duty	0.3	AY 2013-2017	Common Adjudicating Authority, "The Ld. Additional Director General (Adjudication), Directorate General of Goods and Services Tax Intelligence

The provisions of goods and services tax, sales tax, service tax, value added tax, provident fund, employees' state insurance are not applicable to the Company

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

- (xvi) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.
- The Group has one Core Investment Company as part of the Group which is exempted from registration requirement.
- (xvii) The Company has incurred cash losses in the current year amounting to Rs. 60.6 million. In the immediately preceding financial year, the Company had not incurred cash losses.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 42 to the financial statements and note 44 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 29 to the financial statements
- (b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 29 to the financial statements.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Anil Mehta

Partner

Membership Number: 095812

UDIN: 22095812AJNVSW6897

Place of Signature: New Delhi

Date: May 24, 2022

ANNEXURE “2” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MOTHERSON TECHNOLOGY SERVICES LIMITED (FORMERLY KNOWN AS MOTHERSONSUMI INFOTECH & DESIGNS LIMITED)

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

We have audited the internal financial controls with reference to standalone financial statements of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited) (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

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

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Anil Mehta

Partner

Membership Number: 095812

UDIN: 22095812AJNVS6897

Place of Signature: New Delhi

Date: May 24, 2022

STANDALONE BALANCE SHEET AS AT MARCH 31, 2022

(All amounts in INR Million, unless otherwise stated)

	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3.	545.0	544.4
Capital work in progress	3.	138.4	67.4
Right-of-use assets	39.	592.5	598.5
Intangible assets	4.	26.7	59.3
Intangible assets under development	4.	-	25.5
Investment in subsidiaries	5.	44.5	50.7
Financial assets			
i. Loans	13.(a)	125.4	119.5
ii. Other financial assets	6.	73.7	58.2
Deferred tax assets (net)	7.	122.9	84.2
Non-current tax assets (net)	8.	221.0	114.5
Other non-current assets	9.	88.6	56.4
Total non-current assets		1,978.7	1,778.6
Current assets			
Inventories	10.	15.0	0.8
Financial assets			
i. Trade receivables	11.	914.4	610.4
ii. Cash and cash equivalents	12.(a)	7.7	37.7
iii. Bank balances other than (ii) above	12.(b)	0.3	0.4
iv. Loans	13.(b)	-	-
v. Other financial assets	6.	107.5	72.9
Other current assets	14.	221.5	146.2
Total current assets		1,266.4	868.4
Total assets		3,245.1	2,647.0
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15.	129.7	129.7
Other equity			
Reserves and surplus	16.	299.5	665.7
Total equity		429.2	795.4
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	17.(a)	475.3	299.4
ia. Lease liabilities	39.	123.1	174.7
ib. Other financial liabilities	21.	60.8	36.1
Employee benefit obligations	18.	252.0	264.7
Other non-current liabilities	19.	30.0	36.6
Total non-current liabilities		941.2	811.5

(All amounts in INR Million, unless otherwise stated)

	Note	As at March 31, 2022	As at March 31, 2021
Current liabilities			
Financial Liabilities			
i. Borrowings	17.(b)	834.3	277.3
ia. Lease liabilities	39.	75.8	77.6
ii. Trade payables	20.		
total outstanding dues of micro and small enterprises		21.3	33.5
total outstanding dues of creditors other than micro and small enterprises		371.2	178.2
iii. Employee related payables		200.5	155.6
iv. Other financial liabilities	21.	86.1	109.1
Provisions	22.	24.4	24.3
Employee benefit obligations	18.	21.5	28.8
Other current liabilities	19.	226.8	143.0
Current tax liabilities		12.8	12.8
Total current liabilities		1,874.7	1,040.1
Total liabilities		2,815.9	1,851.6
Total equity and liabilities		3,245.1	2,647.0
Summary of significant accounting policies	2.		

The above standalone balance sheet should be read in conjunction with the accompanying notes

As per our report of even date

For and on behalf of the Board of Directors of

Motherson Technology Services Limited

(formerly known as MothersonSumi INFotech & Designs Limited)

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

Firm registration number: 301003E / E300005

Laksh Vaaman Sehgal

Director

DIN 00048584

Lata Unnikrishnan

Director

DIN 08391470

Rajesh Thakur

Chief Executive Officer

PAN ACSPT8411E

per Anil Mehta

Partner

Membership No: 095812

Rajesh Srivastava

Chief Financial Officer

PAN ADLPS2125A

Place: New Delhi

Date: May 24, 2022

Place: Noida

Date: May 24, 2022

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR Million, unless otherwise stated)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue			
Revenue from contracts with customers	23.(a)	4,254.9	3,351.4
Other operating revenue	23.(b)	14.5	50.2
Total revenue from operations		4,269.4	3,401.6
Other income	24.	41.4	33.1
Total income		4,310.8	3,434.7
Expenses			
Purchase of stock-in-trade		320.0	262.2
Changes in inventory of stock in trade	25.	(14.2)	0.6
Employee benefits expense	26.	2,242.7	1,690.6
Finance costs	28.	91.7	56.9
Depreciation and amortization expense	27.	159.8	157.8
Other expenses	29.	1,936.6	1,134.9
Total expenses		4,736.6	3,303.0
Profit/ (loss) before tax		(425.8)	131.7
Tax expenses	30.		
- Current tax		-	50.5
- Adjustment of current tax relating to earlier periods		-	12.1
- Deferred tax expense		(44.0)	(13.0)
Total tax expense		(44.0)	49.5
Profit/ (loss) for the year		(381.8)	82.2
Other comprehensive income			
Items that will not be reclassified to profit or loss and its related income tax effects			
Remeasurements gains/ (losses) on post-employment benefit obligations	18.	20.9	(7.6)
Deferred tax credit on remeasurements gains/ (losses) on post-employment benefit obligations		(5.3)	1.9
Other comprehensive income for the year, net of tax		15.6	(5.7)
Total comprehensive income for the year		(366.2)	76.5
Earnings/ (loss) per share			
Nominal value per share: INR 10/- (Previous year : INR 10/-)			
Basic (INR per share)	31.(a)	(29.4)	6.3
Diluted (INR per share)	31.(b)	(29.4)	6.3
Summary of significant accounting policies	2.		

The above Standalone statement of profit and loss should be read in conjunction with the accompanying notes

As per our report of even date

For and on behalf of the Board of Directors of

Motherson Technology Services Limited

(formerly known as MothersonSumi INFotech & Designs Limited)

For S. R. Batliboi & Co. LLP

Chartered Accountants

Firm registration number: 301003E / E300005

Laksh Vaaman Sehgal

Director

DIN 00048584

Lata Unnikrishnan

Director

DIN 08391470

Rajesh Thakur

Chief Executive Officer

PAN ACSPT8411E

per Anil Mehta

Partner

Membership No: 095812

Rajesh Srivastava

Chief Financial Officer

PAN ADLPS2125A

Place: New Delhi

Date: May 24, 2022

Place: Noida

Date: May 24, 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2022

(All amounts in INR Million, unless otherwise stated)

A. Equity share capital

For the year ended March 31, 2022

Equity shares of INR 10/- each issued, subscribed and fully paid	Note	Numbers	Amount
As at April 1, 2020		12,973,453	129.7
Balance as at April 01, 2020		12,973,453	129.7
Issue of share capital	15.	-	-
As at March 31, 2021		12,973,453	129.7
Balance as at April 01, 2021		12,973,453	129.7
Issue of share capital	15.	-	-
As at March 31, 2022		12,973,453	129.7

B. Other equity

	Note	Reserves and surplus				Total
		Securities premium reserve	Reserve on amalgamation	Capital redemption reserve	Retained Earnings	
As at April 1, 2020	16.	21.5	0.1	80.0	487.6	589.2
Profit for the year		-	-	-	82.2	82.2
Other comprehensive income (Refer note 18)		-	-	-	(5.7)	(5.7)
Total comprehensive income for the year		21.5	0.1	80.0	564.1	665.7
As at March 31, 2021		21.5	0.1	80.0	564.1	665.7
Profit/ (loss) for the year		-	-	-	(381.8)	(381.8)
Other comprehensive income (Refer note 18)		-	-	-	15.6	15.6
Total comprehensive income for the year		21.5	0.1	80.0	197.9	299.5
As at March 31, 2022		21.5	0.1	80.0	197.9	299.5

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

As per our report of even date

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

Firm registration number: 301003E / E300005

per **Anil Mehta**

Partner

Membership No: 095812

Place: New Delhi

Date: May 24, 2022

For and on behalf of the Board of Directors of

Motherson Technology Services Limited

(formerly known as MothersonSumi INFotech & Designs Limited)

Laksh Vaaman Sehgal

Director

DIN 00048584

Lata Unnikrishnan

Director

DIN 08391470

Rajesh Thakur

Chief Executive Officer

PAN ACSPT8411E

Rajesh Srivastava

Chief Financial Officer

PAN ADLPS2125A

Place: Noida

Date: May 24, 2022

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR Million, unless otherwise stated)

Particulars	For the year ended 31 March, 2022	For the Year ended 31 March, 2021
A Cash flow from operating activities:		
Profit/ (loss) before tax	(425.8)	131.7
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation of property, plant and equipment and right-of-use assets	120.8	107.1
Amortisation expense of intangible assets	39.0	50.7
Unrealised foreign exchange (gain)/loss	0.5	3.3
Provision for impairment of investment	7.0	-
Provision for expected credit loss on loans receivables	165.6	-
Gain on disposal of property, plant & equipment (net)	(2.0)	-
Provision for doubtful debts	7.9	24.9
Finance income	(21.0)	(14.8)
Finance cost	91.7	56.9
Intangible asset written off	25.5	-
Fair value gain on financial instruments at fair value through profit or loss (FVTPL)	(1.5)	0.1
Fair value loss on financial instruments at fair value through profit or loss (FVTPL)	21.2	
Operating profit before working capital changes	29.0	359.9
Working capital adjustments:		
Increase/(Decrease) in trade payables	225.5	(58.4)
Increase/(Decrease) in other financial liabilities	3.4	(1.0)
Increase/(Decrease) in provisions	1.1	25.6
Increase/(Decrease) in other liabilities	77.1	41.5
(Increase)/Decrease in trade Receivables	(310.5)	(57.5)
(Increase)/Decrease in inventories	(14.2)	0.6
(Increase)/Decrease in financial assets	(35.0)	41.6
(Increase)/Decrease in other non-current Assets	(32.2)	6.0
(Increase)/Decrease in other current Assets	(75.3)	(0.5)
Cash generated from operations	(131.1)	358.0
- Income Tax paid (net of refund)	(106.5)	(4.5)
Net cash generated from/ (used in) operations	(237.6)	353.5
B. Cash flow from Investing activities:		
Purchase of property, plant and equipment	(207.5)	(186.7)
Purchase of intangible assets	(6.4)	-
Intangible assets under development	(0.0)	(44.3)
Proceeds from sale of property, plant & equipment	10.0	(0.9)
Acquisition of subsidiary	(22.0)	(7.9)
Proceeds from maturity of deposits (net)	0.1	(0.3)

(All amounts in INR Million, unless otherwise stated)

Particulars	For the year ended 31 March, 2022	For the Year ended 31 March, 2021
Loan given to related parties	(171.5)	(62.5)
Interest received (finance income)	8.9	-
Net cash used in investing activities	(388.3)	(299.8)
C. Cash flow from financing activities:		
Unpaid dividend transferred to Investor Education Provident Fund	(0.1)	0.3
Repayments of long term borrowings	(200.4)	(40.1)
Proceeds from long term borrowings	226.3	246.0
Proceeds from short term borrowings (net)	417.1	(116.3)
Interest paid	(42.8)	(15.5)
Loan taken/(repaid) from related parties (net)	290.0	-
Payment of principal portion of lease liabilities	(93.8)	(94.1)
Net cash from/(used in) financing activities	596.2	(19.8)
Net increase/(decrease) in cash & cash equivalents	(29.7)	33.8
Net foreign exchange difference	(0.0)	0.8
Cash and cash equivalents at the beginning of the year	37.7	3.1
Cash and cash equivalents at year end	8.0	37.7
Cash and cash equivalents comprise of the following:		
Cash on hand	12.(a) 0.1	0.1
Balances with banks	12.(a) 7.6	37.6
Cash and cash equivalents as per balance sheet	7.7	37.7
Summary of significant accounting policies	2	

Notes:

- The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
- Figures in brackets indicate cash outflow.

The above statement of cash flow statement should be read in conjunction with the accompanying notes

As per our report of even date

For and on behalf of the Board of Directors of
Motherson Technology Services Limited
(formerly known as MothersonSumi INFotech & Designs Limited)

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm registration number: 301003E / E300005

Laksh Vaaman Sehgal
Director
DIN 00048584

Lata Unnikrishnan **Rajesh Thakur**
Director Chief Executive Officer
DIN 08391470 PAN ACSPT8411E

per Anil Mehta
Partner
Membership No: 095812

Rajesh Srivastava
Chief Financial Officer
PAN ADLPS2125A

Place: New Delhi
Date: May 24, 2022

Place: Noida
Date: May 24, 2022

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

1. Corporate information

Motherson Technology Services Limited (formerly known as MothersonSumi Infotech & Designs Limited) was incorporated and domiciled in India on 15th April 1985 and specializes in Software Development, Engineering & Design. The address of its registered office of 2nd Floor, F-7, Block B-1, Mohan Cooperative Industrial Estate, Mathura road, New Delhi-44. The company is an IT and Engineering Design Services company with a global footprint providing Consulting and Outsourcing services.

The name of the Company has been changed from “MothersonSumi Infotech & Designs Limited” to “Motherson Technology Services Limited” w.e.f. May 19, 2022.

The standalone financial statements were authorized for issue in accordance with resolution of the Board of Directors on May 24, 2022.

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) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statement.

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

- Derivative financial instruments (refer note 33)
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) Note 32 and .
- Defined benefit pension plans – plan assets measured at fair value (Note 18)

The financial statements are presented in INR and all values are rounded to million with one decimal, except when otherwise indicated.

New and amended standards and interpretations

The Company applied for the first time certain standards or amendments which are effective for annual periods beginning on or after April 1, 2021.

Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

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

Conceptual framework for financial reporting under Ind AS issued by Institute of Chartered Accountants of India ('ICAI')

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the financial statements of the Company.”

Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the financial statements of the Company.

Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the financial statements of the Company.

Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of “Recoverable amount” is amended such that the words “the higher of an asset’s fair value less costs to sell and its value in use” are replaced with “higher of an asset’s fair value less costs of disposal and its value in use”. The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Company.

(b) Presentation of financial statements

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 recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the

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

following circumstances:

- i) The normal course of business
- ii) The event of default
- iii) The event of insolvency or bankruptcy of the company

(c) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

(d) Foreign currencies

- Functional and presentation currency

The Company’s functional currency is Indian Rupee and the financial statements are presented in Indian Rupee.

- Transactions and balances

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

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

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange

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

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.

(e) Revenue recognition and Other income

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.2.

However, Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised

Trading of hardware and software

Revenue from trading of hardware and software is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the product.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of hardware and software, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

The revenue from support services associated with the sale of hardware and software, which forms a separate performance obligation than the sale of hardware and software itself, is recognised by the Company over the period of time as and when the services are rendered to the customers.

Revenue from licenses where the customer obtains a “right to use” the licenses is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognised over the access period.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Contracts for the sale of hardware and software provide customers with a customary right of return in case of defects, quality issues etc. The rights of return give rise to variable consideration.

Rendering of services

Revenue from sale of services are recognised over the period of time to the extent the related services are rendered as per the respective agreements as and when the customer consumed the benefits provided to them.

Revenue on time-and-material and unit of work-based contracts, are recognized as the related services are performed. Fixed-price maintenance revenue is recognized ratably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or ratably using a percentage-

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

of completion method when the pattern of benefits from the services rendered to the customer and Company's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. The revenue from the last invoicing to the report date is recognised as unbilled revenue. Efforts or costs expended are used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contracts and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

In arrangements for bundled contracts, the company has applied the revenue recognition criteria for each distinct performance obligation. The arrangements with the customers generally meet the criteria for considering goods and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of the contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where it is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price.

Significant financing component

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component; if it expects at contract inception that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be less than one year.

Warranty obligations

The Company typically has to re-work over the delivered services if required by the customers or deliveries don't need the specifications of the customers. These are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Principal versus agent considerations

In instances when revenue is derived from sales of third-party vendor services, material or licenses, revenue is recorded on a gross basis when the Company is a principal to the transaction and net of costs when the Company is acting as an agent between the customer and the vendor. Several factors are considered to determine whether the Company is a principal or an agent, most notably being company control the goods or service before it is transferred to customer, latitude in deciding the price being charged to customer. Revenue is recognized net of discounts and allowances, value-added and service taxes, and includes reimbursement of out-of-pocket expenses, with the corresponding out-of-pocket expenses included in cost of revenues.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current. Where the settlement is due after one year, they are classified as non-current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they

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

are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Contract assets

A contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. The impairment of contract assets is measured, presented and disclosed on the same basis as trade receivables.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Impairment

An impairment is recognised to the extent that the carrying amount of receivable or asset relating to contracts with customers (a) the remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which such asset relates; less (b) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

(f) Other income

Interest

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 the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend

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

Other items of income

- Income from scrips are recognised on grant of authorisation on market/recoverable value.
- Other items of income are accounted as and when the right to receive arises."

(g) 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.

Current income tax

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.

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

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

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 calculated using tax rates on the basis of tax laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to off set 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 off set and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

(h) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration is considered as lease.

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

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 remeasurement 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:

Assets type	Years
Land	90 Years
Vehicles	4-5 Years
Buiding	3-6 Years

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

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

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.

Lease liabilities, which separately shown in the financial statement are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing (while affecting other comprehensive income) the carrying amount to reflect the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (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 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.

(i) 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

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

is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses including impairment on inventories, are recognised in the statement of profit or loss. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

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

(j) Cash and cash equivalents

Cash and cash equivalent includes cash on hand, cash at banks and 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. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(k) Inventories

Stock in trade are stated at the lower of cost and net realisable value. Cost of traded goods comprise cost of purchase and is determined after rebate and discounts.

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Costs are determined on first-in-first out basis.

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

(l) Financial instruments

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

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (e) Revenue from contracts with customers.

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

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments and derivatives at fair value through profit or loss (FVTPL)
- Equity instruments at cost

Debt instruments at amortised cost

This category is the most relevant to the Company. A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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.

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

Debt instrument at FVTOCI

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

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

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

Debt instrument at FVTPL

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

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

Equity investments at cost

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 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. The Company elected to classify irrevocably its non-listed equity investments under this category.

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

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

(m) 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 amortised cost e.g., loans, deposits, trade receivables and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- Lease receivables under Ind AS 116

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

- Trade receivables or contract revenue receivables;
- Loan receivables

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

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

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

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

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

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

Financial assets measured as at amortised cost, contractual revenue receivables and loan 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.

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.

(n) 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 as appropriate.

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

Loans and borrowings

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

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms,

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

or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(o) 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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

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

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

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

External valuers 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 remeasured or re-assessed as per the Company's accounting policies.

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

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

- Disclosures for valuation methods, significant estimates and assumptions (Note 2.2, 32)
- Quantitative disclosures of fair value measurement hierarchy (Note 32)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (Note 6, 11, 12, 13, 17, 20, 21, 32, 39)

(p) Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to statement of profit and loss when the hedge item affects profit and loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

(q) 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 on qualifying assets if the recognition criteria are met. When significant

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

parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

Depreciation methods and useful lives

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

Assets	Useful life considered by the company
Leasehold improvements	Over the period of lease or useful life, whichever is lower
Vehicles*	4 years
Plant and machinery	10 years
Office equipment	5 years
Buildings	30 years
Computers hardware*	3 years
Computers network*	3 years
Furniture & fixtures*	6 years

* Useful life of these assets are different from the life prescribed under Schedule II to the Companies Act, 2013 and those has been determined based on an assessment performed by the management of expected usage of these assets.

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

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

(r) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful live of intangible assets is 3 years. 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.

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

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible (Software) costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

(s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(t) Provisions and contingent liabilities

Provisions

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

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

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

Provision for onerous contracts

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The Company at the end of every reporting period conducts the onerous contract test per the provisions of Ind AS 37 by comparing the remaining costs to be incurred under the contract with the related revenue of the contract. Where the costs of a contract exceed the related revenue of the contract, the Company makes a provision for the difference.

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

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.

(u) Employee benefits

Short-term obligations

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

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

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

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

benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss in the period in which they arise. Past-service costs are recognised immediately in statement of profit or loss.

(v) Dividends

The Company recognises a liability to pay dividend to equity holders when the amount of dividend is declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(w) Earnings per share

(i) Basic earnings per share

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

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

(i) Diluted earnings per share

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

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

2.2 Significant accounting judgements, estimates and assumptions

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

Judgements

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

Estimates and assumptions

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

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

(i) Useful life of property, plant and equipment and intangible assets

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

(ii) Defined benefit plans

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

Further details about gratuity obligations are given in Note 18

(iii) 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.

(iv) Percentage completion of recognition of revenue

The Company uses the percentage-of-completion method in accounting for 'unbilled revenue' from contract with customers. Use of the percentage-of-completion method requires the Company to estimate the services performed to date as a proportion of the total services to be performed.

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

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

3. Property, plant and equipment

(All amounts in INR Million, unless otherwise stated)

Particulars	Leasehold Improvements	Buildings	Plant & Machinery	Furniture & fixtures	Office equipments	Computer hardware	Computer network	Total	Capital work-in-progress
Gross block									
At April 01, 2020	1.0	248.7	36.9	20.6	44.0	136.4	42.7	530.3	141.9
Additions	-	143.8	9.1	8.5	18.6	43.8	16.4	240.1	105.4
Disposals/ deletion	-	-	-	-	-	-	-	-	(179.9)
At March 31, 2021	1.0	392.5	46.0	29.1	62.6	180.2	59.0	770.4	67.4
Additions	-	-	1.4	0.4	3.3	82.9	11.6	99.5	79.6
Disposals/ deletion	-	-	-	-	-	(8.4)	-	(8.4)	(8.7)
At March 31, 2022	1.0	392.5	47.3	29.6	65.9	254.7	70.6	861.5	138.4
Depreciation and impairment									
At April 01, 2020	1.0	16.8	6.0	7.1	10.9	77.7	24.3	143.8	-
Depreciation charge for the year	-	11.4	4.3	3.9	10.2	39.7	12.6	82.2	-
At March 31, 2021	1.0	28.2	10.4	11.0	21.1	117.4	36.9	226.0	-
Depreciation charge for the year	-	14.4	4.9	4.7	12.4	48.5	13.7	98.6	-
Disposals/ deletion	-	-	-	-	-	(8.1)	-	(8.1)	-
At March 31, 2022	1.0	42.5	15.2	15.8	33.5	157.9	50.6	316.5	-
Net book value									
At March 31, 2022	-	349.9	32.1	13.8	32.4	96.9	19.9	545.0	138.4
At March 31, 2021	-	364.3	35.6	18.1	41.5	62.8	22.1	544.4	67.4

- (i) Property plant & equipment pledged as security : refer note 37 for information on property, plant and equipment pledged as security by the company.
(ii) Contractual obligations: Refer to note 38 (ii) for disclosure on contractual commitments for the acquisition of property, plant and equipment.
(iii) During the year ended March 31, 2022, the Company has capitalised borrowing cost amounting to INR 4.7 millions (March 31, 2021: INR 8.1 million) in qualifying asset. Borrowing cost were capitalised at weighted average rate of 7.40% (March 31, 2021 : 7.70%).

Capital work in progress (CWIP) ageing schedule

As at March 31, 2022

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	71.0	21.1	26.1	20.2	138.4
Projects temporarily suspended	-	-	-	-	-
Total	71.0	21.1	26.1	20.2	138.4

As at March 31, 2021

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	21.1	26.1	20.2	-	67.4
Projects temporarily suspended	-	-	-	-	-
Total	21.1	26.1	20.2	-	67.4

Details of CWIP whose completion is overdue or exceeded the cost compared to its original plan as at March 31, 2022 and as at March 31, 2021:

Though there have been various changes in designs, delay in approvals from various government authorities combined with pandemic situation over past 2 years, the construction of the building at sector 156 Noida will be completed by March 2024 as stipulated by Noida authority.

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

4. Intangible assets

(All amounts in INR Million, unless otherwise stated)

Particulars	Software*	Intangible asset under development
Gross block		
At April 01, 2020	145.3	24.6
Additions**	44.3	42.1
Disposal/ deletion	-	(41.2)
At March 31, 2021	189.6	25.5
Additions**	6.4	-
Disposals/ deletion	-	(25.5)
At March 31, 2022	196.0	-
Amortisation		
At April 01, 2020	79.6	-
Amortisation for the year	50.7	-
At March 31, 2021	130.3	-
Amortisation for the year	39.0	-
At March 31, 2022	169.4	-
Net book value		
At March 31, 2022	26.7	-
At March 31, 2021	59.3	25.5

* Represents purchased intangible assets

** Intangible assets under development/ Software includes capitalization of employee benefit expenses amounting to Nil (March 31, 2021 : INR 42.2 million)

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

As at March 31, 2022

Description	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

As at March 31, 2021

Description	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	25.5	-	-	-	25.5
Projects temporarily suspended	-	-	-	-	-
Total	25.5	-	-	-	25.5

IAUD, whose completion is overdue or has exceeded its cost compared to its original plan is Nil as at March 31, 2022

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

5. Non-current investments

		As at March 31, 2022	As at 31 March, 2021
a)	Unquoted investment valued at cost, unless otherwise stated		
	MothersonSumi Infotech and Designs SG Pte. Ltd., Singapore	86.1	86.1
	1,795,000 equity shares (March 31, 2021: 1,795,000) of SGD 1/- each fully paid up		
	Samvardhana Motherson Virtual Analysis Limited, India	12.1	12.1
	2,098,642 equity shares (March 31, 2021: 2,098,642) of INR 10/- each fully paid up		
	Motherson Auto Engineering Service Limited, India	2.3	2.3
	3,500,000 equity shares (March 31, 2021: 3,500,000) of INR 10/- each fully paid up		
	SMI Consulting Technologies, Inc., USA	6.9	6.9
	100,000 equity shares (March 31, 2021: 100,000) of USD 1/- each fully paid up		
	Samvardhana Motherson Health Solution Limited, India	0.1	0.1
	10,000 equity shares (March 31, 2021: 10,000) of INR 10/- each fully paid up		
	Mothersonsumi Infotek And Design GmbH, Germany	2.2	2.2
	25,000 equity shares (March 31, 2021: 25,000) of EUR 1/- each fully paid up		
	MSID U.S.,INC., USA	0.0	0.0
	100 equity shares (March 31, 2021: 100) of USD 10/- each fully paid up		
	Motherson Infotek Designs Mid East FZ-LLC, UAE	8.0	8.0
	400 equity shares (March 31, 2021: 400) of AED 1,000 /- each fully paid up		
	Motherson Infotech and Solutions UK Limited	13.1	-
	1,00,000 equity shares (March 31, 2021: Nil) of GBP 1 /- each fully paid up (refer note (i) below)		
	Motherson Information Technologies Spain S.L.U.	8.9	-
	1,00,000 equity shares (March 31, 2021: Nil) of Euro 1 /- each fully paid up (refer note (ii) below)		
	Total (a)	139.7	117.7

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

		As at March 31, 2022	As at 31 March, 2021
b)	Unquoted investment valued at FVTPL		
	SMI Consulting Technologies, Inc., USA		
	300,000 preference shares (March 31, 2021: 300,000) of USD 1/- each fully paid up	-	21.2
	Total (b)	-	21.2
	Less: Impairment allowance (refer note (iii) below)	95.2	88.2
	Total Investment in subsidiaries	44.5	50.7
	TOTAL	44.5	50.7
	Aggregate amount of unquoted investments	139.7	138.9
	Aggregate amount of impairment in the value of investments	95.2	88.2
	(i) During the current year, the Motherson Infotech and Solutions UK Limited, UK allotted 1,00,000 Equity shares (March 31, 2021: Nil) of GBP 1/- each fully paid up to the Company.		
	(ii) During the current year, the Motherson Information Technologies Spain S.L.U., Spain allotted 1,00,000 Equity shares (March 31, 2021: Nil) of Euro 1/- each fully paid up to the Company.		
	(iii) Impairment allowance of investments	As at March 31, 2022	As at March 31, 2021
	a) MothersonSumi Infotech and Designs SG Pte. Ltd., Singapore	86.1	86.1
	b) Samvardhana Motherson Virtual Analysis Limited, India	2.2	2.1
	c) SMI Consulting Technologies, Inc., USA	6.9	-
	d) Samvardhana Motherson Health Solution Limited, India	0.1	-
		95.2	88.1

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

6. Other Financial assets

Financial instruments at amortised cost (unless otherwise stated)	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Security deposits - Considered good, unsecured				
- with related parties (refer note 35)	2.0	54.7	10.3	42.3
- with others	0.9	9.5	3.0	7.8
Unbilled Revenue	87.0	-	50.2	-
Derivative assets*	1.5	-	-	-
Deposits with bank held as margin for issue of guarantees	-	9.5	-	8.1
Interest receivable (refer note 35)	16.1	-	9.4	-
Total	107.5	73.7	72.9	58.2

* Derivative assets measured at fair value through profit or loss (FVTPL)

Unbilled revenue ageing schedule

As at March 31, 2022

Description	Amount of unbilled revenue for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled revenue	87.0	-	-	-	87.0
Total	87.0	-	-	-	87.0

As at March 31, 2021

Description	Amount of unbilled revenue for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled revenue	45.2	5.0	-	-	50.2
Total	45.2	5.0	-	-	50.2

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

7. Deferred tax assets (net)

	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	(8.8)	(0.1)	-	(8.8)
Derivatives	-	0.4	-	(0.4)
Total deferred tax liabilities	(8.8)	0.3	-	(9.2)
Set-off of deferred tax assets pursuant to set-off provisions				
Allowance for doubtful debts - trade receivables	18.4	(2.0)	-	20.4
Finance lease assets (net of finance lease obligation)	1.0	(0.3)	-	1.3
Security deposits	0.7	0.7	-	0.0
Employee benefit obligations	72.9	2.2	5.3	65.5
Brought forward losses	-	(44.9)	-	44.9
Total deferred tax assets	93.0	(44.3)	5.3	132.1
Net deferred tax assets	84.2	(44.0)	5.3	122.9

	As at March 31, 2020	(Charge) / credit to Statement of Profit and Loss	(Charge) / credit to Other comprehensive income	As at March 31, 2021
Property, plant and equipment and intangible assets	(8.2)	0.6	-	(8.8)
Total deferred tax liabilities	(8.2)	0.6	-	(8.8)
Set-off of deferred tax assets pursuant to set-off provisions				
Allowance for doubtful debts - trade receivables	13.1	(5.3)	-	18.4
Finance lease assets (net of finance lease obligation)	0.5	(0.5)	-	1.0
Security deposits	0.7	(0.0)	-	0.7
Employee benefit provisions	63.2	(7.8)	(1.9)	72.9
Total deferred tax assets	77.5	(13.6)	(1.9)	93.0
Net deferred tax assets	69.3	(13.0)	(1.9)	84.2

Note:

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

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

8. Non-current tax Assets (Net)

	As at March 31, 2022	As at March 31, 2021
Opening balance	114.5	159.7
Less: Current tax payable for the year	-	50.5
Less: Adjustment of current tax relating to earlier periods*	-	12.1
Add: Advance tax paid / Tax deducted at source**	106.5	17.4
Total	221.0	114.5

* March 31, 2021 balance Including amount INR 7.19 million deposit under Direct Tax Vivaad se Vishwas Act, 2020 for AY 2006-07.

** Includes INR 12 million interest on income tax refund , which is withheld by income tax department on account of stay of demand for assesment year 2016-17.

9. Other non-current assets

(Unsecured, considered good, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	88.6	56.4
Total	88.6	56.4

10. Inventories

	As at March 31, 2022	As at March 31, 2021
Stock-in-trade (in respect of goods acquired for trading) (at lower of cost and net realisable value)	15.0	0.8
Total	15.0	0.8

11. Trade receivables

	As at March 31, 2022	As at March 31, 2021
Considered good - Unsecured		
- Related Parties (refer note 35)	671.0	515.1
- Others	243.4	95.3
Trade Receivables – Credit impaired	81.0	73.1
Sub-Total	995.4	683.5
Less: Allowance for bad & doubtful debts	(81.0)	(73.1)
Total Trade Receivables	914.4	610.4

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

The receivables are also due from private companies respectively in which any director is a partner, a director or a member amounting INR 14.08 million (March 31, 2021: INR 38.6 million). Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on past provision. Past provision takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due.

(a) Trade Receivables ageing schedule

As at March 31, 2022

Description	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	559.5	344.5	8.8	0.0	0.1	1.4	914.4
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	0.8	12.3	28.1	5.2	25.0	71.6
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	9.4	9.4
Total	559.5	345.4	21.1	28.2	5.3	35.9	995.4

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

As at March 31, 2021

Description	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	411.5	197.2	0.1	0.0	-	1.6	610.4
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	0.1	31.5	6.3	4.0	27.8	69.7
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	3.4	3.4
Total	411.5	197.3	31.6	6.3	4.0	32.8	683.5

b) Movement in the allowance for expected credit losses

	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	73.1	52.0
Provision for expected credit losses (refer note 29)		
Addition during the year	7.9	24.9
Deletion during the year	-	(3.8)
At the end of the year	81.0	73.1

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

12. (a) Cash and cash equivalents*

	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
- in current accounts	7.6	37.6
Cash on hand	0.1	0.1
Total	7.7	37.7

* There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting year and previous year.

For assets pledged, refer note 37.

Changes in liabilities arising from financing activities

Particulars	March 31, 2021	Cash flows	New leases	Other	March 31, 2022
Current borrowings	277.3	557.1	-	-	834.3
Current lease liabilities (note 39)	77.6	(74.3)	-	74.6	77.9
Non- current borrowings	299.4	175.9	-	-	475.3
Non-current lease liabilities (note 39)	174.7	(19.6)	-	(34.1)	121.0
Total liabilities from financing activities	828.9	639.1	-	40.5	1,508.5

Particulars	March 31, 2020	Cash flows	New leases	Other	March 31, 2021
Current borrowings	252.1	25.2	-	-	277.3
Current lease liabilities (note 39)	74.4	(74.3)	-	77.4	77.6
Non- current borrowings	235.0	64.4	-	-	299.4
Non-current lease liabilities (note 39)	241.2	(19.9)	-	(46.7)	174.7
Total liabilities from financing activities	802.7	(4.6)	-	30.8	828.9

12. (b) Other bank balances

	As at March 31, 2022	As at March 31, 2021
Unpaid dividend account	0.3	0.4
Total	0.3	0.4

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

13. (a) Non-Current Loans

	As at 31 March, 2022	As at 31 March, 2021
Loan to related parties		
Loans to Subsidiaries (refer note 35)		
Loan receivables - Considered good, Secured	-	-
Loan receivables - Considered good, unsecured*	125.4	119.5
Receivables which have significant increase in credit Risk;	-	-
Loan Receivables - credit impaired	-	-
	125.4	119.5
Less: Loss allowance	-	-
Total	125.4	119.5

13. (b) Current Loans

	As at 31 March, 2022	As at 31 March, 2021
Loan to related parties		
Loans to Subsidiaries		
Loan receivables - Considered good, Secured	-	-
Loan receivables - Considered good, unsecured	-	-
Receivables which have significant increase in credit Risk;	-	-
Loan Receivables - credit impaired*	165.6	-
	165.6	-
Less: Loss allowance	(165.6)	-
Total	-	-

* During the year, the company has granted intercorporate deposit (ICD) amounting to INR 171.5 million.
(March 31, 2021: 62.5 million)

The Company has no loan which are repayable on demand or are without specifying any term or period of repayment.

Disclosure required under Sec 186(4) of the Companies Act 2013

Included in loans and advance are certain intercorporate deposits the particulars of which are disclosed below as required by Sec 186(4) of the Companies Act 2013

Name of the loanee	Rate of Interest	Due date	Secured/ unsecured	31-Mar-22	31-Mar-21
Samvardhana Motherson Health Solution	10.0%	3/31/2023	unsecured	165.6	109.6
Motherson Infotek Designs Mid East FZ-LLC, UAE	1.6%	3/31/2024	unsecured	65.7	9.9
Motherson Information Technologies Spain S.L.U.	1.8%	3/31/2024	unsecured	8.7	-
Motherson Infotech and Solutions UK Limited	4.1%	3/31/2024	unsecured	51.0	-
Total				291.0	119.5

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

14. Other current assets

(Unsecured, considered good, unless otherwise stated)

	As at 31 March, 2022	As at 31 March, 2021
Advances recoverable		
Related parties (refer note 35)	2.5	6.1
Others	32.3	14.1
Prepaid expenses	164.7	110.2
Balances with government authorities	22.0	15.7
Total	221.5	146.2

15. Share Capital

	As at March 31, 2022	As at March 31, 2021
Authorised:		
54,000,000 (March 31, 2021: 16,000,000) Equity shares of Rs.10/- each	540.0	160.0
8,000,000 (March 31, 2021: 8,000,000) Preference Shares of Rs.10/- each	80.0	80.0
Issued, Subscribed and Paid up:		
12,973,453 (March 31, 2021: 12,973,453) Equity shares of Rs.10/- each	129.7	129.7
Total	129.7	129.7
a. Movement in equity share capital		
	Numbers	Amount
As at April 1, 2020	12,973,453	129.7
Issued during the year	-	-
As at March 31, 2021	12,973,453	129.7
Issued during the year	-	-
As at March 31, 2022	12,973,453	129.7

b. Rights, preferences and restrictions attached to equity shares

The company currently has only one class of equity shares having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend 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. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

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

	As at March 31, 2022		As at March 31, 2021	
	Nos.	%	Nos.	%
Equity shares of Rs. 10 each fully paid up:				
Samvardhana Motherson International Limited, India	-	-	6,963,019	53.7%
Motherson Sumi Systems Limited, India	8,163,019	62.9%	1,200,000	9.2%
Sumitomo Wiring Systems Limited, Japan	2,639,535	20.4%	2,639,535	20.4%
H.K. Wiring Systems Limited, Hong Kong	1,196,005	9.2%	1,196,005	9.2%

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.

The Company is a subsidiary of Motherson Sumi System Limited. Pursuant to a composite scheme of amalgamation and arrangement amongst Motherson Sumi Systems Limited (“MSSL”), Samvardhana Motherson International Limited (“SAMIL”), Motherson Sumi Wiring India Limited (“MSWIL”) and their respective shareholders and creditors, approved by National Company Law Tribunal, Mumbai Bench – IV (“Hon’ble NCLT”) vide its order dated December 22, 2021 (“Order”), SAMIL was merged with MSSL w.e.f. January 21, 2022.

d. Details of shares held by the promoters

As at March 31, 2022

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of the shares at the year end	% of total shares	% change during the year
1	Motherson Sumi Systems Limited	1,200,000	6,963,019	8,163,019	62.9%	580.3%
2	Vivek Chaand Sehgal	130,021	-	130,021	1.0%	0.0%
3	Laksh Vaaman Sehgal	100,021	-	100,021	0.8%	0.0%
4	Geeta Soni	71,453	-	71,453	0.6%	0.0%
5	Sumitomo Wiring systems Limited Japan	2,639,535	-	2,639,535	20.3%	0.0%
6	HK Wiring Systems Limited	1,196,005	-	1,196,005	9.2%	0.0%
7	Radha Rani Holdings Pte. Ltd.	537,495	-	537,495	4.1%	0.0%
8	Systematic Conscom Limited	100	-	100	0.0%	0.0%
9	Samvardhana Motherson International Limited	6,963,019	(6,963,019)	-	0.0%	-100.0%
	Total	12,837,649	-	12,837,649	99.0%	480.3%

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

As at March 31, 2021

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of the shares at the year end	% of total shares	% change during the year
1	Samvardhana Motherson International Limited	6,963,019	-	6,963,019	53.7%	0.00%
2	Motherson Sumi Systems Limited	1,200,000	-	1,200,000	9.2%	0.0%
3	Vivek Chaand Sehgal	130,021	-	130,021	1.0%	0.0%
4	Laksh Vaaman Sehgal	100,021	-	100,021	0.8%	0.0%
5	Geeta Soni	71,453	-	71,453	0.6%	0.0%
6	Sumitomo Wiring systems Limited Japan	2,639,535	-	2,639,535	20.3%	0.0%
7	HK Wiring Systems Limited	1,196,005	-	1,196,005	9.2%	0.0%
8	Radha Rani Holdings Pte. Ltd.	537,495	-	537,495	4.1%	0.0%
9	Systematic Conscom Limited	100	-	100	0.0%	0.0%
	Total	12,837,649	-	12,837,649	99.0%	-

16. Other Equity

	As at March 31, 2022	As at March 31, 2021
Reserves and surplus		
Reserve on amalgamation	0.1	0.1
Securities premium	21.5	21.5
Capital redemption reserve	80.0	80.0
Retained earnings	197.9	564.1
Total reserves and surplus	299.5	665.7

(i) Reserve on amalgamation

	As at March 31, 2022	As at March 31, 2021
Opening balance	0.1	0.1
Closing balance	0.1	0.1

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

(ii) Securities premium

	As at March 31, 2022	As at March 31, 2021
Opening balance	21.5	21.5
Closing balance	21.5	21.5

(iii) Capital redemption reserve

	As at March 31, 2022	As at March 31, 2021
Opening balance	80.0	80.0
Closing balance	80.0	80.0

(iv) Retained earnings

	As at March 31, 2022	As at March 31, 2021
Opening balance	564.1	487.6
Profit/ (loss) for the year	(381.8)	82.2
Remeasurements of post-employment benefit obligation, net of tax	15.6	(5.7)
Closing balance	197.9	564.1

Nature and purpose of reserves:

Reserve on amalgamation

This reserve was created at the time of amalgamation and mergers carried out in earlier years. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings

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

Capital redemption reserve

Capital Redemption Reserve is created at the time of redemption of preference share to either replenish the capital by issuing fresh shares in lieu of the redeemed or bought back shares or to transfer their funds to an account

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

17. Borrowings

17. (a) Non current borrowings

	Non Current Portion		Current Maturities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
At amortised cost				
Secured				
Term Loans (refer note (i) below)				
Indian rupee loan from banks	160.3	134.4	161.5	161.5
Unsecured				
Loan from related parties (refer note (ii) below)	315.0	165.0	-	-
Less : Disclosed under current borrowings (refer note 17(b))	-	-	(161.5)	(161.5)
Total non current borrowings	475.3	299.4	-	-

(i) Nature of Security and terms of repayment for secured borrowings:

Nature of Security	Principal Terms and Conditions (including interest rates)
Indian rupee loan from HDFC bank amounting to INR 49.4 million (March 31, 2021: INR 70.0 million) (sanctioned limit - INR 100.0 million) which is secured by first charge hypothecation of movable fixed assets of the Company with asset cover 1.25x (March 31, 2021: 1.25x)	Repayable in 5 years with 20 quarterly repayments commencing from October 2019 carrying interest rate at 3 months Marginal Cost of Funds based Lending Rate (MCLR).
Indian rupee loan from Axis bank for IT Capital Expenditures amounting to INR 41.6 million (March 31, 2021: 41.5) (sanctioned limit - INR 200.0 million) which is secured by first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of the Company with asset cover 1.25x. (March 31, 2021: first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of the Company with asset cover 1.25x)	Repayable in 3 years including moratorium period of 9 months with 10 quarterly repayments carrying interest rate at 6 months Marginal Cost of Funds based Lending Rate (MCLR).
Indian rupee loan from Axis bank for Capital asset amounting to INR 148.8 million (March 31, 2021: 184.5) (sanctioned limit - INR 250.0 million) which is secured by first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of the Company with asset cover 1.25x. (March 31, 2021: first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of the Company with asset cover 1.25x)	Repayable in 3 years including moratorium period of 9 months with 10 quarterly repayments carrying interest rate at 6 months Marginal Cost of Funds based Lending Rate (MCLR).
Indian rupee loan from ICICI bank for capital expenditures amounting to INR 82.0 million (March 31, 2021: Nil) (sanctioned limit - INR 450.0 million) which is secured by first pari passu charge of movable fixed assets of the Company with asset cover 1.25x.	Repayable in 6 years including moratorium period of 6 quarters with 18 quarterly repayments carrying interest rate at 1 year Marginal Cost of Funds based Lending Rate (MCLR).

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

(ii) Nature of borrowing and terms of repayment for unsecured borrowings:

Particulars	Principal Terms and Conditions
Borrowings Loan taken by Company by way of Inter corporate deposit (ICD) of INR 315.0 million for 3 years in various tranches, from Mothersonumi Systems Ltd. (March 31, 2021: INR 165 million)	Repayable in 3 years commencing from draw down date, carrying interest rate at 11% per annum.
The Company has taken borrowings from banks on the basis of security of current assets; quarterly returns or statements of current assets filed by the Company with the banks are in agreement with the books of accounts.	

17. (b) Current borrowings (All amounts in INR Million, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Secured Working capital loans repayable on demand- from banks (refer note (i) below) Indian rupee loan	491.9	17.9
Unsecured Working capital loans repayable on demand- from banks (refer note (ii) below) Indian rupee loan	40.9	97.9
Loan from related parties (refer note (ii) below)	140.0	-
Current maturities of non current borrowings Term loan - secured	161.5	161.5
Total current borrowings	834.3	277.3

(i) Secured loans

Nature of Security	Rate of Interest
Credit facilities from State Bank of India, by way of Fund based working capital, LC/Buyers credit, BG, Forward contract limit, stand by limit against first exclusive charge by way of hypothecation of entire current assets of the Company, both present and future.	The rate of interest is Marginal Cost of Funds based Lending Rate (MCLR) plus 0.85% per annum
Credit facilities from HDFC bank, by way of Fund based working capital, LC/Buyers credit, BG, Forward contract limit, stand by limit against hypothecation of entire current assets of the Company, both present and future.	The rate of interest 8% p.a. linked to 3 month Marginal Cost of Funds based Lending Rate (MCLR).
Credit facilities from Axis bank, by way of Fund based working capital, LC/Buyers credit, BG, Forward contract limit, stand by limit against first pari passu security interest on the entire movable fixed assets and current assets, both present and future.	The rate of interest 8% p.a. linked to 3 month Marginal Cost of Funds based Lending Rate (MCLR).

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(ii) Unsecured loans

Nature of Security	Rate of Interest		
Credit facilities from ICICI Bank Limited, by way of Fund based Overdraft, Line of Credit and Non Fund based BG and Letter of Credit.	The rate of interest at Marginal Cost of Funds based Lending Rate (MCLR) 6 months plus 0.25% Spread		
Loan taken by Company by way of Inter corporate deposit (ICD) of INR 140.0 million for 1 year during the year, from Motherson Techno Tools Ltd. (March 31, 2021: Nil)	Repayable in 1 year commencing from draw down date, carrying interest rate at 7.5% per annum.		
The Company has taken borrowings from banks on the basis of security of current assets; quarterly returns or statements of current assets filed by the Company with the banks are in agreement with the books of accounts.			
		As at March 31, 2022	As at March 31, 2021
Aggregate of secured loans		813.7	313.8
Aggregate of unsecured loans		355.9	262.9

18. Employee benefit obligations

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-Current	Current	Non-Current
Gratuity	3.4	173.0	9.4	186.7
Compensated absences	18.1	79.0	19.4	78.0
Total	21.5	252.0	28.8	264.7

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

A. Defined Benefit Schemes

Gratuity

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

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

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	211.3	192.5
Service Cost - Current	25.4	24.5
Interest expense	14.3	13.0
Amount recognised in profit or loss	39.8	37.5
Remeasurements		
Actuarial (gain) / loss from change in demographic assumption *	-	-
Actuarial (gain) / loss from change in financial assumption	(10.6)	(0.7)
Experience (gains)/losses	(10.2)	8.0
Amount recognised in other comprehensive income	(20.8)	7.3
Payment from plan:		
Benefit payments	(36.5)	(27.5)
Acquisition adjustments	-	(1.1)
Addition due to transfer of employee	0.4	2.5
Obligations at year end	194.2	211.2

(ii) Fair Value of Plan Assets

	For the year ended	
	March 31, 2022	March 31, 2021
Plan assets at year beginning	15.2	21.5
Interest income	1.0	1.5
Amount recognised in profit or loss	1.0	1.5
Remeasurements		
Return on plan assets, excluding amount included in interest income	0.0	(0.3)
Amount recognised in other comprehensive income	0.0	(0.3)
Payment from plan:		
Benefit payments	(3.5)	(22.5)
Contributions:		
Employers	5.0	15.0
Plan assets at year end, at fair value	17.8	15.2

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(iii) 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	194.2	211.2
Fair value of the plan assets	17.8	15.2
Amount recognized as Liability	176.4	196.1

(iv) Defined benefit obligations cost for the year:

	For the year ended	
	March 31, 2022	March 31, 2021
Service Cost - Current	25.4	24.5
Interest Cost	13.3	11.6
Actuarial (gain) / loss	(20.8)	7.3
Net defined benefit obligations cost	17.9	43.4

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

(v) Investment details of Plan Assets

The details of investments of plan assets are as follows:

	For the year ended	
	March 31, 2022	March 31, 2021
SBI Life insurance Co. Limited	100%	100%
Total	100%	100%

Note: In respect of Employees Gratuity Fund, composition of plan assets is not readily available from SBI Life Insurance Co. Limited. The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

(vi) Actuarial assumptions:

	March 31, 2022	March 31, 2021
Discount Rate per annum	7.26%	6.8%
Future salary increases	6.5%	6.5%
Retirement Age (years)	58	58
Mortality rate	100 % of IALM (2012 - 14)	100 % of IALM (2012 - 14)
Attrition rate		
Up to 30 Years	3.0%	3.0%
From 31 to 44 years	2.0%	2.0%
Above 44 years	1.0%	1.0%

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.

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

	For the year ended	
	March 31, 2022	March 31, 2021
Gratuity	48.5	42.8

(viii) 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	0.50%	0.50%	Decrease by	(10.9)	(11.8)	Increase by	11.8	12.8
Future salary increases	0.50%	0.50%	Increase by	11.8	12.8	Decrease by	(11.0)	(11.9)

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.

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

ix) 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.

x) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 19.56 years (March 31, 2021: 19.09 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	3.4	4.1	20.5	166.2	194.2
Defined benefit obligation (gratuity)					
March 31, 2021	9.4	3.6	26.9	171.4	211.3
Defined benefit obligation (gratuity)					

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 and Employee State Insurance (ESI) for the benefit of the employees.

Amount recognised in the Statement of Profit & Loss is as follows (refer note 26):

	For the year ended	
	March 31, 2022	March 31, 2021
Provident fund paid to the authorities	84.9	70.7
NPS contribution	5.9	7.5
Employee state insurance paid to the authorities	0.3	0.4

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

19. Other liabilities

	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred revenue	30.0	36.6
	30.0	36.6
Current		
Statutory dues	77.8	49.1
Advances from customers	4.0	7.2
Deferred revenue	144.9	86.7
Total	226.8	143.0

20. Trade payables

	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro and small enterprises (refer note 41)		
- Related Parties	1.9	0.1
- Others	19.4	33.5
Total outstanding dues of creditors other than micro and small enterprises		
- Related Parties (refer note 35)	3.6	2.1
- Others	367.6	176.1
Total	392.6	211.8

Trade payables ageing schedule

As at March 31, 2022

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro and small enterprises	19.8	1.5	0.0	-	-	21.3
Total outstanding dues of creditors other than micro and small enterprises	334.8	35.6	0.0	0.8	-	371.2
Disputed dues to micro and small enterprises	-	-	-	-	-	-
Disputed dues to creditors other than micro and small enterprises	-	-	-	-	-	-
	354.6	37.1	0.0	0.8	-	392.6

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

As at March 31, 2021

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro and small enterprises	1.3	32.2	-	-	-	33.5
Total outstanding dues of creditors other than micro and small enterprises	155.4	22.0	0.9	-	-	178.2
Disputed dues to micro and small enterprises	-	-	-	-	-	-
Disputed dues to creditors other than micro and small enterprises	-	-	-	-	-	-
	156.7	54.2	0.9	0.0	0.0	211.8

21. Other financial liabilities

at amortised cost (unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Non-current		
Interest accrued but not due on ICD	60.8	36.1
	60.8	36.1
Current		
Unpaid dividends*	0.3	0.4
Security deposit received		
Related parties (refer note 35)	41.9	42.9
Others	0.4	0.4
Creditors for capital goods		
Related parties (refer note 35)	10.2	28.2
Others	2.9	12.2
Advance recovery from employees against vehicle scheme	27.8	25.1
Others	2.6	-
Total	86.1	109.1

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

22. Provisions

	As at March 31, 2022	As at March 31, 2021
	Current	Current
For re-work/warranties	24.4	24.3
Total	24.4	24.3

Rework

Provision for re-work relates to the estimated outflow in respect of re-work for services rendered by the Company.

The Company has following provisions in the books of account as at year end:

	As at March 31, 2022	As at March 31, 2021
Opening balance	24.3	33.5
Additions during the year	0.1	-
Utilised / Reversed during the year	-	9.2
Closing balance	24.4	24.3

23. Revenue from contracts with customers

	For the year ended	
	March 31, 2022	March 31, 2021
23. a Sale of services		
Within India		
Software development and support*	1,428.4	864.9
Business support	41.9	43.3
Outside India		
Software development and support*	2,072.1	1,824.3
Business support	62.7	57.9
Designing	294.3	270.2
Sales of products		
Within India		
Traded goods	314.0	279.1
Others	31.5	7.4
Outside India		
Traded goods	10.0	4.3
Total revenue from contract with customers	4,254.9	3,351.4

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

23. (b)

	For the year ended	
	March 31, 2022	March 31, 2021
Other operating revenue		
Export incentive	14.5	37.2
Provisions written back to the extent no longer required	-	13.0
Total other operating revenue	14.5	50.2
Total revenue from operations	4,269.4	3,401.6

*include unbilled revenue of INR 36.77 million (March 31, 2021: INR 50.2 million)

(a) Disaggregated revenue information

	For the year ended	
	March 31, 2022	March 31, 2021
Revenue by major product lines		
Software development and support	3,502.7	2,689.2
Business support	104.6	101.2
Designing	292.1	270.2
Traded goods	324.0	283.4
Others	31.5	7.4
Total revenue from contract with customers	4,254.9	3,351.4
Revenue by Geography		
Europe	1,677.8	1,442.6
Americas	446.5	380.2
Asia	2,078.8	1,475.8
Others	51.9	52.8
Total revenue from contract with customers	4,254.9	3,351.4
Timing of revenue recognition		
Goods transferred at point in time	555.9	537.9
Services transferred over time	3,699.0	2,813.5
Total revenue from contract with customers	4,254.9	3,351.4
Revenue		
External customers	962.4	334.3
Group customers	3,292.5	3,017.1
Total revenue from contract with customers	4,254.9	3,351.4

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

(b) Contract balance

	March 31, 2022	March 31, 2021
Trade Receivables (Unconditional right to consideration)	914.4	610.4
Contract assets (refer note (i) below)	87.0	50.2
Contract liabilities (refer note (ii) below) :		
Advance from Customer (Note 19)	4.0	7.2
Deferred revenue (Note 19)	174.9	123.4

Note:

- (i) The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to the receivables when the rights become unconditional.
- (ii) Contract liability relates to payments received in advance of performance (including deferred revenue) under the contract. Contract liabilities are recognised as revenue as (or when) we perform under the contract.

(c) Performance obligations

The company makes provisions for expenses to be incurred to rectify any defects during warranty period on the basis of estimates worked out by the project managers.

	March 31, 2022	March 31, 2021
Within one year	24.4	24.3
More than one year	-	-
Total	24.4	24.3

(d) Contract Cost - Incremental costs of obtaining a contract

There is no increment cost in contract executed during the year.

(e) Revenue from contracts with customers

	March 31, 2022	March 31, 2021
Amounts included in contract liabilities at the beginning of the year	86.7	50.8

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

24. Other income

	For the year ended	
	March 31, 2022	March 31, 2021
Foreign Exchange fluctuation (net)	-	2.40
Interest income from financial assets at amortised cost		
Bank deposits	0.0	0.0
Security deposits	5.4	5.9
Interest on Income tax refund	12.0	12.3
Interest on Inter company deposits	15.6	8.9
Net gain on disposal of property, plant and equipment	2.0	-
Fair value gain on financial instrument at fair value through profit or loss (FVTPL)*	1.5	-
Miscellaneous income	5.0	3.6
Total	41.4	33.1

* relates to foreign exchange forward contracts (derivatives)

25. Changes in inventory of stock in trade

	For the year ended	
	March 31, 2022	March 31, 2021
(Increase)/ decrease in stocks		
Stock at the opening of the year:		
Stock in trade	0.8	1.4
Total A	0.8	1.4
Stock at the end of the year:		
Stock in trade	15.0	0.8
Total B	15.0	0.8
(Increase)/ decrease in stocks (A-B)	(14.2)	0.6

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

26. Employee benefits expense

	For the year ended	
	March 31, 2022	March 31, 2021
Salaries, wages and bonus	2,085.1	1,566.0
Contribution to provident & other funds	129.9	114.6
Staff welfare expenses	27.6	10.0
Total	2,242.7	1,690.6

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Company believes the impact of the change will not be significant.

27. Depreciation and amortization expense

	For the year ended	
	March 31, 2022	March 31, 2021
Depreciation of property, plant and equipment	98.6	82.2
Depreciation of right-of-use assets (refer note 39)	22.2	24.9
Amortization of intangible assets	39.0	50.7
Total	159.8	157.8

28. Finance Cost

	For the year ended	
	March 31, 2022	March 31, 2021
Interest and finance charges on financial liabilities not at fair value through profit or loss		
Term loan	42.5	32.1
Working capital loan	24.9	0.0
Lease liabilities (refer note 39)	24.3	24.7
Total	91.7	56.9

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

29. Other expenses

	For the year ended	
	March 31, 2022	March 31, 2021
Software license and development charges	1,050.2	607.0
Leaseline and web hosting charges	160.3	176.9
Consultancy charges	53.3	31.4
Annual maintenance contracts (hardware and software)	50.8	37.2
Travelling and conveyance	52.1	16.6
Power and fuel	33.9	32.8
Lease rentals (refer note 39)	76.9	68.1
Repairs and maintenance:		
Plant & Machinery	0.7	0.8
Building	55.8	36.2
Others	6.5	8.4
Business promotion	32.1	20.8
Communication expenses	6.1	3.1
Rates and taxes	12.3	3.8
Insurance	3.0	3.2
Recruitment expenses	26.6	2.5
Training and seminar expenses	4.6	7.9
Donation	0.4	0.4
Intangible asset written off	25.5	-
Provision for impairment of investment	7.0	-
Provision for expected credit loss on loans receivables	165.6	-
Bank charges	9.9	7.7
Provision for doubtful debts	7.9	24.9
Fair value loss on financial instrument at fair value through profit or loss (FVTPL)	21.2	0.1
Payment to auditor (refer note (a) below)	3.7	3.1
Legal and professional fees	44.1	36.7
Corporate social responsibility (CSR) expenditure (refer note (b) below)	3.5	3.9
Foreign exchange fluctuation (net)	13.0	-
Miscellaneous expenses	9.6	1.5
Total	1,936.6	1,134.9

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

(a) Payment to auditors:

	For the year ended	
	March 31, 2022	March 31, 2021
As Auditor:		
Statutory Audit fees	1.5	1.5
Group reporting fees	0.8	0.9
Tax audit fees	0.2	0.2
Certification services	1.3	0.6
Total	3.7	3.1

(b) Corporate social responsibility expenditure

		For the year ended	
		March 31, 2022	March 31, 2021
(i)	Contribution to Swarn Lata Motherson Trust	-	3.9
		-	3.9
a)	Gross amount required to be spent by the Company during the year	3.5	3.9
b)	Amount spent during the year on:		
	(i) Construction/acquisition of asset	-	-
	(ii) On purposes other than (i) above	-	-
c)	The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	3.5	-
d)	The total of previous years shortfall amounts	-	-
e)	The reason for above shortfalls	-	-
f)	Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard,	-	3.9
g)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	3.5	-
h)	The nature of CSR activities undertaken by the Company.	-	-
		3.5	3.9

In case of Section 135(6) (Ongoing project)						
Opening Balance		Amount required to be spent during the year	Amount required to be spent during the year		Closing Balance	
With Company	In separate CSR unspent a/c		From company's bank account	from separate CSR unspent a/c	With Company	in separate CSR unspent a/c
-	-	3.5	3.5	-	3.5	-

Disclosure pursuant to changes in sec 135 (5) (other than ongoing projects)				
Opening Balance	Amount deposited in specified fund of schedule VII with in 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	-	-

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

30. Tax expense

(a) Tax expense

	For the year ended	
	March 31, 2022	March 31, 2021
Current tax		
Current tax on profit for the year	-	50.5
Adjustment of current tax relating to earlier periods	-	12.1
Total current tax expense	-	62.6
Deferred tax (refer note 7)		
Decrease / (increase) in deferred tax assets	(44.3)	(13.6)
(Decrease) / increase in deferred tax liabilities	0.3	0.6
Total deferred tax expense / (benefit)	(44.0)	(13.0)
Income tax expense	(44.0)	49.6

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

	For the year ended	
	March 31, 2022	March 31, 2021
Profit/ (loss) before tax	(425.8)	131.7
Tax at India's tax rate of 25.168% (March 31, 2021: 25.168%)	(107.2)	33.2
Tax effect of amounts which are not deductible in calculating taxable income	63.2	4.2
Adjustment of tax relating to earlier periods*	-	12.1
Income tax expense	(44.0)	49.5

* Including amount INR 7.19 million deposit under Direct Tax Vivaad se Vishwas Act, 2020 for AY 2006-07

31. Earnings per share

	March 31, 2022	March 31, 2021
a) Basic		
Profit/ (loss) attributable to equity shareholders	(381.8)	82.2
Weighted average number of equity shares for basic earnings per share	12,973,453	12,973,453
Basic earnings/(loss) per share (Rs.)	(29.4)	6.3
b) Diluted (refer note (i) below)		
Weighted average number of Equity Shares for diluted earnings per shares	12,973,453	12,973,453
Diluted earnings/ (loss) per share (Rs.)	(29.4)	6.3

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

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

32. Fair value measurements

Financial instruments by category

	March 31, 2022			March 31, 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Loans	-	-	125.4	-	-	119.5
Deposits and other financial assets	1.5	-	179.7	-	-	131.1
Trade receivables	-	-	914.4	-	-	610.4
Cash and cash equivalents	-	-	7.7	-	-	37.7
Other Bank Balance	-	-	0.3	-	-	-
Total financial assets	1.5	-	1,227.4	-	-	898.6
Financial Liabilities						
Borrowings	-	-	1,309.6	-	-	576.7
Lease liabilities	-	-	198.9	-	-	252.2
Trade payable	-	-	392.6	-	-	211.8
Employee related payable	-	-	200.5	-	-	155.6
Other financial liabilities	-	-	146.9	-	-	145.3
Total financial liabilities	-	-	2,248.4	-	-	1,341.5

i. Fair value hierarchy

There are no Financial assets and liabilities which are measured at fair value - recurring fair value measurements except forward contracts recognised at fair value through profit or loss.

Derivative assets (forward contracts) are recorded based on fair value mark to market obtained from banks and are categorised under level 2 fair value hierarchy.

Non current 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						
Loan	-	-	125.4	-	-	119.5
Security deposits	-	-	64.1	-	-	50.1
Other financial assets	-	-	9.5	-	-	8.1
Total financial assets	-	-	199.0	-	-	177.7
Financial liabilities						
Borrowings	-	-	475.3	-	-	299.4
Lease liabilities	-	-	123.1	-	-	174.7
Total financial liabilities	-	-	598.4	-	-	474.1

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

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

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

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

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

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

	March 31, 2022		March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Loan	125.4	125.4	119.5	119.5
Security deposits	64.1	64.1	50.1	50.1
Other financial assets	9.5	9.5	8.1	8.1
	199.0	199.0	177.7	177.7
Financial liabilities				
Borrowings	475.3	475.3	299.4	299.4
Lease liabilities	123.1	123.1	174.7	174.7
	598.4	598.4	474.1	474.1

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

Note: The carrying amounts of current financial assets and current financial liabilities i.e. trade receivables, loans, other financial assets, trade payables, short term borrowings and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

33. Financial risk management

The Company, is an internationally SEI CMMI level 5 IT services company which expose its business and products to various market risks, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. 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:

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

A Foreign currency risk:

The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in Euros, and U.S. Dollars). A significant portion of the Company's revenues are in these foreign currencies, while a significant portion of its costs are in Indian Rupees. As a result, if the value of the Indian Rupee appreciates relative to these foreign currencies, the Company's revenues measured in Rupees may decrease. The exchange rate between the Indian Rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company uses derivative financial instrument- foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables.

The derivative instruments and unhedged foreign currency exposure is as follows:

(i) Derivatives outstanding as at the reporting date

Particulars/ Purpose	Currency	As at March 31, 2022		As at March 31, 2021	
		Amount in Foreign currency	Amount in INR	Amount in Foreign currency	Amount in INR
Forward contracts	EUR:INR	1.0	84.9	-	-
Forward contracts	USD:INR	1.2	93.1	-	-

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

Currency	As at March 31, 2022		As at March 31, 2021	
	(Payable) / Receivable		(Payable) / Receivable	
	Amount in Foreign currency in million	Amount in INR million	Amount in Foreign currency in million	Amount in INR million
USD	0.6	44.1	0.7	48.6
JPY	33.4	21.3	0.3	0.2
AED	0.0	0.2	0.0	0.0
AUD	0.0	0.2	0.0	1.0
EUR	4.4	367.9	2.8	241.7
GBP	(0.0)	(0.2)	(0.0)	(0.1)
SGD	0.1	6.1	0.1	8.0
ZAR	0.7	3.7	1.7	8.6

Foreign currency sensitivity on unhedged exposure

5% increase / decrease in foreign exchange rates will have the following impact on profit before tax:

Particulars/ Purpose	Impact on profit before tax	
	March 31, 2022	March 31, 2021
Increase by 5% in forex rate	22.2	15.4
Decrease by 5% in forex rate	(22.2)	(15.4)

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(iii) Mark to market losses / (gain) on forward contracts

Particulars/ Purpose	For the year ended	
	March 31, 2022	March 31, 2021
Mark to Market losses / (gain) on forward contracts	-	0.1

(iv) Particular of unhedged foreign exposure as at the reporting date (Gross exposure to foreign currency risk)

	Currency	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
Trade receivables	USD	1.1	79.6	0.9	71.3
	JPY	32.5	20.7	0.6	0.4
	AED	0.0	0.0	-	-
	AUD	0.0	0.2	-	1.0
	EUR	4.9	410.6	3.8	312.9
	GBP	0.0	0.0	-	-
	SGD	0.1	6.1	-	2.2
	ZAR	0.7	3.7	1.2	5.3
Trade payables	USD	(0.5)	(35.8)	-	(3.1)
	JPY	0.0	0.0	-	-
	AUD	0.0	0.0	(0.2)	(7.8)
	EUR	0.0	(1.0)	-	(2.9)
	GBP	0.0	(0.2)	-	(0.5)
	SGD	0.0	0.0	-	(0.7)
Advance to suppliers	USD	0.0	0.0	-	-
	EUR	0.0	0.0	-	-
	JPY	0.9	0.6	-	-
	AED	0.0	0.2	-	-
Security deposits received	EUR	(0.5)	(41.9)	(0.5)	(41.7)
	EUR				
Balances with banks (natural hedge)	USD	0.0	0.3	-	0.6
	EUR	0.0	0.2	-	0.3
	JPY	0.0	0.0	0.1	0.1

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

(v) Sensitivity

The following tables demonstrate the sensitivity on unhedged foreign currency exposures to a reasonably possible change in foreign exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities:

	Change in exchange rate	Effect on profit before tax
March 31, 2022		
USD against INR	+5%	(2.2)
	-5%	2.2
EUR against INR	+5%	(18.1)
	-5%	18.1
JPY against INR	+5%	(1.1)
	-5%	1.1
March 31, 2021		
USD against INR	+5%	(2.4)
	-5%	2.4
EUR against INR	+5%	(11.8)
	-5%	11.8
JPY against INR	+5%	(0.0)
	-5%	0.0

The sensitivity on unhedged currency exposures in other currencies is not significant, hence not disclosed

B 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 interest rates, which exposes the company to cash flow interest rate risk. All the company's borrowings at variable rate are denominated in INR

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(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	321.8	295.9
Fixed rate borrowings	315.0	165.0
Total borrowings	636.8	460.9

An analysis by maturities is provided in Note (D) (ii) Maturities of financial liabilities below.

(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*	(1.2)	(1.1)
Interest rates-decrease by 50 basis points*	1.2	1.1

* Holding all other variables constant

C Credit risk:

The credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Company and arises principally from the Company's receivables from customers and deposits with banking institutions. 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 majority customers are Motherson group companies which have good credit ratings. Non-Motherson 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.

D Liquidity risk:

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating divisions of the Company and aggregated by Company finance. The Company's finance monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities / overdraft facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

(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 and other credit facilities)	586.2	566.6

(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
Non-derivatives				
Borrowings	834.3	475.3	-	1,309.6
Lease liabilities	75.8	22.3	100.8	198.9
Trade payables	392.6	-	-	392.6
Employee related payable	200.5	-	-	200.5
Other financial liabilities	86.1	60.8	-	146.9
Total non-derivative liabilities	1,589.2	558.4	100.8	2,248.4

Year Ended March 31, 2021	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Short-term borrowings	277.3	299.4	-	576.7
Lease liabilities	53.4	95.8	103.1	252.3
Trade payables	211.7	-	-	211.7
Employee related payable	155.6	-	-	155.6
Other financial liabilities	145.3	-	-	145.3
Total non-derivative liabilities	843.3	395.2	103.1	1,341.5
Derivatives (net settled)				
Foreign exchange forward contracts	-	-	-	-
Total derivative liabilities	-	-	-	-

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

34. Capital management

(a) Risk management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax, depreciation and amortization expense, finance costs).

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

	March 31, 2022	March 31, 2021
Net Debt	1,500.8	791.2
EBITDA	(174.3)	346.5
Net Debt to EBITDA	(8.6)	2.3

(b) Loan covenants

Under the terms of the borrowing facilities, the Company is not required to comply with any loan covenants.

(c) Dividends

	March 31, 2022	March 31, 2021
On Equity shares of Rs. 10 each		
Final dividend		
Amount of dividend paid (pertains to previous financial year)	-	-
Dividend per equity share (INR)	-	-

35. Related Parties

I. Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below:

A. Relationships where control exists:

i) Holding Company

Samvardhana Motherson International Limited till January 21, 2022

Motherson Sumi Systems Limited w.e.f January 21, 2022

ii) Subsidiaries, fellow subsidiaries:

Motherson Machinery and Automations Limited (fellow Subsidiary through SMISL)

Motherson Molds and Diecasting Limited

SAKS Ancillaries Limited (fellow Subsidiary through SMISL)

Samvardhana Motherson Virtual Analysis Limited (Subsidiary of Motherson Technology Services)

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

Limited (formerly known as MothersonSumi INFotech & Designs Limited))

Motherson Auto Solutions Limited (Subsidiary through SMISL)

MSID U.S. Inc (Subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited))

MothersonSumi INFotekk and Designs GmbH (Subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited))

MothersonSumi INFotech & Designs KK (Subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited))

MothersonSumi INFotech and Designs S.G. Pte. Ltd. (Subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited))

Motherson Consultancies Service Limited

Motherson Auto Engineering Service Limited (Subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited))

Motherson Techno Tools Limited (Subsidiary through SMISL)

Samvardhana Motherson Innovative Solutions Limited (SMISL) (earlier known as Tigers Connect Travel Systems & Solutions Ltd.)

Samvardhana Motherson Refrigeration Product Limited (Subsidiary through SMISL)

Samvardhana Motherson Auto Component Private Limited

Samvardhana Motherson Auto System Private Limited (Subsidiary through SMISL)

Samvardhana Motherson Finance Service Cyprus Limited

Samvardhana Motherson Holding (M) Pvt. Ltd.

Motherson Sintermetal Technology B.V. (Subsidiary through SMISL) (Till July 2020)

Motherson Sintermetal Products S.A. (Subsidiary through SMISL)

Motherson Techno Tools Mideast FZE (Subsidiary through SMISL)

Motherson Invenzen XLab Private Limited

MS Global India Automotive India Private Limited

Samvardhana Motherson Maadhyam International Limited

Samvardhana Motherson Health Solutions Limited (Subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited))

SMI Consulting Technologies, Inc. (subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited))

Samvardhana Motherson Global Carriers Limited

Motherson INFotech Designs Mideast FZ LLC

Motherson INFotech and Solutions UK Limited

Motherson Information Technologies Spain SLU

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Motherson Air Travel Agencies Limited
MSSL Mauritius Holdings Limited
Motherson Electrical Wires Lanka Pvt. Ltd.
MSSL Mideast (FZE)
MSSL (S) Pte Ltd.
Motherson Innovations Tech Limited
Samvardhana Motherson Polymers Ltd.
MSSL (GB) Limited
Motherson Wiring System (FZE)
MSSL GmbH
MSSL Tooling (FZE)
Samvardhana Motherson Invest Deutschland GmbH
MSSL Advanced Polymers s.r.o
Motherson Techno Precision GmbH
MSSL s.r.l Unipersonale
Motherson Techno Precision México, S.A. de C.V
MSSL Australia Pty Ltd
MSSL Ireland Pvt. Ltd.
Global Environment Management (FZE)
Motherson Elastomers Pty Limited
Motherson Investments Pty Limited
MSSL Global RSA Module Engineering Limited
MSSL Japan Limited
Vacuform 2000 (Proprietary) Limited.
MSSL México, S.A. De C.V.
MSSL WH System (Thailand) Co., Ltd
MSSL Korea WH Limited
MSSL Consolidated Inc., USA
MSSL Wiring System Inc., USA
Alphabet de Mexico, S.A. de C.V.
Alphabet de Mexico de Monclova, S.A. de C.V.
Alphabet de Saltillo, S.A. de C.V.
MSSL Wirings Juarez S.A. de C.V.

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

MSSL Manufacturing Hungary Kft
Motherson Air Travel Pvt. Ltd.
MSSL Estonia WH OÜ
Samvardhana Motherson Global Holdings Ltd.
Samvardhana Motherson Automotive Systems Group B.V.
Samvardhana Motherson Reflectec Group Holdings Limited
SMR Automotive Technology Holding Cyprus Ltd.
SMR Automotive Mirror Parts and Holdings UK Ltd.
SMR Automotive Holding Hong Kong Limited
SMR Automotive Systems India Limited
SMR Automotive Systems France S. A.
SMR Automotive Mirror Technology Holding Hungary Kft
SMR Patents S.aR.L.
SMR Automotive Technology Valencia S.A.U.
SMR Automotive Mirrors UK Limited
SMR Automotive Mirror International USA Inc.
SMR Automotive Systems USA Inc.
SMR Automotive Beijing Co. Limited
SMR Automotive Yancheng Co. Limited
SMR Automotive Mirror Systems Holding Deutschland GmbH
SMR Holding Australia Pty Limited
SMR Automotive Australia Pty Limited
SMR Automotive Mirror Technology Hungary Bt
SMR Automotive Modules Korea Ltd
SMR Automotive Beteiligungen Deutschland GmbH
SMR Hyosang Automotive Ltd.
SMR Automotive Mirrors Stuttgart GmbH
SMR Automotive Systems Spain S.A.U.
SMR Automotive Vision Systems Mexico S.A. de C.V.
SMR Grundbesitz GmbH & Co. KG
SMR Automotive Brasil LTDA
SMR Automotive System (Thailand) Limited
SMR Automotives Systems Macedonia Dooel Skopje

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

SMR Automotive Operations Japan K.K.
SMR Automotive (Langfang) Co. Ltd.
SMR Automotive Vision System Operations USA INC
SMR Mirror UK Limited
Samvardhana Motherson Peguform GmbH
SMP Automotive Interiors (Beijing) Co. Ltd
SMP Deutschland GmbH
SMP Logistik Service GmbH
SMP Automotive Solutions Slovakia s.r.o
Changchun Peguform Automotive Plastics Technology Co. Ltd
Foshan Peguform Automotive Plastics Technology Co. Ltd.
SMP Automotive Technology Management Services (Changchun) Co. Ltd.
SMP Automotive Technology Iberica S.L
Samvardhana Motherson Peguform Barcelona S.L.U
SMP Automotive Technologies Teruel Sociedad Limitada
Samvardhana Motherson Peguform Automotive Technology Portugal S.A
SMP Automotive Systems Mexico S.A. de C.V
SMP Automotive Produtos Automotivos do Brasil Ltda.
SMP Automotive Exterior GmbH
Samvardhana Motherson Innovative Autosystems B.V. & Co. KG
Samvardhana Motherson Innovative Autosystems Holding Company BV
SM Real Estate GmbH
Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V
SMP Automotive Systems Alabama Inc.
Motherson Innovations Company Limited, U.K.
Motherson Innovations Deutschland GmbH
Samvardhana Motherson Global (FZE)
SMR Automotive Industries RUS Limited Liability Company
Celulosa Fabril (Cefa) S.A.
Modulos Ribera Alta S.L.
Motherson Innovations Lights GmbH & Co KG
Motherson Innovations Lights Verwaltungs GmbH
PKC Group Oy

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

PKC Wiring Systems Oy
PKC Group Poland Sp. z o.o.
PKC Wiring Systems Llc
PKC Group APAC Limited
PKC Group Canada Inc.
PKC Group USA Inc.
PKC Group Mexico S.A. de C.V.
Project del Holding S.a.r.l.
PK Cables do Brasil Ltda
PKC Eesti AS
TKV-sarjat Oy
PKC SEGU Systemelektrik GmbH
Groclin Luxembourg S.à r.l.
PKC Vehicle Technology (Suzhou) Co., Ltd.
AEES Inc.
PKC Group Lithuania UAB
PKC Group Poland Holding Sp. z o.o.
OOO AEK
Kabel-Technik-Polska Sp. z o.o.
AEES Power Systems Limited partnership
T.I.C.S. Corporation
Fortitude Industries Inc.
AEES Manufactuera, S. De R.L de C.V.
Cableodos del Norte II, S. de R.L de C.V.
Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.
Arneses y Accesorios de México, S. de R.L de C.V.
Asesoria Mexicana Empresarial, S. de R.L de C.V.
Arneses de Ciudad Juarez, S. de R.L de C.V.
PKC Group de Piedras Negras, S. de R.L. de C.V.
PKC Group AEES Commercial S. de R.L de C.V
Jiangsu Huakai-PKC Wire Harness Co., Ltd.
PKC Vechicle Technology (Hefei) Co, Ltd.
Shanjdong Huakai-PKC Wireharness Co. Ltd.

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Shenyang SMP Automotive Plastic Component Co. Ltd.
 PKC Vehicle Technology (Fuyang) Co., Ltd.
 Tianjin SMP Automotive Component Company Limited
 SMRC Automotive Holdings B.V. (formerly Reydel Automotive Holdings B.V.)
 SMRC Automotive Holdings Netherlands B.V. (formerly Reydel Automotive B.V.)
 SMRC Automotives Techno Minority Holdings B.V. (formerly Reydel Automotive Minority Holdings B.V.)
 SMRC Smart Automotive Interior Technologies USA, LLC (formerly Reydel Automotive USA, LLC) (dissolved effective June 28, 2021)
 SMRC Automotive Modules France SAS (formerly Reydel Automotive France SAS)
 Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U. (formerly Reydel Automotive Holding Spain, S.L.U.)
 SMRC Automotive Interiors Spain S.L.U. (formerly Reydel Automotive Spain, S.L.U.)
 SMRC Automotive Interior Modules Croatia d.o.o.(formerly Reydel Automotive Croatia d.o.o.)
 Samvardhana Motherson Reydel Autotecc Morocco SAS (formerly Reydel Automotive Morocco SAS)
 SMRC Automotive Technology RU LLC (formerly Reydel Automotive Rus LLC)
 SMRC Smart Interior Systems Germany GmbH (formerly Reydel Automotive Germany GmbH)
 SMRC Automotive Interiors Products Poland SA(formerly Reydel Automotive poland SA) (dormant)
 SMRC Automotive Solutions Slovakia s.r.o.(formerly Reydel Automotive Slovakia s.r.o.)
 SMRC Automotive Holding South America B.V.(formerly Reydel Automotive South America B.V.)
 SMRC Automotive Modules South America Minority Holdings B.V. (formerly Reydel Automotive South America Minority Holdings B.V.)
 SMRC Automotive Tech Argentina S.A.(formerly Reydel Automotive Argentina SA)
 SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltda (formerly Reydel Automotive Brazil)
 SMRC Automotive Products Limited (formerly SMRC Automotive Products Private Ltd.)
 SMRC Automotive Smart Interior Tech (Thailand) Ltd. (formerly Reydel Automotive Thailand Ltd.)
 SMRC Automotive Interiors Japan Ltd. (formerly Reydel Automotive Japan Ltd.)
 Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd. (formerly Shanghai Reydel Automotive Technology Consulting Co. Ltd.)
 PT SMRC Automotive Technology Indonesia (formerly PT Reydel Automotive Indonesia)
 Yujin SMRC Automotive Techno Corp. (formerly Yujin- Reydel Corp.)
 SMRC Automotives Technology Phil Inc.(formerly Reydel Automotive Phils Inc.)
 MSSL M Tooling Ltd (defunct w.e.f. 30.10.2020)

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

Motherson Innovations LLC, USA
 Motherson Ossia Innovations LLC, USA
 Samvardhana Motherson Corp Management Shanghai Co Ltd.
 Motherson Rolling Stock Systems GB Ltd. (under liquidation)
 Motherson PKC Harness Systems FZ-LLC
 Wisetime Oy
 Re-time Pty Limited
 Motherson Sumi Wiring India Limited
 SMP Automotive Interior Modules d.o.o. Čuprija, Serbia
 Motherson Rolling Stocks S. de R.L. de C.V.
 Shenyang SMP Automotive Trim Co., Ltd., China
 Motherson Business Service Hungary Kft.
 SMR Plast Met Molds & Tools Turkey (effective from April 29, 2021)
 SMR Plast Met Automtoive Tec Turkey (effective from April 29, 2021)

B. Other related parties

i) Joint Ventures:

Sumitomo Wiring Systems Limited
 H.K.Wiring Systems Limited

ii) Companies in which Key Managerial Personnel or their relatives have control/ significant influence:

Motherson Engineering Research and Integrated Technologies Limited
 A Basic Concepts Design Pty Limited
 Motherson Auto Limited
 ATAR Mauritius Private Limited
 Swarn Lata Motherson Trust
 SCCL Infra Projects Limited -
 SCCL Global Project (FZE)
 Samvardhana Motherson Global FZE, Dubai
 Spirited Auto Cars (I) Limited
 Motherson Lease Solution Limited
 Systematic Conscom Limited
 Advanced Technologies and Auto Resources Pte. Ltd.
 Edcol Global Pte. Limited

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Motherson Innovative Technologies and Research
Radha Rani Holdings Pte Ltd
JSSR Holdings (M) Pvt. Ltd.
Motherson Air Travel Agency GmbH
Nirvana Foods GmbH
Nirvana Niche Products Private Limited
Global Environment Management (FZE)
Sehgal Family Trust
Swarn Lata Motherson Dhenu Sewarth Trust
Valeo Motherson Thermal Commercial Vehicles India Limited
Matsui Technologies India Limited
Fritzmeier Motherson Cabin Engineering private Ltd.
Motherson Bergstrom HVAC Solutions Private Limited
Marelli Motherson Automotive Lighting India Private Limited
Marelli Motherson Auto Suspension Parts Private Limited
CTM India Limited
Samvardhana Motherson Global Holdings Limited & its subsidiaries
Samvardhana Motherson Polymers Limited
Youngshin Motherson Auto Tech Limited
Nissin Advanced Coating Indo Company Pvt. Ltd. (through SMISL)
AES (India) Engineering Limited (through SMISL)
Anest Iwata Motherson Private Limited (through SMISL)
Anest Iwata Motherson Coating Equipment Private Limited (through SMISL)
Calsonic Kansei Motherson Auto Product Pvt. Ltd.
Field Motor Pvt. Ltd.
Frigel Intelligent Cooling Systems India Pvt. Ltd.
Kyungshin Industrial Motherson Pvt. Ltd.
SWS India Management Support and Service Pvt. Ltd
Advantedge Technology Partners Private Limited
Samvardhana Motherson Global Carriers Limited
Samvardhana Motherson Hamakyorek 4PL Value Managers Limited
Renu farms Private limited
FDO Holidays Private Limited

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

Adventure Auto Car India Limited
Spirited Motor Vehicles Limited
Prime Auto Cars Limited Prime Auto Cars Limited
Advantedge Incubators Private Limited
Son grows System Limited

iii) Private Company in which Director or his relative is a member/director

Marelli Motherson Automotive Lighting India private Limited
Kyungshin Industrial Motherson Pvt. Ltd.
Fritzmeier Motherson Cabin Engineering Private Limited
Renu Farms Private Limited
Advantedge Technology Partners Pvt. Ltd.
Moon Meadows Private Limited
Nirvana Niche Products Private Limited
Shri Sehgal's Trustee Company Private Limited
Sisbro Motor & Workshop Private Limited
Field Motor Private Limited
Southcity Motors Private Limited
Samvardhana Motherson Auto System Private Limited
Advantedge Incubators Private Limited

iv) Firm in which a director or his relative is a partner

Motherson (Partnership Firm)
Vaaman Auto Industry (Partnership Firm)
Ganpati Auto Industries (Partnership Firm)

v) Public company in which a director is a director and holds along with his relatives more than two percent of its paid-up capital

Samvardhana Motherson International Limited
Motherson Techno Tools Limited
Motherson Auto Limited
Motherson Sumi Wiring India Limited

vi) Key Managerial Personnel

a) Board of Directors

Mr. Laksh Vaaman Sehgal
Mr. Bimal Dhar

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Mr. Arjun Puri (Independent Director)
Mr. Sanjay Kalia (Independent Director)
Mr. Shunichiro Nishimura
Mr. Hideaki Kobayashi
Ms. Lata Unnikrishnan

b) Other KMP

Mr. Rajesh Thakur, Chief Executive Officer
Mr. Rajesh Srivastava, Chief Financial Officer
Ms. Pooja Mehra, Company Secretary (till January 27, 2022)

vii) Relatives of Key Managerial Personnel

Mr. Vivek Chaand Sehgal
Mrs. Renu Sehgal
Ms. Vidhi Sehgal
Mrs. Samriddhi Sehgal
Master. Sidh Vaasav Sehgal
Master. Ganan Yuvaan Sehgal

II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 35 (I) above:

(a) Key management personnel compensation

	March 31, 2022	March 31, 2021
Short-term employee benefits	48.3	33.7
Post-employment benefits	2.2	2.0
Long-term employee benefits	0.6	0.6
Total compensation	51.1	36.3

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

(b) Transactions with related parties

S. Particulars No.	Holding company		Subsidiary & Fellow Subsidiary Companies		Joint ventures		Other related parties		Key Management personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
1 Sales of goods	22.3	2.9	23.7	13.4	-	-	189.9	178.6	-	-	235.8	194.9
2 Services rendered	96.6	15.9	884.1	305.8	-	0.0	2,129.4	2,575.2	-	-	3,110.2	2,897.1
3 Script sale	-	-	9.0	-	-	-	-	15.2	-	-	9.0	15.2
4 Purchases	-	-	-	6.1	-	-	-	0.2	-	-	-	6.3
5 Purchase of fixed assets	-	-	-	-	-	-	59.5	93.4	-	-	59.5	93.4
6 Payment of salaries	-	-	-	-	-	-	-	-	51.1	36.3	51.1	36.3
7 Sales of assets	0.2	-	-	-	-	-	2.1	-	-	-	2.2	-
8 Other Income received	-	-	-	-	-	-	-	-	-	-	-	-
9 Other expenses:	-	-	-	-	-	-	-	-	-	-	-	-
a Legal & professional expenses	32.4	31.1	-	-	-	-	0.0	0.2	-	-	32.4	31.3
b Business Promotion	-	-	-	7.4	-	-	-	2.5	-	-	-	9.9
c Consultancy charges	-	-	-	12.6	-	-	-	0.1	-	-	-	12.7
d Corporate social responsibility (CSR) activities	-	-	-	-	-	-	-	-	-	-	-	-
d Electricity, water and fuel	-	-	-	-	-	-	6.4	8.5	-	-	6.4	8.5
f Staff welfare	-	-	0.9	-	-	-	-	-	-	-	0.9	-
e Communication expenses	-	-	-	-	0.3	-	1.1	-	-	-	1.4	-
f Lease rent	-	-	4.5	5.2	-	-	80.0	81.8	-	-	84.5	87.0
g Miscellaneous	1.0	0.0	(0.2)	0.6	-	-	10.8	4.3	-	-	11.6	4.9
h Repairs and maintenance: Building	-	-	-	0.0	-	-	10.5	10.4	-	-	10.5	10.4
i Software license and development charges	9.7	-	71.8	48.0	-	1.5	2.6	11.4	-	-	84.1	60.9
j Travelling and Conveyance	-	-	10.5	2.7	-	-	-	-	-	-	10.5	2.7
m Insurance	-	-	-	-	-	-	0.8	-	-	-	0.8	-
k Training & seminar expenses	-	-	-	-	-	-	-	0.0	-	-	-	0.0

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

S. No.	Particulars	Holding company		Subsidiary & Fellow Subsidiary Companies		Joint ventures		Other related parties		Key Management personnel		Total	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
o	Leaseline & web hosting charges	-	-	-	-	-	-	-	-	-	-	-	-
p	Outsourcing expenses	-	-	-	-	-	-	-	-	-	-	-	-
q	Rent	-	-	-	-	-	-	-	-	-	-	-	-
r	Store consumed	-	-	-	-	-	-	-	-	-	-	-	-
10	Sitting fees to Directors	-	-	-	-	-	-	-	-	0.3	0.2	0.3	0.2
11	Reimbursements received	0.0	0.0	2.0	2.0	-	-	1.6	2.3	-	-	3.6	4.3
12	Reimbursements paid	10.6	14.1	18.3	1.2	-	-	9.4	13.5	-	-	38.3	28.8
13	Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-
14	ICD obtained	150.0	-	140.0	-	-	-	-	-	-	-	290.0	-
15	ICD repaid	-	-	-	-	-	-	-	-	-	-	-	-
16	Interest on ICD obtained	25.2	14.2	0.7	-	-	-	-	-	-	-	25.9	14.2
17	ICD given	-	-	171.7	62.5	-	-	-	-	-	-	171.7	62.5
18	ICD Impaired	-	-	165.6	-	-	-	-	-	-	-	165.6	-
19	Interest on ICD given	-	-	15.6	8.9	-	-	-	-	-	-	15.6	8.9
19	ICD received back	-	-	-	-	-	-	-	-	-	-	-	-
20	Investment in subsidiary	-	-	19.2	8.0	-	-	-	-	-	-	19.2	8.0
21	Security deposits given	-	-	-	-	-	-	10.3	9.5	-	-	10.3	9.5
22	Security deposits refund received	-	-	-	-	-	-	9.0	10.2	-	-	9.0	10.2
24	Deferred Revenue (net)	7.4	1.5	41.9	(0.8)	-	-	(91.7)	(23.9)	-	-	(42.4)	(23.2)
25	Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-
26	Investment impaired	-	-	28.2	-	-	-	-	-	-	-	28.2	-

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

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

S. No.	Particulars	Holding company		Subsidiary & Fellow Subsidiary Companies		Joint ventures		Other related parties		Key Management personnel		Total	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
1	Trade receivables (gross)	99.8	1.3	538.1	63.7	-	-	72.6	494.7	-	-	710.5	559.7
2	Trade payables	2.2	0.1	1.9	1.2	-	0.1	1.4	0.8	-	-	5.5	2.2
3	Creditors for capital goods	-	-	-	-	-	-	10.2	28.5	-	-	10.2	28.5
4	Security deposits (given)	-	-	-	-	-	-	76.5	75.1	-	-	76.5	75.1
5	Security deposits received	-	-	41.9	-	-	-	-	42.9	-	-	41.9	42.9
6	ICD payable	315.0	165.0	140.0	-	-	-	-	-	-	-	455.0	165.0
7	Interest accrued on ICD payable	60.2	36.2	0.6	-	-	-	-	-	-	-	60.8	36.2
8	ICD receivable (excluding provision for impairment)	-	-	291.0	119.5	-	-	-	-	-	-	291.0	119.5
9	Interest accrued on ICD receivable	-	-	15.6	8.9	-	-	-	-	-	-	15.6	8.9
10	Investments (excluding provision for diminution)	-	-	158.1	138.9	-	-	-	-	-	-	158.1	138.9
11	Advances recoverable	-	-	1.2	1.8	-	-	1.3	4.3	-	-	2.5	6.1
12	Advances from customers	0.0	-	0.3	-	-	-	0.4	0.5	-	-	0.7	0.5
13	Employee expenses payable	-	-	-	-	-	-	-	-	3.7	6.3	3.7	6.3
14	Employee expenses receivable	-	-	-	-	-	-	-	-	3.6	-	3.6	-

Note (i): The Company has given letters of support to its subsidiaries, refer note 38 (i).

Note (ii): The Company has received letters of support from its parent Company, refer note 44.

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

36. Segment Information:

Description of segments and principal activities

The Company is primarily an IT and engineering design services Company with a global footprint providing consulting and outsourcing services

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker “CODM” of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments examines the Company’s performance categorised in to following segments:

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		
India	1,815.8	1,194.6
Outside India	2,439.1	2,156.8
	4,254.9	3,351.4

ii) Segment Assets

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

	March 31, 2022	March 31, 2021
India	1,391.3	1,351.5
Outside India	-	-
	1,391.3	1,351.5

iii) Revenues from transactions with a single external customer amounting to 10 per cent or more of the Company’s revenues is as follows

	March 31, 2022	March 31, 2021
Nil	-	-

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

37. Assets pledged as security

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

	March 31, 2022	March 31, 2021
Current:		
First charge		
Inventory	15.0	0.8
Financial assets		
Trade receivables	914.4	610.4
Cash and cash equivalents	7.7	37.7
Other bank balances	0.3	0.4
Deposits	3.0	13.3
Other financial assets	107.5	59.6
Other current assets	221.5	146.2
Total current assets pledged as security	1,269.4	868.4
Non-current:		
First charge		
Leasehold land	85.2	85.2
Buildings	350.0	361.6
Movable fixed assets	195.1	180.1
Total non-current assets pledged as security	630.2	626.9
Total assets pledged as security	1,899.6	1,495.3

38. Capital and other commitments

(i) Letter of Support

The Company has given letters of support to following group companies to enable the said companies to continue their operations:

March 31, 2022
a) Motherson Auto Engineering Service Limited
b) MothersonSumi INFotech and Designs SG Pte. Ltd.
March 31, 2021
a) Motherson Auto Engineering Service Limited
b) MothersonSumi INFotech and Designs SG Pte. Ltd.

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(ii) 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.	123.0	48.9
Total	123.0	48.9
Other commitments		
Bank guarantee	70.9	47.0
Total	70.9	47.0

39. Leases

As a lessee

The company has lease contracts for various items of land, vehicles and building used in its operations. Leases of land generally have lease terms of 90 years, vehicles generally have lease terms of 4-5 years and other equipment generally have lease terms of 3-6 years. The company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the company is restricted from assigning and subleasing the leased assets.

The company also has certain leases of building with lease terms of 12 months or less and leases of other equipment with low value. The company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases respectively.

a) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Right-of-use assets

Particulars	Leasehold Land	Buildings	Vehicles	Total
Gross carrying amount				
as at April 01, 2020	569.1	4.2	67.6	640.9
Additions during the year*	10.0	-	-	10.0
as at April 01, 2021	579.1	4.2	67.6	650.9
Addition during the year*	-	-	16.1	16.1
Disposals	-	-	-	-
as at March 31, 2022	579.1	4.2	83.7	667.0
Accumulated depreciation				
as at April 01, 2020	8.4	2.1	17.0	27.5
Depreciation charge during the year	6.5	1.1	17.3	24.9
as at April 01, 2021	14.9	3.2	34.3	52.4
Depreciation charge during the year	6.6	0.8	14.8	22.2
as at March 31, 2022	21.5	4.0	49.1	74.6
Net carrying amount as at March 31, 2022	557.6	0.2	34.7	592.5
Net carrying amount as at March 31, 2021	564.2	1.0	33.3	598.5

* During the year ended March 31, 2022, the company has capitalised borrowing costs amounting to Nil as qualifying assets (March 31, 2021 amounting to 10.0 millions). Borrowing costs were capitalised at specific borrowing rate of 11%.

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

b) Set out below are the carrying amounts of lease liabilities and the movements during the period:

Lease liabilities

Particulars	Leasehold Land	Buildings	Vehicles	Total
Recognised as at April 01, 2020	262.9	2.3	50.4	315.6
Additions	-	-	-	-
Accretion of interest	25.7	0.1	4.9	30.8
Payments	(74.3)	(1.2)	(18.6)	(94.1)
Recognised as at April 01, 2021	214.4	1.2	36.7	252.3
Additions	-	-	16.1	16.1
Accretion of interest	20.3	0.1	3.9	24.3
Payments	(74.3)	(0.9)	(18.7)	(93.8)
Other adjustments	-	-	-	-
Lease liabilities as at March 31, 2022	160.5	0.4	38.0	198.9
Classification of Lease liabilities as at March 31, 2022				
Current	60.0	0.2	15.6	75.8
Non-current	100.5	0.1	22.5	123.1
Classification of Lease liabilities as at March 31, 2021				
Current	65.0	0.6	11.9	77.6
Non-current	149.4	0.5	24.8	174.7

The company had total cash outflows for leases of INR 170.7 million in March 31, 2022 (includes cash outflows of INR 76.9 million relating to short term leases and low value assets) (March 31, 2021: INR 162.2 Million).

The maturity analysis of lease liabilities is disclosed in Note 33.

The weighted average incremental borrowing rate applied to lease liabilities is 11.05%

c) The following are the amounts recognised in profit or loss:

	Amount in INR millions
Depreciation expense of right-of-use assets	22.2
Interest expense on lease liabilities* (Note 28)	24.3
Expense relating to short-term leases (included in other expenses) (Note 29)	76.9
Total amount recognised in profit or loss	123.4

* interest expense net of borrowing cost capitalised during the year March 31, 2022 of Nil (March 31, 2021: INR 10.0 million).

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

40. Contingent liabilities:

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

	March 31, 2022	March 31, 2021
Claims against the Company not acknowledged as debts		
Standby letter of credit	300.0	-
Income tax matters*	186.2	114.9
Custom matter	1.5	1.5
Sales tax matters	0.5	0.5

*This includes transfer pricing matters amounting to INR 71.27 million pertaining to AY 2018-19 and INR 114.90 million pertaining to AY 2016-17 which is pending against CIT (Appeals), out of which INR 26.43 million is paid against protest.

Notes:

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

41. Due 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 disclosures pursuant to the said MSMED Act 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	21.3	33.5
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

42. Ratio analysis and its elements

	Ratio	March 31, 2022	March 31, 2021	% Variance	Note reference
(a)	Current ratio	0.7	0.8	-19.08%	(a)
(b)	Debt-Equity ratio	3.5	1.0	237.30%	(b)
(c)	Debt service coverage ratio	0.2	1.1	-79.04%	(c)
(d)	Return on equity ratio	(0.6)	0.1	-674.51%	(d)
(e)	Inventory turnover ratio	38.6	236.3	-83.65%	(e)
(f)	Trade receivables turnover ratio	5.6	5.6	-0.89%	(f)
(g)	Trade payables turnover ratio	7.5	5.5	35.65%	(g)
(h)	Net capital turnover ratio	(10.9)	(17.4)	-37.28%	(h)
(i)	Net profit ratio	(0.1)	0.0	-470.15%	(i)
(j)	Return on capital employed	(0.2)	0.1	-260.48%	(j)
(k)	Return on investment	0.1	0.1	80.42%	(k)

(a)	Current ratio	$\frac{\text{Current assets}}{\text{Current liability}}$
(b)	Debt-Equity ratio	<p>Total Debt (Long term borrowing, current maturities of long term borrowing and short term borrowing including Ind AS 116 liabilities)</p> <hr/> <p>Equity attributable to equity share holder</p> <p>During the current year, Company has borrowed funds which led to in increase in ratio.</p>
(c)	Debt service coverage ratio	<p>Net Profit/(loss) after taxes + Non-Cash operating expenses (including depreciation and amortization, Provision for doubtful debts / advances, Unrealised foreign exchange (gain)/ loss (net))+interest expenses +other adjustments like loss on sale of fixed assets</p> <hr/> <p>Current maturities of long term borrowing, interest expense (except Ind AS 116 finance cost) and lease payment</p> <p>During the year, there were impairments recognised which results in negative EBITDA.</p>
(d)	Return on equity ratio	$\frac{\text{Profit/ (loss) for the year}}{\text{Average Equity attributable to equity share holder}}$ <p>Due to negative PAT in FY 21-22 return on equity is negative.</p>
(e)	Inventory turnover ratio	$\frac{\text{Change in Inventory and Purchase of traded goods}}{\text{Average of opening and closing inventories}}$ <p>Due to increase in closing inventory as compare to FY 20-21.</p>

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(f)	Trade receivables turnover ratio	$\frac{\text{Revenue from contract with customers (excluding other operating revenue)}}{\text{Average Trade Receivables}}$
(g)	Trade payables turnover ratio	$\frac{\text{Purchase of Stock-in- Trade and other expenses}}{\text{Average Trade Payable}}$ Due to increase in purchases and other expenses during the year.
(h)	Net capital turnover ratio	$\frac{\text{Revenue from contract with customers (excluding other operating revenue)}}{\text{Average working capital [Current Assets less current liabilities (except current maturity of long term borrowings)]}}$ Due to increase in negative average working capital.
(i)	Net profit ratio	$\frac{\text{Profit/ (loss) for the year}}{\text{Revenue from contract with customers (excluding other operating revenue)}}$ Due to loss incurred in FY 21-22 net profit ratio is negative.
(j)	Return on capital employed	$\frac{\text{EBIT i.e Profit/ (loss) before tax + Finance cost}}{\text{Average capital employed (i.e. Tangible net worth, Total Debt and Deferred Tax Liab)}}$ Due to loss recognised in FY 21-22 ROCE is negative.
(k)	Return on investment	$\frac{\text{Dividend Income, Interest Income and Fair Value Gain (loss)}}{\text{Investment}}$ Due to increase in interest income on additional ICD.

43. The Company has assessed the impact of Covid-19 on its business operations and has prepared the cash flow projections and assessed the recoverability of receivables ,expected credit loss, inventory management, re-evaluated the impairment indicators to test the carrying amount of the property, plant and equipment using various internal and external information up to the date of approval of these financial statement and has concluded that neither there is any material adverse impact on the business operations nor any material adjustments required in the financial statements. However, the impact of Covid-19 may be different from that estimated as at the date of approval of these financial statements and the Company will continue to monitor any material changes to future economic conditions. Since, the Company's operations have been impacted partially in the current and previous year by the outbreak of COVID-19 pandemic and the consequent lockdown announced by central and state governments, the figures presented for the current and previous year are not strictly comparable.
44. Owing to the growth plans envisaged by management, the board has approved the infusion of funds by way of equity amounting INR 2,000 million which will be utilised for construction of new building , capital expenditure, operation and to service debt obligation. The Company has received letter of support from its parent Company to enable it to continue its operations for managing working capital.

Notes to the standalone Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Million, unless otherwise stated)

45. Other Statutory information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.”
- (viii) The Company is not declared as wilful defaulter by any bank or financial Institution or other lender

46. Amounts appearing as zero “0” in financial are below the rounding off norm adopted by the Company.

47. Standard issued but not yet effective

There were no amendments to standards or new standards that are issued but not yet effective.

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm registration number: 301003E / E300005

per Anil Mehta
Partner
Membership No: 095812

Place: New Delhi
Date: May 24, 2022

For and on behalf of the Board of Directors of
Motherson Technology Services Limited
(formerly known as MothersonSumi INFotech & Designs Limited)

Laksh Vaaman Sehgal
Director
DIN 00048584

Lata Unnikrishnan
Director
DIN 08391470

Rajesh Thakur
Chief Executive Officer
PAN ACSPT8411E

Rajesh Srivastava
Chief Financial Officer
PAN ADLPS2125A

Place: Noida
Date: May 24, 2022

INDEPENDENT AUDITOR'S REPORT

**To the Members of Motherson Technology Services Limited
(formerly known as MothersonSumi INFotech & Designs Limited)**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited) (hereinafter referred to as “the Holding Company”), its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) comprising of the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Director’s report but does not include the consolidated financial statements and our auditor’s report thereon. The Directors Report is expected to be made available to us after the date of this auditor’s report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Directors Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with governance for the Consolidated Financial Statements

The Holding Company’s Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial

position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matter

We did not audit the financial statements and other financial information, in respect of 9 subsidiaries, whose financial statements include total assets of Rs 578.6 million as at March 31, 2022, and total revenues of Rs 559.2 million and net cash inflows of Rs 73.5 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraphs 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of

Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company, its subsidiaries incorporated in India for the year ended March 31, 2022;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 38 to the consolidated financial statements;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2022.
- iv.
 - a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the note 44 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the note 44 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in

writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) No dividend has been declared or paid during the year by the Holding Company and its subsidiaries companies, incorporated in India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Mehta
Partner
Membership Number: 095812
UDIN: 22095812AJNVT2880
Place of Signature: New Delhi
Date: May 24, 2022

Annexure 1 referred to in paragraph 1 of our report of even date under section ‘Report on other legal and regulatory requirements’

Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited) (‘the Company’)

1. There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Anil Mehta

Partner

Membership Number: 095812

UDIN: 22095812AJNVTT2880

Place of Signature: New Delhi

Date: May 24, 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MOTHERSON TECHNOLOGY SERVICES LIMITED (FORMERLY KNOWN AS MOTHERSONSUMI INFOTECH AND DESIGNS LIMITED)

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

In conjunction with our audit of the consolidated financial statements of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited) as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited) (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those

policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements

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

Opinion

In our opinion, the Holding Company, its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these 3 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Anil Mehta

Partner

Membership Number: 095812

UDIN: 22095812AJNVT2880

Place of Signature: New Delhi

Date: May 24, 2022

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(All amounts in INR Million, unless otherwise stated)

	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	569.0	556.4
Capital work in progress	3	138.4	74.5
Right of use asset	37	595.9	604.7
Intangible assets	4	36.6	64.1
Intangible assets under development	4	1.6	27.0
Financial assets			
i. Other financial assets	5	83.9	62.0
Deferred tax assets (net)	6	128.3	89.5
Non-current tax assets (net)	7	227.6	96.8
Other non-current assets	8	88.8	56.7
Total non-current assets		1,870.1	1,631.7
Current assets			
Inventories	9	17.1	5.4
Financial assets			
i. Trade receivables	10	938.4	729.3
ii. Cash and cash equivalents	11 (a)	237.5	142.1
iii. Bank balances other than (ii) above	11 (b)	9.2	7.0
iv. Other financial assets	5	104.9	91.4
Other current assets	12	278.7	169.0
Total current assets		1,585.8	1,144.2
Total assets		3,455.9	2,775.9
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	129.7	129.7
Other equity			
Reserves and surplus	14	(157.2)	403.3
Total equity		(27.5)	533.0

(All amounts in INR Million, unless otherwise stated)

	Note	As at March 31, 2022	As at March 31, 2021
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	15.(a)	475.3	307.0
ia. Lease liabilities	37	123.6	178.3
ii. Other financial liabilities	19	60.8	36.8
Employee benefit obligations	16	326.5	334.4
Other non-current liabilities	17	30.0	36.6
Total non-current liabilities		1,016.2	893.1
Current liabilities			
Financial Liabilities			
i. Borrowings	15.(b)	1,131.2	413.9
ia. Lease liabilities	37	78.9	80.4
ii. Trade payables	18		
total outstanding dues of micro and small enterprises		23.8	36.0
total outstanding dues of creditors other than micro and small enterprises		484.1	299.7
iii. Employee related payables		265.1	159.4
iv. Other financial liabilities	19	91.2	139.7
Provisions	20	24.4	24.3
Employee benefit obligations	16	26.9	29.4
Other current liabilities	17	328.8	154.2
Current tax liabilities		12.8	12.8
Total current liabilities		2,467.2	1,349.8
Total liabilities		3,483.4	2,242.9
Total equity and liabilities		3,455.9	2,775.9
Summary of significant accounting policies	2		

The above Consolidated balance sheet should be read in conjunction with the accompanying notes

As per our report of even date attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm registration number: 301003E / E300005

per Anil Mehta
Partner
Membership No: 095812

Place: New Delhi
Date: May 24, 2022

For and on behalf of the Board

Motherson Technology Services Limited
(formerly known as MothersonSumi INFotech & Designs Limited)

Laksh Vaaman Sehgal
Director
DIN 00048584

Lata Unnikrishnan
Director
DIN 08391470

Rajesh Thakur
Chief Executive Officer
PAN ACSPT8411E

Rajesh Srivastava
Chief Financial Officer
PAN ADLPS2125A

Place: Noida
Date: May 24, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR Million, unless otherwise stated)			
	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue			
Revenue from contracts with customers	21.(a)	5,366.5	4,154.7
Other operating revenue	21.(b)	14.5	50.2
Total revenue from operations		5,381.0	4,204.9
Other income	22	70.0	39.2
Total income		5,451.0	4,244.1
Expenses			
Purchase of stock-in-trade		362.4	299.3
Changes in inventory of stock in trade	23	(11.8)	18.6
Employee benefits expense	24	3,429.1	2,505.9
Finance costs	26	97.6	62.2
Depreciation and amortization expense	25	176.0	168.7
Other expense	27	2,042.4	1,287.1
Total expenses		6,095.7	4,341.8
Profit/ (loss) before tax		(644.7)	(97.7)
Tax expenses	28		
-Current tax		2.6	62.5
-Adjustment of current tax relating to earlier periods		-	12.1
-Deferred tax expense/ (credit)		(44.0)	(12.8)
Total tax expense		(41.4)	61.8
Minority Interest			
Profit/ (loss) for the year		(603.3)	(159.5)
Other comprehensive income			
Items that will not be reclassified to profit or loss and its related income tax effects			
Remeasurements gains/ (losses) on post-employment benefit obligations	16	20.4	(7.6)
Deferred tax credit on remeasurements gains/ (losses) on post-employment benefit obligations	6	(5.3)	1.9
Foreign currency translation reserve	14	27.6	37.9
Other comprehensive income for the year, net of tax		42.7	32.2
Total comprehensive income/(loss) for the year		(560.6)	(127.3)
Earnings/ (loss) per share			
Nominal value per share: INR 10/- (Previous year : INR 10/-)			
Basic (INR per share)	29 (a)	(46.5)	(12.3)
Diluted (INR per share)	29 (b)	(46.5)	(12.3)
Summary of significant accounting policies	2		

The above Consolidated statement of profit and loss should be read in conjunction with the accompanying notes

As per our report of even date attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm registration number: 301003E / E300005

per Anil Mehta
Partner
Membership No: 095812

Place: New Delhi
Date: May 24, 2022

For and on behalf of the Board

Motherson Technology Services Limited
(formerly known as MothersonSumi INFotech & Designs Limited)

Laksh Vaaman Sehgal
Director
DIN 00048584

Lata Unnikrishnan
Director
DIN 08391470

Rajesh Thakur
Chief Executive Officer
PAN ACSPT8411E

Rajesh Srivastava
Chief Financial Officer
PAN ADLPS2125A

Place: Noida
Date: May 24, 2022

STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2022

(All amounts in INR Million, unless otherwise stated)

A. Equity share capital

For the year ended March 31, 2022

Equity shares of INR 10/- each issued, subscribed and fully paid	Notes	Numbers	Amount
As at April 01, 2020		12,973,453	129.7
Balance as at April 01, 2020		12,973,453	129.7
Issue of share capital	13	-	-
As at March 31, 2021		12,973,453	129.7
Balance as at April 01, 2021		12,973,453	129.7
Issue of share capital	13	-	-
As at March 31, 2022		12,973,453	129.7

B. Other equity

	Note	Reserves and surplus					Total
		Securities premium reserve	Reserve on amalgamation	Capital redemption reserve	Foreign currency translation reserve	Retained Earnings	
As at April 1, 2020	14	21.5	0.1	80.0	(27.9)	457.3	531.0
Profit/ (loss) for the year		-	-	-	-	(159.5)	(159.5)
Other comprehensive income (Refer note 16)		-	-	-	37.9	(5.7)	32.2
Total comprehensive income for the year		-	-	-	37.9	(165.2)	(127.3)
Additions during the year							
Retained earnings -other deduction/(deletion)		-	-	-	-	(0.4)	(0.4)
As at March 31, 2021		21.5	0.1	80.0	10.0	291.7	403.3
Profit/ (loss) for the year		-	-	-	-	(603.3)	(603.3)
Other comprehensive income (Refer note 16)		-	-	-	27.6	15.1	42.7
Total comprehensive income for the year		-	-	-	27.6	(588.2)	(560.6)
As at March 31, 2022		21.5	0.1	80.0	37.6	(296.5)	(157.3)

The above statement of changes in equity should be read in conjunction with the accompanying notes (refer note 2)

As per our report of even date attached

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E / E300005

per **Anil Mehta**
Partner
Membership No: 095812

Place: New Delhi
Date: May 24, 2022

For and on behalf of the Board

Motherson Technology Services Limited
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Chief Executive Officer
PAN ACSPT8411E

Rajesh Srivastava
Chief Financial Officer
PAN ADLPS2125A

Place: Noida
Date: May 24, 2022

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR Million, unless otherwise stated)

	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities:		
Profit/ (loss) before tax	(644.7)	(97.7)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation & amortisation	176.0	168.7
Gain on disposal of property, plant & equipment (net)	(2.0)	-
Provision for doubtful debts / advances	8.2	31.2
Finance income	(6.1)	(6.5)
Finance cost	97.6	62.2
Intangible asset written off	25.5	-
Fair value gain on financial instruments at fair value through profit or loss (FVTPL)	(1.5)	0.1
Unrealised foreign exchange loss (net)	28.0	41.2
Operating profit before working capital changes	(319.0)	199.2
Change in working Capital:		
Increase/(Decrease) in trade Payables	277.9	(66.5)
Increase/(Decrease) in other financial liabilities	(19.6)	24.7
Increase/(Decrease) in short term provisions	18.0	(11.8)
Increase/(Decrease) in long term provisions	(7.9)	47.1
Increase/(Decrease) in other current liabilities	174.6	(13.4)
Increase/(Decrease) in other non current liabilities	(6.6)	(2.5)
(Increase)/Decrease in trade receivables	(217.3)	22.3
(Increase)/Decrease in inventories	(11.7)	18.9
(Increase)/Decrease in other financial assets	(12.1)	18.7
(Increase)/Decrease in non current financial assets	(21.9)	(7.5)
(Increase)/Decrease in other current assets	(109.7)	37.6
(Increase)/Decrease in other non current assets	(32.1)	6.0
Cash generated from operations	(287.4)	272.8
- Income Tax paid (net of refund)	(133.5)	(13.2)
Net cash generated from/ (used in) operations	(420.9)	259.6
B. Cash flow from Investing activities:		
Purchase of property, plant and equipment	(218.3)	(194.6)
Purchase of intangible assets	(13.0)	(50.4)
Purchase of deposits	(2.2)	(0.7)
Proceeds from sale of property, plant and equipment	2.5	0.5
Interest received (finance income)	6.2	8.7
Net cash used in investing activities	(224.8)	(236.5)

(All amounts in INR Million, unless otherwise stated)

		For the year ended March 31, 2022	For the year ended March 31, 2021
C. Cash flow from Financing Activities:			
Loan taken/(repaid) from related parties (net)		290.0	-
Interest paid		(46.8)	(23.1)
Proceeds of non-current borrowings		226.3	246.0
Repayment of non-current borrowings		(208.0)	(50.3)
Unpaid dividend transferred to Investor Education Provident Fund		(0.1)	(0.3)
Net Proceeds of current borrowings		577.3	(93.3)
Payment of principal portion of lease liabilities		(97.6)	(97.5)
Net cash used in financing activities		741.1	(18.5)
Net Increase/(Decrease) in Cash and Cash Equivalents		95.4	4.6
Net foreign exchange difference		-	0.7
Cash and cash equivalents at the beginning of the year		142.1	136.6
Cash and cash equivalents at year end		237.5	141.9
Cash and cash equivalents comprise of the following:			
Cash on Hand	11a	0.1	0.1
Balances with banks	11a	237.4	142.0
Total		237.5	142.1
Summary of significant accounting policies	2		

Notes:

- The above Cash flow statement has been prepared under the “Indirect Method” as set out in Indian Accounting Standard-7, “Statement of Cash Flows”.
- Figures in brackets indicate cash outflow.

The above statement of consolidated cash flow statement should be read in conjunction with the accompanying notes

As per our report of even date attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm registration number: 301003E / E300005

per Anil Mehta
Partner
Membership No: 095812

Place: New Delhi
Date: May 24, 2022

For and on behalf of the Board
Motherson Technology Services Limited
(formerly known as MothersonSumi INFotech & Designs Limited)

Laksh Vaaman Sehgal
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Chief Executive Officer
PAN ACSPT8411E

Rajesh Srivastava
Chief Financial Officer
PAN ADLPS2125A

Place: Noida
Date: May 24, 2022

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

1 Corporate Information

The consolidated financial statements comprise financial statements of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited) (MIND or ‘the Group’) and its subsidiaries (hereinafter collectively referred to as ‘the Group’) for the year ended March 31, 2022. The Group was incorporated and domiciled in India on April 15, 1985 and specializes in Software Development, Engineering & Design. The address of its registered office of 2nd Floor, F-7, Block B-1, Mohan Cooperative Industrial Estate, Mathura road, New Delhi-44. The Group is an IT and Engineering Design services Group with a global footprint providing Consulting and Outsourcing services. The Group comprises Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited) and its 11 subsidiaries located in India, USA, Germany, Singapore, Japan, UAE and Spain.

The name of the Company has been changed from “MothersonSumi Infotech & Designs Limited” to “Motherson Technology Services Limited” w.e.f. May 19, 2022.

The consolidated financial statements were authorized for issue in accordance with resolution of the Board of Directors on May 24, 2022”

2.1 Significant accounting policies

(a) (i) Basis of preparation

The consolidated financial statements of the Group 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) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statement.

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

- Derivative financial instruments, (refer note 32)
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments (refer note 31)), and
- Defined benefit plans – plan assets measured at fair value (refer note 16)

The consolidated financial statements are presented in INR and all values are rounded to the nearest millions (INR 000,000) with single decimal, except when otherwise indicated.

New and amended standards and interpretations

The Group applied for the first time certain standards or amendments which are effective for annual periods beginning on or after April 1, 2021.

Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

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

These amendments had no impact on the Group's consolidated financial statements. The Group intends to use the practical expedients in future periods if they become applicable.

Conceptual framework for financial reporting under Ind AS issued by Institute of Chartered Accountants of India ('ICAI')

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the Group's consolidated financial statements.

Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the Group's consolidated financial statements .

Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the Group's consolidated financial statements .

Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of

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

disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the Group's consolidated financial statements .

(a) (ii) "Principles of consolidation"

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at March 31, 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like item of assets, liabilities, equity, income expense and cashflows. Intergroup transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Business combinations policy explains how to account for any related goodwill.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a subsidiary uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that subsidiary's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent group, i.e., year ended on March 31 . When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(b) Presentation of financial statements

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 recognised

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

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 Group and/or its counterparties

(c) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

(d) Foreign currencies

• **Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (INR), which is the group's functional and presentation currency.

• **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in other comprehensive income if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment. A monetary item for which settlement is neither planned

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

nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

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

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

- **Group companies**

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate. All resulting exchange differences are recognised in other comprehensive income.

(e) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.2.

However, Goods and Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

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

Trading of hardware and software

Revenue from trading of hardware and software is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the product.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of hardware and software, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

The revenue from support services associated with the sale of hardware and software, which forms a separate performance obligation than the sale of hardware and software itself, is recognised by the Group over the period of time as and when the services are rendered to the customers.

Revenue from licenses where the customer obtains a “right to use” the licenses is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognised over the access period.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Contracts for the sale of hardware and software provide customers with a customary right of return in case of defects, quality issues etc. The rights of return give rise to variable consideration.

Rendering of services

Revenue from sale of services are recognised over the period of time to the extent the related services are rendered as per the respective agreements as and when the customer consumed the benefits provided to them.

Revenue on time-and-material and unit of work-based contracts, are recognized as the related services are performed. Fixed-price maintenance revenue is recognized ratably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or ratably using a percentage-of completion method when the pattern of benefits from the services rendered to the customer and Group’s costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. The revenue from the last invoicing to the report date is recognised as unbilled revenue. Efforts or costs expended are used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contracts and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

In arrangements for bundled contracts, the Group has applied the revenue recognition criteria for each distinct performance obligation. The arrangements with the customers generally meet the criteria for considering goods and related services as distinct performance obligations. For allocating the transaction price, the Group has

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

measured the revenue in respect of each performance obligation of the contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where it is unable to determine the standalone selling price, the Group uses the expected cost plus margin approach in estimating the standalone selling price.

Significant financing component

Generally, the Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component; if it expects at contract inception that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be less than one year.

Warranty obligations

The Group typically has to re-work over the delivered services if required by the customers or deliveries don't need the specifications of the customers. These are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Principal versus agent considerations

In instances when revenue is derived from sales of third-party vendor services, material or licenses, revenue is recorded on a gross basis when the Group is a principal to the transaction and net of costs when the group is acting as an agent between the customer and the vendor. Several factors are considered to determine whether the group is a principal or an agent, most notably being group control the goods or service before it is transferred to customer, latitude in deciding the price being charged to customer. Revenue is recognized net of discounts and allowances, value-added and service taxes, and includes reimbursement of out-of-pocket expenses, with the corresponding out-of-pocket expenses included in cost of revenues.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current. Where the settlement is due after one year, they are classified as non-current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Trade receivables are disclosed in Note 10.

Contract assets

A contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. The impairment of contract assets is measured, presented and disclosed on the same basis as trade receivables.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. Contract Liabilities are disclosed in Note 17 as Advances received from customers.

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

Impairment

An impairment is recognised to the extent that the carrying amount of receivable or asset relating to contracts with customers (a) the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which such asset relates; less (b) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

(f) Other income

Interest

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 Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Rental Income

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

Dividend

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

Other items of income

- Income from scrips are recognised on grant of authorisation on market/recoverable value.
- Other items of income are accounted as and when the right to receive arises.

(g) 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 for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax

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 the countries where the Group's subsidiaries operate and generate taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

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 consolidated financial statements.

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

Deferred tax liabilities are not recognised:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences (“outside-basis differences”) can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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

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

(h) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration is considered as lease.

Group as a Lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group 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 Group 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 remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and

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

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:

Assets type	Years
Land	90 Years
Vehicles	4-5 Years
Building	3-6 Years

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

ii) Lease liabilities

At the commencement date of the lease, the Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Lease liabilities, which separately shown in the financial statement are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing (while affecting other comprehensive income) the carrying amount to reflect the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

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

The Group applies the short-term lease recognition exemption to its short-term leases of building (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 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.

(i) Impairment of non-financial assets

The Group 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 Group 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.

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

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group'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 Group 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.

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

Goodwill is tested for impairment annually as on March 31 and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

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.

(j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at banks and 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. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(k) Inventories

Stock in trade and finished goods are stated at the lower of cost and net realisable value.

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

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Costs are determined on first-in-first out basis.

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

(l) 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.

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

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (e) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments and derivatives at fair value through profit or loss (FVTPL)
- Equity instruments at cost

Debt instruments at amortised cost

This category is the most relevant to the Group. A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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.

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

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

Debt instrument at FVTOCI

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

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets
- 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 Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income in statement of profit and loss using the EIR method.

Debt instrument at FVTPL

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

In addition, the Group 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 Group 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 at cost

All equity investments in subsidiaries in scope of Ind AS 109 are measured at cost in accordance with option provided under Ind AS 27.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

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

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
- d) Loan commitments which are not measured as at FVTPL
- e) Financial guarantee contracts which are not measured as at FVTPL

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

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

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

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

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

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

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

The Group 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 as appropriate.

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

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, 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 Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated 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 statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

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

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

This category generally applies to borrowings.

Derecognition

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

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which

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

are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of The Group or the counterparty.

(m) Fair value measurement

The Group 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 Group.

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

The Group determines the policies and procedures for both recurring fair value measurement, such as derivative

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

instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

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

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

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

- Disclosures for valuation methods, significant estimates and assumptions (note 2.2, 31 and 32)
- Quantitative disclosures of fair value measurement hierarchy (note 31)
- Financial instruments (including those carried at amortised cost) (note 5, 10, 11, 15, 18, 19, 31, 32 and 37)

(n) Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to statement of profit and loss when the hedge item affects profit and loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

(o) 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 on qualifying assets if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

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

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

Depreciation methods and useful lives

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

Assets	Useful lives (years)	
	Indian entities*	Overseas entities
Leasehold improvements	Over the period of lease or useful life, whichever is lower	
Vehicles	4 years	Not applicable
Plant and machinery	10 years	Not applicable
Office equipment	5 years	6 years
Buildings	30 years	Not applicable
Computers hardware	3 years	3 years
Computers network	3 years	5 years
Furniture & fixtures	6 years	3 years

*Useful life of certain assets are different than the life prescribed under Schedule II to the Companies Act, 2013 and those has been determined based on technical evaluation by the management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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

(p) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful live of intangible assets is 3 years.

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

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

is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

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

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill has indefinite useful life. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments

Intangible (Software) costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

(q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(r) Provisions and contingent liabilities

Provisions

Provisions for legal claims and services rework are recognised when the Group has a present (legal or

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

constructive) obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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

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

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

Provision for onerous contracts

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The Group at the end of every reporting period conducts the onerous contract test per the provisions of Ind AS 37 by comparing the remaining costs to be incurred under the contract with the related revenue of the contract. Where the costs of a contract exceed the related revenue of the contract, the Group makes a provision for the difference.

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 Group 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.

(s) Employee benefits

Short-term obligations

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

In respect of the companies incorporated in India

Provident Fund & Employee State Insurance

Contribution towards provident fund and employee state insurance for employees is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis. The Group 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 Group 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

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

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 liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Group'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. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Past-service costs are recognised immediately in statement of profit and loss.

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 Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss in the period in which they arise. Past-service costs are recognised immediately in statement of profit and loss.

In respect of the companies incorporated outside India

Pension provisions

Companies within the Group operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds. The Group has both defined benefit and defined contribution plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial 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. Past-service costs are recognised immediately in statement of profit or loss.

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

When a settlement or a curtailment occurs, the obligation and related plan assets are re-measured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of profit or loss during the period in which the settlement or curtailment occurs.

The value of a net pension benefit asset is restricted to the present value of any amount the Group expects to recover by way of refunds from the plan or reductions in the future contributions after considering any legal or contractual minimum funding requirements. The minimum funding requirements stipulate a minimum amount or level of contributions that must be made to a plan over a given period and may limit the ability of the entity to reduce future contributions and considered respectively in determining the economic benefit from the plan.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(t) Dividends

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

(u) Segment

Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker “CODM”. The CODM is responsible for allocating resources and assessing performance of the operating segments. The Group has monthly review and forecasting procedure in place. Refer Note 33 of the financial statement.

(v) Earnings per share

(i) Basic earnings per share

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

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

(ii) Diluted earnings per share

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

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

2.2 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

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

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 Group'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 Group 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 Group. Such changes are reflected in the assumptions when they occur.

(i) Useful life of property, plant and equipment and intangible assets

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

(ii) Defined benefit plans

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

Further details about gratuity obligations are given in **Note 16 of the financial statement**.

(iii) 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 Group 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.

(iv) Percentage completion of recognition of revenue

The Group uses the percentage-of-completion method in accounting for 'unbilled revenue' from contract with customers. Use of the percentage-of-completion method requires the Group to estimate the services performed to date as a proportion of the total services to be performed.

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

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

3. Property plant and equipment

Particulars	Leasehold Improvements	Buildings	Plant and Machinery	Furniture and fixtures	Office equipments	Computer hardware	Computer network	Total	Capital work-in-progress
Gross block									
At April 01, 2020	1.8	249.7	48.8	24.3	34.4	148.1	41.4	548.5	141.9
Additions	0.1	143.8	9.4	8.5	19.3	47.2	16.4	244.7	112.5
Disposals/ deletion	-	-	-	-	-	(1.7)	-	(1.7)	(179.9)
Exchange Translation Adjustment	-	-	-	(0.1)	(0.2)	0.7	-	0.4	-
At March 31, 2021	1.9	393.5	58.2	32.7	53.5	194.3	57.8	791.9	74.5
Addition	-	-	1.4	11.8	5.2	92.9	11.6	122.9	72.6
Disposals/ deletion	-	-	-	(0.2)	-	(8.5)	-	(8.7)	(8.7)
Exchange Translation Adjustment	-	-	-	(0.1)	(0.2)	(0.3)	-	(0.6)	-
At March 31, 2022	1.9	393.5	59.6	44.2	58.5	278.4	69.4	905.5	138.4
Depreciation and impairment									
At April 01, 2020	0.2	17.7	7.0	7.4	10.8	81.3	23.0	147.4	-
Depreciation charge during the year	0.4	11.4	4.3	4.1	11.1	44.9	12.6	88.8	-
Disposals/ deletion	-	-	-	-	-	(1.2)	-	(1.2)	-
Exchange Translation Adjustment	-	-	-	(0.1)	-	0.6	-	0.5	-
At March 31, 2021	0.6	29.1	11.3	11.4	21.9	125.6	35.6	235.5	-
Depreciation charge during the year	0.4	14.4	5.0	6.2	13.7	55.1	13.7	108.5	-
Disposals/ deletion	-	-	-	(0.1)	-	(8.1)	-	(8.2)	-
Exchange Translation Adjustment	-	-	-	0.8	-	(0.1)	-	0.7	-
At March 31, 2022	1.0	43.5	16.3	18.3	35.6	172.5	49.3	336.5	-
Net book value									
At March 31, 2022	0.9	350.0	43.3	25.9	22.9	105.9	20.1	569.0	138.4
At March 31, 2021	1.3	364.4	46.9	21.3	31.6	68.7	22.2	556.4	74.5

- (i) Property, plant and equipment pledged as security: Refer note 35 for information on property plant and equipment pledged as security by the Group.
- (ii) Contractual obligations: Refer note 36 for disclosure on contractual commitments for the acquisition of property, plant and equipment.
- (iii) During the year ended March 31, 2022, the Group has capitalised borrowing cost amounting to INR 4.7 millions (March 31, 2021 : INR 8.1 million) in qualifying asset. Borrowing cost were capitalised at weighted average rate of its general borrowing of 7.40%.(March 31, 2021 : 7.70%).

Capital work in progress (CWIP) ageing schedule

At March 31, 2022

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	71.0	21.1	26.1	20.2	138.4
Projects temporarily suspended	-	-	-	-	-
Total	71.0	21.1	26.1	20.2	138.4

As at March 31, 2021

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	28.2	26.1	20.2	-	74.5
Projects temporarily suspended	-	-	-	-	-
Total	28.2	26.1	20.2	-	74.5

Details of CWIP whoes completion is overdue or exceeded the cost compared to its original plan as at March 31, 2022 and as at March 31, 2021:

Though there have been various changes in designs, delay in approvals from various government authorities combined with pandemic situation over past 2 years, the construction of the building at sector 156 Noida will be completed by March 2024 as stipulated by Noida authority.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

4. Intangible assets

Particulars	Software*	Goodwill	Total	Intangible asset under development
Gross block				
At April 01, 2020	144.5	1.5	146.0	25.9
Additions	49.3	-	49.3	44.1
Disposal/ deletion	-	-	-	(43.0)
At March 31, 2021	193.8	1.5	195.3	27.0
Addition	6.3	-	6.3	1.9
Addition on account of acquisition	-	8.4	8.4	-
Disposals/ deletion	-	-	-	(27.3)
At March 31, 2022	200.1	9.9	210.0	1.6
Amortisation				
At April 01, 2020	77.8	1.5	79.3	-
Amortisation for the year	51.9	-	51.9	-
At March 31, 2021	129.7	1.5	131.2	-
Amortisation for the year	40.5	1.7	42.2	-
At March 31, 2022	170.2	3.2	173.4	-
Net book value				
At March 31, 2022	29.9	6.7	36.6	1.6
At March 31, 2021	64.1	-	64.1	27.0

* Represents purchased intangible assets

** Intangible assets under development/ Software includes capitalization of employee benefit expenses amounting to Nil(March 31, 2021 : INR 42.2 million).

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

As at March 31, 2022

Description	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.6	-	-	-	1.6
Projects temporarily suspended	-	-	-	-	-
Total	1.6	-	-	-	1.6

As at March 31, 2021

Description	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	27.0	-	-	-	27.0
Projects temporarily suspended	-	-	-	-	-
Total	27.0	-	-	-	27.0

IAUD, whose completion is overdue or has exceeded its cost compared to its original plan is Nil as at March 31, 2022

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

5. Other financial assets

Financial instruments at amortised cost (unless otherwise stated)	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Security deposits - Considered good, unsecured				
- with related parties (refer note 34)	2.0	58.2	-	45.3
- with others	1.3	16.2	15.0	8.6
Unbilled Revenue	99.0	-	54.5	-
Derivative assets*	1.5	-	-	-
Advance recoverables	0.1	-	20.8	-
Deposits with bank held as margin for issue of guarantees	-	9.5	-	8.1
Interest receivable (refer note 34)	1.0	-	1.1	-
Total	104.9	83.9	91.4	62.0

* Derivative assets measured at fair value through profit or loss (FVTPL)

Unbilled revenue ageing schedule

As at March 31, 2022

Description	Amount of unbilled revenue for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled revenue	99.0	-	-	-	99.0
Total	99.0	-	-	-	99.0

As at March 31, 2021

Description	Amount of unbilled revenue for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled revenue	49.5	5.0	-	-	54.5
Total	49.5	5.0	-	-	54.5

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

6. Deferred tax assets (Net)

	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	(8.8)	(0.1)	-	(8.7)
Derivatives	-	0.4	-	(0.4)
Total deferred tax liabilities	(8.8)	0.3	-	(9.1)
Set-off of deferred tax assets pursuant to set-off provisions				
Allowance for doubtful debts - trade receivables	18.4	(2.0)	-	20.4
Lease liabilities	1.0	(0.3)	-	1.3
Security deposits	0.8	0.7	-	0.1
Employee benefit obligations	72.9	2.2	5.3	65.4
Brought forward losses	-	(44.9)	-	44.9
Others	5.2	(0.1)	-	5.3
Total deferred tax assets	98.3	(44.4)	5.3	137.4
Net Deferred tax assets	89.5	(44.1)	5.3	128.3

	As at April 01, 2020	Charge/ (credit) to Statement of Profit and Loss	Charge/ (credit) to other comprehensive income	As at March 31, 2021
Property, plant and equipment and intangible assets	(8.2)	0.6	-	(8.8)
Total deferred tax liabilities	(8.2)	0.6	-	(8.8)
Set-off of deferred tax assets pursuant to set-off provisions				
Allowance for doubtful debts - trade receivables	13.1	(5.3)	-	18.4
Lease liabilities	0.5	(0.5)	-	1.0
Security deposits	0.7	(0.1)	-	0.8
Employee benefit obligations	63.2	(7.8)	(1.9)	72.9
MAT credit Entitlement	0.4	-	(0.4)	-
Others	5.1	(0.1)	-	5.2
Total deferred tax assets	83.0	(13.8)	(2.3)	98.3
Net deferred tax assets	74.8	(13.2)	(2.3)	89.5

Note:

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

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

7. Non-current tax assets (Net)

	As at March 31, 2022	As at March 31, 2021
Opening balance	96.8	145.4
Add: Advance tax paid / Tax deducted at source**	122.4	24.0
Less: Adjustments for current tax of prior periods*	(18.7)	12.8
Less: Current tax payable for the year	2.6	62.5
Add: Income tax refund received	(7.7)	2.7
Total	227.6	96.8

* March 31, 2021 balance Including amount INR 7.19 million deposit under Direct Tax Vivaad se Vishwas Act, 2020 for AY 2006-07.

** Includes INR 12 million interest on income tax refund , which is withheld by income tax department on account of stay of demand for assessment year 2016-17.

8. Other non-current assets

(Unsecured, considered good, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	88.8	56.7
Total	88.8	56.7

9. Inventories

	As at March 31, 2022	As at March 31, 2021
Stock-in-trade (in respect of goods acquired for trading) (at lower of cost and net realisable value)	17.1	5.4
Total	17.1	5.4

10. Trade receivables

	As at March 31, 2022	As at March 31, 2021
Considered good - Unsecured		
- Related Party (refer note 34)	580.9	569.3
- Others	357.5	160.0
Trade Receivables – Credit impaired	103.6	117.1
Sub-Total	1,042.0	846.4
Less: Allowance for bad & doubtful debts	(103.6)	(117.1)
Total Trade Receivables	938.4	729.3

The receivables are also due from firms or private Companies respectively in which any director is a partner, a director or a member amounting to 14.08 million (March 31, 2021; 38.6 million). Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on past provision. Past provision takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due.

(a) Trade Receivables ageing schedule

As at March 31, 2022

Description	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	660.5	277.9	-	-	-	-	938.4
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	12.9	27.7	23.2	30.4	94.2
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	9.4	9.4
Total	660.5	277.9	12.9	27.7	23.2	39.8	1,042.0

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

As at March 31, 2021

Description	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	479.5	249.8	-	-	-	-	729.3
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	33.0	26.3	20.1	34.3	113.7
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	3.4	3.4
Total	479.5	249.8	33.0	26.3	20.1	37.7	846.4

b) Movement in the allowance for expected credit losses

	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	117.1	71.0
Provision for expected credit losses (refer note 27)		
Addition during the year	8.2	46.1
Deletion during the year	(21.7)	-
At the end of the year	103.6	117.1

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

11. (a) Cash and cash equivalents *

	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
- in current accounts	237.4	142.0
Cash on hand	0.1	0.1
Total	237.5	142.1

* There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting year and previous year.

Changes in liabilities arising from financing activities

Particulars	March 31, 2021	Cash flows	New leases	Other	March 31, 2022
Current borrowings	413.9	717.3	-		1,131.2
Current lease liabilities (refer note 37)	80.4	(74.3)	-	74.9	81.0
Non- current borrowings	307.0	168.3	-		475.3
Non-current lease liabilities (refer note 37)	178.3	(23.3)	-	(33.5)	121.5
Total liabilities from financing activities	979.6	788.0	-	41.4	1,809.0

Particulars	March 31, 2020	Cash flows	New leases	Other	March 31, 2021
Current borrowings	357.8	56.1	-		413.9
Current lease liabilities (refer note 37)	75.1	(74.3)	-	79.6	80.4
Non- current borrowings	260.7	46.3	-		307.0
Non-current lease liabilities (refer note 37)	242.5	(23.2)	-	(41.0)	178.3
Total liabilities from financing activities	936.1	4.9	-	38.6	979.6

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

11. (b) Other bank balances

	As at March 31, 2022	As at March 31, 2021
Deposits with original maturity of more than three months but less than 12 months		
- Others	8.9	6.6
Unpaid dividend account	0.3	0.4
Total	9.2	7.0

12. Other current assets

(Unsecured, considered good, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Advances recoverable		
Related parties (refer note 34)	2.5	6.1
Others	42.1	18.6
Prepaid expenses	169.9	111.2
Balances with government authorities	64.2	33.1
Total	278.7	169.0

13. Share Capital

	As at March 31, 2022	As at March 31, 2021
Authorised:		
54,000,000 (March 31, 2021: 16,000,000) Equity shares of INR.10/- each	540.0	160.0
8,000,000 (March 31, 2021: 8,000,000) Preference Shares of INR.10/- each	80.0	80.0
Issued, Subscribed and Paid up:		
12,973,453 (March 31, 2021: 1,29,73,453) Equity shares of INR.10/- each	129.7	129.7
Total	129.7	129.7

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

a. Movement in equity share capital

	Numbers	Amount
As at April 01, 2020	12,973,453	129.7
Issued during the year	-	-
As at March 31, 2021	12,973,453	129.7
Issued during the year	-	-
As at March 31, 2022	12,973,453	129.7

b. Rights, preferences and restrictions attached to equity shares

The Company currently has only one class of equity shares having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share held. The Company declares and pays dividend in Indian Rupees. The dividend, if proposed by the Board of Director, is subject to the approval of the shareholder in the Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%	No. of shares	%
Equity shares of INR. 10 each fully paid up:				
Samvardhana Motherson International Limited, India	-	-	6,963,019	53.70%
Motherson Sumi Systems Limited, India	8,163,019	62.92%	1,200,000	9.20%
Sumitomo Wiring Systems Limited, Japan	2,639,535	20.40%	2,639,535	20.40%
H.K. Wiring Systems Limited, Hong Kong	1,196,005	9.20%	1,196,005	9.20%

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.

The Company is a subsidiary of Motherson Sumi System Limited. Pursuant to a composite scheme of amalgamation and arrangement amongst Motherson Sumi Systems Limited ("MSSL"), Samvardhana Motherson International Limited ("SAMIL"), Motherson Sumi Wiring India Limited ("MSWIL") and their respective shareholders and creditors, approved by National Company Law Tribunal, Mumbai Bench – IV ("Hon'ble NCLT") vide its order dated December 22, 2021 ("Order"), SAMIL was merged with MSSL w.e.f. January 21, 2022.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

d. Details of shares held by the promoters

As at March 31, 2022

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of the shares at the year end	% of total shares	% change during the year
1	Motherson Sumi Systems Limited	1,200,000	6,963,019	8,163,019	62.9%	580.3%
2	Vivek Chaand Sehgal	130,021	-	130,021	1.0%	0.0%
3	Laksh Vaaman Sehgal	100,021	-	100,021	0.8%	0.0%
4	Geeta Soni	71,453	-	71,453	0.6%	0.0%
5	Sumitomo Wiring systems Limited Japan	2,639,535	-	2,639,535	20.3%	0.0%
6	HK Wiring Systems Limited	1,196,005	-	1,196,005	9.2%	0.0%
7	Radha Rani Holdings Pte. Ltd.	537,495	-	537,495	4.1%	0.0%
8	Systematic Conscom Limited	100	-	100	0.0%	0.0%
9	Samvardhana Motherson International Limited	6,963,019	(6,963,019)	-	0.0%	-100.0%
	Total	12,837,649	-	12,837,649	98.9%	480.3%

As at March 31, 2021

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of the shares at the year end	% of total shares	% change during the year
1	Samvardhana Motherson International Limited	6,963,019	-	6,963,019	53.7%	0.00%
2	Motherson Sumi Systems Limited	1,200,000	-	1,200,000	9.2%	0.0%
3	Vivek Chaand Sehgal	130,021	-	130,021	1.0%	0.0%
4	Laksh Vaaman Sehgal	100,021	-	100,021	0.8%	0.0%
5	Geeta Soni	71,453	-	71,453	0.6%	0.0%
6	Sumitomo Wiring systems Limited Japan	2,639,535	-	2,639,535	20.3%	0.0%
7	HK Wiring Systems Limited	1,196,005	-	1,196,005	9.2%	0.0%
8	Radha Rani Holdings Pte. Ltd.	537,495	-	537,495	4.1%	0.0%
9	Systematic Conscom Limited	100	-	100	0.0%	0.0%
	Total	12,837,649	-	12,837,649	98.9%	-

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

14. Other Equity

	As at March 31, 2022	As at March 31, 2021
Reserves and surplus		
Reserve on amalgamation	0.1	0.1
Securities premium	21.5	21.5
Capital redemption reserve	80.0	80.0
Retained earnings	(296.4)	291.7
Foreign currency translation reserve	37.6	10.0
Total reserves and surplus	(157.2)	403.3

(i) Reserve on amalgamation

	As at March 31, 2022	As at March 31, 2021
Opening balance	0.1	0.1
Closing balance	0.1	0.1

(ii) Securities premium

	As at March 31, 2022	As at March 31, 2021
Opening balance	21.5	21.5
Closing balance	21.5	21.5

(iii) Capital Redemption Reserve

	As at March 31, 2022	As at March 31, 2021
Opening balance	80.0	80.0
Additions during the year	-	-
Closing balance	80.0	80.0

(iv) Retained earnings

	As at March 31, 2022	As at March 31, 2021
Opening balance	291.7	457.3
Profit/ (loss) for the year	(603.3)	(159.5)
Remeasurements of post-employment benefit obligation, net of tax	15.2	(5.7)
Other adjustments	-	(0.4)
Closing balance	(296.4)	291.7

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(v) Foreign currency translation reserve

	As at March 31, 2022	As at March 31, 2021
Opening balance	10.0	(27.9)
Addition for the year	27.6	37.9
Closing balance	37.6	10.0

Nature and purpose of reserves:

Reserve on amalgamation

This reserve was created at the time of amalgamation and mergers carried out in earlier years. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings

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

Capital redemption reserve

Capital Redemption Reserve is created at the time of redemption of preference share to either replenish the capital by issuing fresh shares in lieu of the redeemed or bought back shares or to transfer their funds to an account.

Foreign currency translation reserve

Exchange reserve on consolidation is created to convert the results of a parent company's foreign subsidiaries to its reporting currency.

15. Borrowings

15. (a) Non-current borrowings

	Non Current Portion		Current Maturities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
At amortized cost				
Secured				
Term Loans (refer note (i) below)				
Indian rupee loan from banks	160.3	134.4	161.5	161.5
Unsecured (refer note (ii) below)				
Loan from related parties	315.0	165.0	-	-
Foreign currency loans from banks	-	7.6	7.6	7.9
Less : Disclosed under current borrowings (refer note 15(b))	-	-	(169.1)	(169.4)
Total non current borrowings	475.3	307.0	-	-

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(i) Nature of Security and terms of repayment for secured borrowings:

Nature of Security	Terms of repayment
Indian rupee loan from HDFC bank amounting to INR 49.4 million (March 31, 2021: INR 70.0 million) (sanctioned limit - INR 100.0 million) which is secured by first charge hypothecation of movable fixed assets of the Company with asset cover 1.25x (March 31, 2021: 1.25x)	Repayable in 5 years with 20 quarterly repayments commencing from October 2019 carrying interest rate at 3 months Marginal Cost of Funds based Lending Rate (MCLR).
Indian rupee loan from Axis bank for IT Capital Expenditures amounting to INR 41.6 million (March 31, 2021: 41.5) (sanctioned limit - INR 200.0 million) which is secured by first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of the company with asset cover 1.25x. (March 31, 2021: first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of the company with asset cover 1.25x)	Repayable in 3 years including moratorium period of 9 months with 10 quarterly repayments carrying interest rate at 6 months Marginal Cost of Funds based Lending Rate (MCLR).
Indian rupee loan from Axis bank for Capital asset amounting to INR 148.8 million (March 31, 2021: 184.5) (sanctioned limit - INR 250.0 million) which is secured by first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of the company with asset cover 1.25x. (March 31, 2021: first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of the Company with asset cover 1.25x)	Repayable in 3 years including moratorium period of 9 months with 10 quarterly repayments carrying interest rate at 6 months Marginal Cost of Funds based Lending Rate (MCLR).
Indian rupee loan from ICICI bank for capital expenditures amounting to INR 82.0 million (March 31, 2021: Nil) (sanctioned limit - INR 450.0 million) which is secured by first pari passu charge of movable fixed assets of the Company with asset cover 1.25x.	Repayable in 6 years including moratorium period of 6 quarters with 18 quarterly repayments carrying interest rate at 1 year Marginal Cost of Funds based Lending Rate (MCLR).

(ii) Nature of borrowing and terms of repayment for unsecured borrowings :

Particulars	Terms of repayment
Borrowings	
Loan taken by Company by way of Inter corporate deposit (ICD) of INR 315.0 million for 3 years in various tranches , from Mothersonsumi systems Ltd. (March 31, 2021: INR 165 million)	Repayable in 3 years commencing from draw down date, carrying interest rate at 11% per annum.
Loan taken by MothersonSumi INFotech & Designs KK from Shoko Chukin bank amounting to INR 7.6 million (March 31, 2021: INR 15.5 million).	Repayable in 4 years, carrying interest rate @ 1.47% per annum.
The Company has taken borrowings from banks on the basis of security of current assets; quarterly returns or statements of current assets filed by the Company with the banks are in agreement with the books of accounts.	

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

15. (b) Current Borrowings

	As at March 31, 2022	As at March 31, 2021
Secured		
Working capital loans repayable on demand- from banks (refer note (i) below)		
Indian rupee loan	491.9	17.9
Foreign currency loan	165.3	-
Unsecured		-
Other short-term loans- from bank (refer note (ii) below)		
Rupee Loan	40.9	97.9
Other short-term loans- from other then bank (refer note (ii) below)		-
Foreign currency loan	124.0	128.7
Loan from related parties (refer note (ii) below)	140.0	-
Current maturities of non current borrowings		
Term loan - secured	161.5	161.5
Foreign currency loans from banks	7.6	7.9
Total current borrowings	1,131.2	413.9

(i) Nature of security and principal terms and conditions for secured loans:

Nature of Security	Principal Terms & Conditions (including interest rates)
Credit facilities from State Bank of India, by way of Fund based working capital, LC/Buyers credit, BG, Forward contract limit, stand by limit against first exclusive charge by way of hypothecation of entire current assets of the Company, both present and future.	The rate of interest is Marginal Cost of Funds based Lending Rate (MCLR) plus 0.85% per annum
Credit facilities from HDFC bank, by way of Fund based working capital, LC/Buyers credit, BG, Forward contract limit, stand by limit against hypothecation of entire current assets of the Company, both present and future.	The rate of interest 8% p.a. linked to 3 month Marginal Cost of Funds based Lending Rate (MCLR).
Credit facilities from Axis bank, by way of Fund based working capital, LC/Buyers credit, BG, Forward contract limit, stand by limit against first pari passu security interest on the entire movable fixed assets and current assets, both present and future.	The rate of interest 8% p.a. linked to 3 month Marginal Cost of Funds based Lending Rate (MCLR).
Working capital demand Loan taken by Motherson Infotech and Solutions UK from Axis bank amounting to INR 165.3 million (March 31, 2021: INR Nil) which is secured by unconditional & irrevocable stand-by letter of credit in USD from MIND India amounting upto 105% of the facility outstanding .	Repayable in 1 year, carrying interest rate @ term sofr+70bps p.a.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(ii)

Particulars	Principal Terms & Conditions (including interest rates)	
Credit facilities from ICICI Bank Limited, by way of Fund based Overdraft, Line of Credit and Non Fund based BG and Letter of Credit.	The rate of interest at Marginal Cost of Funds based Lending Rate (MCLR) 6 months plus 0.25% Spread	
Loan taken by MothersonSumi Infotech & Designs KK from MSSL Japan amounting to INR 124 million (March 31, 2021: INR 128.7 million).	Repayable on demand, carrying interest rate @ 1.1% per annum.	
Loan taken by Company by way of Inter corporate deposit (ICD) of INR 140.0 million for 1 year during the year, from Motherson Techno Tools Ltd. (March 31, 2021: Nil)	Repayable in 1 year commencing from draw down date, carrying interest rate at 7.5% per annum.	
The Company has taken borrowings from banks on the basis of security of current assets; quarterly returns or statements of current assets filed by the Company with the banks are in agreement with the books of accounts.		
	As at March 31, 2022	As at March 31, 2021
Aggregate of secured loans	979.0	321.7
Aggregate of unsecured loans	627.5	399.2

16. Employee benefit obligations

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-Current	Current	Non-Current
Gratuity	3.6	185.4	9.6	194.3
Compensated absences	18.6	84.7	19.8	81.8
Pensions	0.7	50.1	-	51.8
Other employee benefits	4.0	6.3	-	6.5
Total	26.9	326.5	29.4	334.4

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

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

A. Defined Benefit Schemes

Gratuity

Companies within the Group operates a gratuity plan. The scheme is generally funded through payments to insurance companies. In respect to companies incorporated in India, 100% of plan assets are lying with the Gratuity fund administered through SBI Life Insurance Co. Limited under its Group Gratuity Scheme. Every employee is entitled to a benefit equivalent to fifteen days' salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Group or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Group pays contribution to SBI Life Insurance Co. Limited to fund its plan.

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

(i) Present Value of Defined Benefit Obligation

	For the year ended	
	March 31, 2022	March 31, 2021
Obligations at year beginning	219.3	198.4
Service Cost - Current	27.4	26.1
Interest expense	14.8	13.4
Amount recognised in profit or loss	42.2	39.5
Remeasurements		
Actuarial (gain) / loss from change in demographic assumption *	-	-
Actuarial (gain) / loss from change in financial assumption	(10.6)	(0.6)
Experience (gains)/losses	(9.8)	8.2
Amount recognised in other comprehensive income	(20.4)	7.6
Payment from plan:		
Benefit payments	(36.5)	(27.5)
Acquisition adjustments	-	(1.1)
Addition due to transfer of employee	1.3	2.4
Obligations at year end	205.9	219.3

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(ii) Fair Value of Plan Assets

	For the year ended	
	March 31, 2022	March 31, 2021
Plan assets at year beginning, at fair value	15.2	21.5
Interest income	1.0	1.5
Amount recognised in profit or loss	1.0	1.5
Remeasurements		
Return on plan assets, excluding amount included in interest income	-	(0.3)
Amount recognised in other comprehensive income	-	(0.3)
Effect of Exchange rate change		
Payment from plan:		
Benefit payments	(3.5)	(22.5)
Contributions:		
Employers	5.0	15.0
Plan assets at year end, at fair value	17.7	15.2

(iii) 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	205.9	219.1
Fair value of the plan assets	17.8	15.2
Amount recognized as Liability	188.1	203.9

(iv) Defined benefit obligations cost for the year:

	For the year ended	
	March 31, 2022	March 31, 2021
Service Cost - Current	27.4	26.1
Interest Cost	13.8	12.0
Actuarial (gain) / loss	(20.4)	7.3
Net defined benefit obligations cost	20.8	45.4

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

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(v) Investment details of Plan Assets

The details of investments of plan assets are as follows:

	For the year ended	
	March 31, 2022	March 31, 2021
SBI Life insurance Co. Limited	100%	100%
Total	100%	100%

Note: In respect of Employees Gratuity Fund, composition of plan assets is not readily available from SBI Life Insurance Co. Limited. The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

(vi) Actuarial assumptions:

	As at March 31, 2022	As at March 31, 2021
Discount Rate per annum	7.26%	6.8%
Future salary increases	6.5%	6.5%
Retirement Age (years)	58	58
Mortality rate	100% of IALM (2012-14)	100 % of IALM (2012 - 14)
Attrition rate		
Up to 30 Years	3.0%	3.0%
From 31 to 44 years	2.0%	2.0%
Above 44 years	1.0%	1.0%

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.

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

	For the year ended	
	March 31, 2022	March 31, 2021
Gratuity	48.5	42.8

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

viii) 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	0.50%	0.50%	Decrease by	(10.9)	(11.8)	Increase by	11.8	12.8
Future salary increases	0.50%	0.50%	Increase by	11.8	12.8	Decrease by	(11.0)	(11.9)

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.

ix) 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.

x) Defined benefit liability and employer contributions

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	3.6	4.3	21.3	176.7	205.9
Defined benefit obligation (gratuity)					
March 31, 2021	9.6	3.7	27.3	178.5	219.1
Defined benefit obligation (gratuity)					

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

B. Defined Contribution Schemes

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

Amount recognised in the Statement of Profit & Loss is as follows (refer note 24):

	For the year ended	
	March 31, 2022	March 31, 2021
Provident fund paid to authorities	90.8	75.2
NPS Contribution	5.9	7.5
Employee state insurance paid to the authorities	0.3	0.4

C. Pension fund

A company within the Group operates a pension plan. The same is payable at the time of separation from the Group or retirement, whichever is earlier.

		For the year ended	
		March 31, 2022	March 31, 2021
1.	Change in defined benefit obligation		
	Defined benefit obligation at end of prior year	51.8	44.4
	Exchange Translation Adjustment	(1.2)	1.3
	Service cost		
a.	Current service cost	2.6	2.6
b.	Interest expense	0.5	0.7
c.	Remeasurements		
(i)	Effect of changes in demographic assumptions		
(ii)	Effect of changes in financial assumptions	(1.2)	2.6
(iii)	Effect of experience adjustment	(2.5)	0.2
	Defined benefit obligation at end of year	50.0	51.8

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

		For the year ended	
		March 31, 2022	March 31, 2021
2	Amount recognized in statement of financial position		
	Defined benefit obligation	50.1	51.8
	Net Defined benefit liability/ (assets)	50.1	51.8
3	Actuarial assumption		
	Weighted average assumptions to determine defined benefit obligation		
	Discount rate	1.8%	0.9%
	Duration (in years)	NA	NA
	Weighted average assumptions to determine defined benefit cost		
	Discount rate	0.9%	1.5%

17. Other liabilities

	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred revenue	30.0	36.6
	30.0	36.6
Current		
Statutory dues	143.2	60.3
Advances from customers	15.7	7.2
Other current payable	22.5	-
Deferred Revenue	147.4	86.7
Total	328.8	154.2

18. Trade payables

	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro and small enterprises (refer note 39)		
- Related Parties	3.5	1.7
- Others	20.3	34.3
Total outstanding dues of creditors other than micro and small enterprises		
- Related Parties (refer note 34)	10.3	12.1
- Others	473.8	287.6
Total	507.9	335.7

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Trade payables ageing schedule

As at March 31, 2022

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro and small enterprises	13.0	10.8	-	-	-	23.8
Total outstanding dues of creditors other than micro and small enterprises	392.7	90.5	-	0.9	-	484.1
Disputed dues to micro and small enterprises	-	-	-	-	-	-
Disputed dues to creditors other than micro and small enterprises	-	-	-	-	-	-
	405.7	101.3	0	0.9	0	507.9

As at March 31, 2021

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro and small enterprises	5.7	30.3	-	-	-	36.0
Total outstanding dues of creditors other than micro and small enterprises	247.6	51.3	0.8	-	-	299.7
Disputed dues to micro and small enterprises	-	-	-	-	-	-
Disputed dues to creditors other than micro and small enterprises	-	-	-	-	-	-
	253.3	81.6	0.8	0	0	335.7

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

19. Other financial liabilities

at amortised cost (unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Non-current		
Interest accrue but not due on ICD (refer note 34)	60.8	36.8
	60.8	36.8
Current		
Unpaid dividends*	0.3	0.4
Security deposit received		
Related parties (refer note 34)	41.9	42.9
Others	0.4	25.4
Others	2.6	-
Creditors for capital goods		
Related parties	10.2	28.2
Others	2.9	15.7
Advance recovery from employees against vehicle scheme	30.2	27.1
Other financial liabilities	0.7	-
Interest accrue but not due	2.0	-
Total	91.2	139.7

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

20. Provisions

	As at March 31, 2022	As at March 31, 2021
	Current	Current
For re-work/warranties	24.4	24.3
Total	24.4	24.3

Re-work

Provision for warranty relates to the estimated outflow in respect of warranty for products sold by the Group.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

The Group has following provisions in the books of account as at year end:

	As at March 31, 2022	As at March 31, 2021
Opening Balance	24.3	33.5
Additions during the year	0.1	-
Utilised / Reversed during the year	-	9.2
Closing Balance	24.4	24.3

21. Revenue from contracts with customers

21. a. Sale of services

	For the year ended	
	March 31, 2022	March 31, 2021
Within India		
Software development and support*	1,541.0	881.9
Business support	41.9	42.1
Outside India		
Software development and support*	3,054.0	2,610.5
Business support	62.7	57.9
Designing	294.3	270.2
Sales of products		
Within India		
Traded goods	331.0	280.4
Others	31.5	7.4
Outside India		
Traded goods	10.1	4.3
Total revenue from contracts with customers	5,366.5	4,154.7

21. b. Others operating income

Export incentive	14.5	37.2
Provisions written back to the extent no longer required	-	13.0
Total other operating income	14.5	50.2
Total revenue from contract with customers	5,381.0	4,204.9

*include unbilled revenue of INR 36.77 million (March 31, 2021: INR 50.2 million)

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

a. Disaggregated revenue information

	For the year ended	
	March 31, 2022	March 31, 2021
Revenue by major product lines		
Software development and support	4,595.0	3,492.4
Business support	104.6	100.0
Designing	294.3	270.2
Traded goods	341.1	284.7
Others	31.5	7.4
Total revenue from contract with customers	5,366.5	4,154.7
Revenue by Geography		
Europe	2,386.6	1,948.3
Americas	737.8	605.3
Asia	2,189.5	1,548.2
Others	52.6	52.8
Total revenue from contract with customers	5,366.5	4,154.6
Timing of revenue recognition		
Goods transferred at point in time	555.9	537.9
Services transferred over time	4,810.6	3,616.8
Total revenue from contract with customers	5,366.5	4,154.7

b. Contract balance

	March 31, 2022	March 31, 2021
Trade Receivables (Unconditional right to consideration)	938.4	729.3
Contract assets (Refer note (i) below)	99.0	54.5
Contract liabilities (Refer note (ii) below) :		
Advance from Customer (Note 17)	15.7	7.2
Deferred revenue (Note 17)	177.4	123.3

Note:

- (i) The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to the receivables when the rights become unconditional.
- (ii) Contract liability relates to payments received in advance of performance (including deferred revenue) under the contract. Contract liabilities are recognised as revenue as (or when) we perform under the contract.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

c. Performance obligations

The Group makes provisions for expenses to be incurred to rectify any defects during warranty period on the basis of estimates worked out by the project managers.

	March 31, 2022	March 31, 2021
Within one year	24.4	24.3
Total	24.4	24.3

d. Contract Cost - Incremental costs of obtaining a contract

There is no increment cost in contract executed during the year.

e. Revenue from contracts with customers

	March 31, 2022	March 31, 2021
Amounts included in contract liabilities at the beginning of the year	86.7	50.8

22. Other income

	For the year ended	
	March 31, 2022	March 31, 2021
Net gain on disposal of property, plant and equipment	2.0	-
Interest income from financial assets at amortised cost		
Bank deposits	0.4	0.4
Security deposits	5.7	6.1
Interest on Income tax refund	12.3	12.3
Interest on Inter company deposits	3.1	-
Fair value gain on financial instrument at fair value through profit or loss (FVTPL)*	1.5	-
Miscellaneous income	45.0	20.4
Total	70.0	39.2

* relates to foreign exchange forward contracts (derivatives)

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

23. Changes in inventory of finished goods and stock in trade

	For the year ended	
	March 31, 2022	March 31, 2021
(Increase)/ decrease in stocks		
Stock at the opening of the year:		
Stock in trade	5.4	24.3
Total A	5.4	24.3
Stock at the end of the year:		
Stock in trade	17.2	5.4
Total B	17.2	5.4
Exchange differences closing stock (loss)/gain (C)		
(Increase)/ decrease in stocks (A-B-C)	(11.8)	18.9

24. Employee benefit expenses

	For the year ended	
	March 31, 2022	March 31, 2021
Salaries, wages and bonus	3,251.4	2,374.6
Contribution to provident & other funds	139.2	121.1
Staff welfare expenses	38.5	10.2
Total	3,429.1	2,505.9

In respect of Indian Companies, The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Group believes the impact of the change will not be significant.

25. Depreciation and amortization Expense

	For the year ended	
	March 31, 2022	March 31, 2021
Depreciation on property, plant and equipment (refer note 3)	108.5	88.8
Amortization on intangible assets (refer note 4)	42.2	51.9
Depreciation on right-of-use assets (refer note 37)	25.3	28.0
Total	176.0	168.7

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

26. Finance Cost

	For the year ended	
	March 31, 2022	March 31, 2021
Interest and finance charges on financial liabilities not at fair value through profit or loss		
Term Loan	42.5	32.1
Working capital loan	30.3	1.8
Lease liabilities (refer note 37)	24.8	27.3
Other borrowing costs	-	1.0
Total	97.6	62.2

27. Other expenses

	For the year ended	
	March 31, 2022	March 31, 2021
Software license and development charges	1,110.3	606.1
Leaseline and web hosting charges	160.3	177.5
Consultancy charges	53.3	31.4
Annual maintenance contracts (hardware and software)	50.8	39.6
Power and fuel	35.2	33.2
Repairs and maintenance:		
Plant & Machinery	0.7	0.8
Building	59.7	36.3
Others	8.1	8.6
Business promotion	72.1	30.8
Communication expenses	10.7	4.1
Intangible asset written off	25.5	-
Rates and taxes	14.7	11.9
Insurance	7.1	5.0
Recruitment expenses	58.7	5.8

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

	For the year ended	
	March 31, 2022	March 31, 2021
Training and seminar expenses	4.6	-
Donation	0.4	0.4
Travelling and conveyance	67.8	27.0
Office expenses	6.9	3.1
Lease rentals (refer note 37)	117.5	91.7
Foreign exchange fluctuation (net)	22.1	38.5
Bank charges	12.3	8.8
Provision for doubtful debts	8.2	31.2
Fair value loss on financial instrument at fair value through profit or loss (FVTPL)*	-	0.1
Payment to auditor (refer note (a) below)	3.7	3.1
Legal and professional fees	108.0	73.8
Corporate social responsibility (CSR) expenditure (refer note (b) below)	3.5	3.9
Miscellaneous expenses	20.2	14.4
Total	2,042.4	1,287.1

* relates to foreign exchange forward contracts (derivatives)

(a) Payment to auditors:

	For the year ended	
	March 31, 2022	March 31, 2021
As Auditor:		
Statutory Audit fees	1.4	1.4
Group reporting fees	0.8	0.9
Tax audit fees	0.2	0.2
Certification services	1.3	0.6
Total	3.7	3.1

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(b) Corporate social responsibility expenditure

		For the year ended	
		March 31, 2022	March 31, 2021
(i)	Contribution to Swarn Lata Motherson Trust	-	3.9
		-	3.9
a)	Gross amount required to be spent by the Company during the year	3.5	3.9
b)	Amount spent during the year on:		
	(i) Construction/acquisition of asset	-	-
	(ii) On purposes other than (i) above	-	-
c)	The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	3.5	-
d)	The total of previous years shortfall amounts	-	-
e)	The reason for above shortfalls	-	-
f)	Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard,	-	3.9
g)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	3.5	-
h)	The nature of CSR activities undertaken by the Company.	-	-
		3.5	3.9

In case of Section 135(6) (Ongoing project)						
Opening Balance		Amount required to be spent during the year	Amount required to be spent during the year		Closing Balance	
With Company	In separate CSR unspent a/c		From company's bank account	from separate CSR unspent a/c	With Company	in separate CSR unspent a/c
-	-	3.5	3.5	-	3.5	-

Disclosure pursuant to changes in sec 135 (5) (other than ongoing projects)				
Opening Balance	Amount deposited in specified fund of schedule VII with in 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	-	-

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

28. Tax expense

(a) Tax expense

	For the year ended	
	March 31, 2022	March 31, 2021
Current tax		
Current tax on profit for the year	2.6	62.5
Adjustment of current tax relating to earlier periods	-	12.1
Total current tax expense	2.6	74.6
Deferred tax (Refer note 6)		
Decrease / (increase) in deferred tax assets (net)	(44.0)	(12.8)
Total deferred tax expense / (benefit)	(44.0)	(12.8)
Income tax expense	(41.4)	61.8

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

	For the year ended	
	March 31, 2022	March 31, 2021
Profit/ (loss) before tax	(644.7)	(97.7)
Tax at India's tax rate of 25.168% (F.Y. 2021-22) & 25.168% (F.Y 2020-21)	(162.3)	(24.6)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	63.2	4.2
Tax effect of change in rate of tax	19.2	(0.3)
Tax effect of losses on which DTA not recognised	85.1	66.1
Other adjustment*	(46.6)	16.4
Income tax expense	(41.4)	61.8

* Including amount INR 7.19 million deposit under Direct Tax Vivaad se Vishwas Act, 2020 for AY 2006-07

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

29. Earnings per share

	March 31, 2022	March 31, 2021
a) Basic		
Profit attributable to equity shareholders	(603.3)	(159.5)
Weighted average number of equity shares for basic earnings per share	12,973,000	12,973,000
Basic earnings/ (loss) per share (Rs.)	(46.5)	(12.3)
b) Diluted (Refer note (i) below)		
Weighted average number of Equity Shares for diluted earnings per shares	12,973,000	12,973,000
Diluted earnings/ (loss) per share (Rs.)	(46.5)	(12.3)

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

30. Capital management

(a) Risk management

The Group'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 Group monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax ,depreciation and amortization expense, finance costs).

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

	March 31, 2022	March 31, 2021
Net Debt	1,571.5	837.5
EBITDA	(371.1)	133.2
Net Debt to EBITDA	(4.2)	6.3

(b) Loan covenants

Under the terms of the borrowing facilities, the Group is not required to comply with any financial covenants

(c) Dividends

	March 31, 2021	March 31, 2020
On Equity shares of INR 10 each		
Final dividend		
Amount of dividend paid	-	-
[Tax on dividend amounted Nil (March 31, 2021 : Nil)]		
Dividend per equity share	-	-

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

31. Fair value measurements

Financial instruments by category

	March 31, 2022			March 31, 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Trade receivables	-	-	938.4	-	-	729.3
Cash and cash equivalents	-	-	237.5	-	-	142.1
Other bank balances	-	-	9.2	-	-	7.0
Financial assets	1.5	-	187.3	-	-	153.4
Total financial assets	1.5	-	1,372.4	-	-	1,031.8
Financial Liabilities						
Borrowings	-	-	1,606.5	-	-	720.9
Lease Liabilities	-	-	202.5	-	-	258.7
Trade payable	-	-	507.9	-	-	335.7
Employee related payable	-	-	265.1	-	-	159.4
Other financial liabilities	-	-	152.0	-	-	176.5
Total financial liabilities	-	-	2,734.0	-	-	1,651.2

i. Fair value hierarchy

There are no financial assets and liabilities which are measured at fair value - recurring fair value measurements except forward contracts recognised at fair value through profit or loss.

Derivative assets (forward contracts) are recorded based on fair value mark to market obtained from banks and are categorised under level 2 fair value hierarchy.

Non Current 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						
Security deposits	-	-	74.4	-	-	53.9
Other financial assets	-	-	9.5	-	-	8.1
Total financial assets	-	-	83.9	-	-	62.0
Financial liabilities						
Borrowings	-	-	475.3	-	-	307.0
Lease Liabilities	-	-	123.6	-	-	178.3
Total financial liabilities	-	-	598.9	-	-	485.3

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

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

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

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

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

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

	March 31, 2022		March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Security deposits	74.4	74.4	53.9	53.9
Other financial assets	9.5	9.5	8.1	8.1
	83.9	83.9	62.0	62.0
Financial liabilities				
Lease Liabilities	123.6	123.6	178.3	178.3
Borrowings	475.3	475.3	307.0	307.0
	598.9	598.9	485.3	485.3

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

Note: The carrying amounts of current financial assets and current financial liabilities i.e. trade receivables, loans, other financial assets, trade payables, short term borrowings and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

32. Financial risk management

The Group, as an internationally SEI CMMI level 5 IT services group which expose its business and products to various market risks, credit risk and liquidity risk. The Group's global presence and decentralised management structure with the main activities in the plants make necessary organised risk management system. 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 Group is exposed to and how it manages the risks:

A. Foreign currency risk:

The exchange variations in India has mainly impacted the exports, but however the Group has arrangements with its major domestic customers for passing on the exchange impact on import purchase and has considerably increased its export of services during last few years to attain natural hedge. The Group also does selective hedging to hedge its risks associated with foreign currency.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

The derivative instruments and unhedged foreign currency exposure is as follows:

(i) Derivatives outstanding as at the reporting date

Particulars/ Purpose	March 31, 2022		March 31, 2021	
	Amount in Foreign currency	Amount in INR	Amount in Foreign currency	Amount in INR
Forward contracts (sell)				
Euro	1.0	84.9	-	-
USD	1.2	93.1	-	-
Equivalent amount in foreign currency				

B 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 Group's main interest rate risk arises from long-term borrowings with variable rates, which exposes the group to cash flow interest rate risk. All the Group's borrowings at variable rate were mainly denominated in INR.

(i) Interest rate risk exposure

The exposure of the Group'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	321.8	295.9
Fixed rate borrowings	315.0	180.5
Total borrowings	636.8	476.4

An analysis by maturities is provided in Note (D (ii)) Maturities of financial liabilities below.

(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*	(1.2)	(1.1)
Interest rates-decrease by 50 basis points*	1.2	(1.1)

* Holding all other variables constant

C Credit risk:

The credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Group and arises principally from the Group's receivables from customers and deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

The Group has developed guidelines for the management of credit risk from trade receivables. The Group's majority customers are Motherson group companies which have good credit ratings. Other 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.

D Liquidity risk:

The liquidity risk encompasses any risk that the Group cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating divisions of the Group and aggregated by Group finance. The Group's finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities / overdraft facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

(i) Financing arrangements

The Group 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 and other facilities)	586.2	584.1

(ii) Maturities of financial liabilities

The tables below analyse the Group'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
Non-derivatives				
Borrowings	1,130.3	476.2	-	1,606.5
Lease liabilities	79.4	22.3	100.8	202.5
Trade payables	507.9	-	-	507.9
Employee related payable	265.1	-	-	265.1
Other financial liabilities	91.2	60.8	-	152.0
Total non-derivative liabilities	2,073.9	559.3	100.8	2,734.0
Derivatives (net settled)				
Foreign exchange forward contracts	-	-	-	-
Total derivative liabilities	-	-	-	-

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Year Ended March 31, 2021	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	417.9	303.0	-	720.9
Lease liabilities	56.8	98.8	103.1	258.7
Trade payables	335.7	-	-	335.7
Employee related payable	159.4	-	-	159.4
Other financial liabilities	171.4	5.1	-	176.5
Total non-derivative liabilities	1,141.2	406.9	103.1	1,651.2
Derivatives (net settled)				
Foreign exchange forward contracts	-	-	-	-
Total derivative liabilities	-	-	-	-

33. Segment Information:

Description of segments and principal activities

The Group is primarily an Information Technology and engineering design services Group with a global footprint providing consulting and outsourcing services

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker “CODM” of the group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments examines the Group’s performance categorised in to following segments:

Information about geographical areas:

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

i) Revenue from external customers

	March 31, 2022	March 31, 2021
India	1,945.4	1,211.8
Outside India	3,421.1	2,942.9
	5,366.5	4,154.7

ii) Segment Assets

Total of non-current assets other than financial instruments, income tax assets and deferred tax assets broken down by location of the assets, is shown below:

	March 31, 2022	March 31, 2021
India	1,398.5	1,364.9
Outside India	31.8	18.5
	1,430.3	1,383.4

iii) Revenues from transactions with a single external customer amounting to 10 per cent or more of the Group’s revenues is as follows

	March 31, 2022	March 31, 2021
Nil	-	-

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

34. Related Party Disclosures

I. Related party disclosures, as required by Ind AS 24, “Related Party Disclosures”, are given below:

A. Relationships where control exists:

i) Holding Company

Samvardhana Motherson International Limited till January 21, 2022

Motherson Sumi Systems Limited w.e.f January 21, 2022

ii) Subsidiaries, fellow subsidiaries:

Motherson Machinery and Automations Limited (fellow Subsidiary through SMISL)

Motherson Molds and Diecasting Limited

SAKS Ancillaries Limited (fellow Subsidiary through SMISL)

Samvardhana Motherson Virtual Analysis Limited (Subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited))

Motherson Auto Solutions Limited (Subsidiary through SMISL)

MSID U.S. Inc (Subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited))

MothersonSumi INFotek and Designs GmbH (Subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited))

MothersonSumi INFotech & Designs KK (Subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited))

MothersonSumi INFotech and Designs S.G. Pte. Ltd. (Subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited))

Motherson Consultancies Service Limited

Motherson Auto Engineering Service Limited (Subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited))

Motherson Techno Tools Limited (Subsidiary through SMISL)

Samvardhana Motherson Innovative Solutions Limited (SMISL) (earlier known as Tigers Connect Travel Systems & Solutions Ltd.)

Samvardhana Motherson Refrigeration Product Limited (Subsidiary through SMISL)

Samvardhana Motherson Auto Component Private Limited

Samvardhana Motherson Auto System Private Limited (Subsidiary through SMISL)

Samvardhana Motherson Finance Service Cyprus Limited

Samvardhana Motherson Holding (M) Pvt. Ltd.

Motherson Sintermetal Technology B.V. (Subsidiary through SMISL) (Till July 2020)

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Motherson Sintermetal Products S.A. (Subsidiary through SMISL)
Motherson Techno Tools Mideast FZE (Subsidiary through SMISL)
Motherson Invenzen XLab Private Limited
MS Global India Automotive India Private Limited
Samvardhana Motherson Maadhyam International Limited
Samvardhana Motherson Health Solutions Limited (Subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi Infotech & Designs Limited))
SMI Consulting Technologies, Inc. (subsidiary of Motherson Technology Services Limited (formerly known as MothersonSumi Infotech & Designs Limited))
Samvardhana Motherson Global Carriers Limited
Motherson Infotech Designs Mideast FZ LLC
Motherson Infotech and Solutions UK Limited
Motherson Information Technologies Spain SLU
Motherson Air Travel Agencies Limited
MSSL Mauritius Holdings Limited
Motherson Electrical Wires Lanka Pvt. Ltd.
MSSL Mideast (FZE)
MSSL (S) Pte Ltd.
Motherson Innovations Tech Limited
Samvardhana Motherson Polymers Ltd.
MSSL (GB) Limited
Motherson Wiring System (FZE)
MSSL GmbH
MSSL Tooling (FZE)
Samvardhana Motherson Invest Deutschland GmbH
MSSL Advanced Polymers s.r.o
Motherson Techno Precision GmbH
MSSL s.r.l Unipersonale
Motherson Techno Precision México, S.A. de C.V
MSSL Australia Pty Ltd
MSSL Ireland Pvt. Ltd.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Global Environment Management (FZE)
Motherson Elastomers Pty Limited
Motherson Investments Pty Limited
MSSL Global RSA Module Engineering Limited
MSSL Japan Limited
Vacuform 2000 (Proprietary) Limited.
MSSL México, S.A. De C.V.
MSSL WH System (Thailand) Co., Ltd
MSSL Korea WH Limited
MSSL Consolidated Inc., USA
MSSL Wiring System Inc., USA
Alphabet de Mexico, S.A. de C.V.
Alphabet de Mexico de Monclova, S.A. de C.V.
Alphabet de Saltillo, S.A. de C.V.
MSSL Wirings Juarez S.A. de C.V.
MSSL Manufacturing Hungary Kft
Motherson Air Travel Pvt. Ltd.
MSSL Estonia WH OÜ
Samvardhana Motherson Global Holdings Ltd.
Samvardhana Motherson Automotive Systems Group B.V.
Samvardhana Motherson Reflectec Group Holdings Limited
SMR Automotive Technology Holding Cyprus Ltd.
SMR Automotive Mirror Parts and Holdings UK Ltd.
SMR Automotive Holding Hong Kong Limited
SMR Automotive Systems India Limited
SMR Automotive Systems France S. A.
SMR Automotive Mirror Technology Holding Hungary Kft
SMR Patents S.aR.L.
SMR Automotive Technology Valencia S.A.U.
SMR Automotive Mirrors UK Limited

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

SMR Automotive Mirror International USA Inc.
SMR Automotive Systems USA Inc.
SMR Automotive Beijing Co. Limited
SMR Automotive Yancheng Co. Limited
SMR Automotive Mirror Systems Holding Deutschland GmbH
SMR Holding Australia Pty Limited
SMR Automotive Australia Pty Limited
SMR Automotive Mirror Technology Hungary Bt
SMR Automotive Modules Korea Ltd
SMR Automotive Beteiligungen Deutschland GmbH
SMR Hyosang Automotive Ltd.
SMR Automotive Mirrors Stuttgart GmbH
SMR Automotive Systems Spain S.A.U.
SMR Automotive Vision Systems Mexico S.A. de C.V.
SMR Grundbesitz GmbH & Co. KG
SMR Automotive Brasil LTDA
SMR Automotive System (Thailand) Limited
SMR Automotives Systems Macedonia Dooel Skopje
SMR Automotive Operations Japan K.K.
SMR Automotive (Langfang) Co. Ltd.
SMR Automotive Vision System Operations USA INC
SMR Mirror UK Limited
Samvardhana Motherson Peguform GmbH
SMP Automotive Interiors (Beijing) Co. Ltd
SMP Deutschland GmbH
SMP Logistik Service GmbH
SMP Automotive Solutions Slovakia s.r.o
Changchun Peguform Automotive Plastics Technology Co. Ltd
Foshan Peguform Automotive Plastics Technology Co. Ltd.
SMP Automotive Technology Management Services (Changchun) Co. Ltd.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

SMP Automotive Technology Iberica S.L
Samvardhana Motherson Peguform Barcelona S.L.U
SMP Automotive Technologies Teruel Sociedad Limitada
Samvardhana Motherson Peguform Automotive Technology Portugal S.A
SMP Automotive Systems Mexico S.A. de C.V
SMP Automotive Produtos Automotivos do Brasil Ltda.
SMP Automotive Exterior GmbH
Samvardhana Motherson Innovative Autosystems B.V. & Co. KG
Samvardhana Motherson Innovative Autosystems Holding Company BV
SM Real Estate GmbH
Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V
SMP Automotive Systems Alabama Inc.
Motherson Innovations Company Limited, U.K.
Motherson Innovations Deutschland GmbH
Samvardhana Motherson Global (FZE)
SMR Automotive Industries RUS Limited Liability Company
Celulosa Fabril (Cefa) S.A.
Modulos Ribera Alta S.L.
Motherson Innovations Lights GmbH & Co KG
Motherson Innovations Lights Verwaltungs GmbH
PKC Group Oy
PKC Wiring Systems Oy
PKC Group Poland Sp. z o.o.
PKC Wiring Systems Llc
PKC Group APAC Limited
PKC Group Canada Inc.
PKC Group USA Inc.
PKC Group Mexico S.A. de C.V.
Project del Holding S.a.r.l.
PK Cables do Brasil Ltda

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

PKC Eesti AS
TKV-sarjat Oy
PKC SEGU Systemelektrik GmbH
Groclin Luxembourg S.à r.l.
PKC Vehicle Technology (Suzhou) Co., Ltd.
AEES Inc.
PKC Group Lithuania UAB
PKC Group Poland Holding Sp. z o.o.
OOO AEK
Kabel-Technik-Polska Sp. z o.o.
AEES Power Systems Limited partnership
T.I.C.S. Corporation
Fortitude Industries Inc.
AEES Manufactuera, S. De R.L de C.V.
Cableodos del Norte II, S. de R.L de C.V.
Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.
Arneses y Accesorios de México, S. de R.L de C.V.
Asesoría Mexicana Empresarial, S. de R.L de C.V.
Arneses de Ciudad Juarez, S. de R.L de C.V.
PKC Group de Piedras Negras, S. de R.L. de C.V.
PKC Group AEES Commercial S. de R.L de C.V
Jiangsu Huakai-PKC Wire Harness Co., Ltd.
PKC Vehicle Technology (Hefei) Co, Ltd.
Shanjdong Huakai-PKC Wireharness Co. Ltd.
Shenyang SMP Automotive Plastic Component Co. Ltd.
PKC Vehicle Technology (Fuyang) Co., Ltd.
Tianjin SMP Automotive Component Company Limited
SMRC Automotive Holdings B.V. (formerly Reydel Automotive Holdings B.V.)
SMRC Automotive Holdings Netherlands B.V. (formerly Reydel Automotive B.V.)
SMRC Automotives Techno Minority Holdings B.V. (formerly Reydel Automotive Minority Holdings B.V.)

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

SMRC Smart Automotive Interior Technologies USA, LLC (formerly Reydel Automotive USA, LLC)
(dissolved effective June 28, 2021)

SMRC Automotive Modules France SAS (formerly Reydel Automotive France SAS)

Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U. (formerly Reydel Automotive Holding Spain, S.L.U)

SMRC Automotive Interiors Spain S.L.U. (formerly Reydel Automotive Spain, S.L.U)

SMRC Automotive Interior Modules Croatia d.o.o.(formerly Reydel Automotive Croatia d.o.o.)

Samvardhana Motherson Reydel Autotecc Morocco SAS (formerly Reydel Automotive Morocco SAS)

SMRC Automotive Technology RU LLC (formerly Reydel Automotive Rus LLC)

SMRC Smart Interior Systems Germany GmbH (formerly Reydel Automotive Germany GmbH)

SMRC Automotive Interiors Products Poland SA(formerly Reydel Automotive poland SA) (dormant)

SMRC Automotive Solutions Slovakia s.r.o.(formerly Reydel Automotive Slovakia s.r.o.)

SMRC Automotive Holding South America B.V.(formerly Reydel Automotive South America B.V.)

SMRC Automotive Modules South America Minority Holdings B.V. (formerly Reydel Automotive South America Minority Holdings B.V.)

SMRC Automotive Tech Argentina S.A.(formerly Reydel Automotive Argentina SA)

SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltda (formerly Reydel Automotive Brazil)

SMRC Automotive Products Limited (formerly SMRC Automotive Products Private Ltd.)

SMRC Automotive Smart Interior Tech (Thailand) Ltd. (formerly Reydel Automotive Thailand Ltd.)

SMRC Automotive Interiors Japan Ltd. (formerly Reydel Automotive Japan Ltd.)

Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd. (formerly Shanghai Reydel Automotive Technology Consulting Co. Ltd.)

PT SMRC Automotive Technology Indonesia (formerly PT Reydel Automotive Indonesia)

Yujin SMRC Automotive Techno Corp. (formerly Yujin- Reydel Corp.)

SMRC Automotives Technology Phil Inc.(formerly Reydel Automotive Phils Inc.)

MSSL M Tooling Ltd (defunct w.e.f. 30.10.2020)

Motherson Innovations LLC, USA

Motherson Ossia Innovations LLC, USA

Samvardhana Motherson Corp Management Shanghai Co Ltd.

Motherson Rolling Stock Systems GB Ltd. (under liquidation)

Motherson PKC Harness Systems FZ-LLC

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Wisetime Oy

Re-time Pty Limited

Motherson Sumi Wiring India Limited

SMP Automotive Interior Modules d.o.o. Čuprija, Serbia

Motherson Rolling Stocks S. de R.L. de C.V.

Shenyang SMP Automotive Trim Co., Ltd., China

Motherson Business Service Hungary Kft.

SMR Plast Met Molds & Tools Turkey (effective from April 29, 2021)

SMR Plast Met Automtoive Tec Turkey (effective from April 29, 2021)

B. Other related parties

i) Joint Ventures:

Sumitomo Wiring Systems Limited

H.K.Wiring Systems Limited

ii) Companies in which Key Managerial Personnel or their relatives have control/ significant influence:

Motherson Engineering Research and Integrated Technologies Limited

A Basic Concepts Design Pty Limited

Motherson Auto Limited

ATAR Mauritius Private Limited

Swarn Lata Motherson Trust

SCCL Infra Projects Limited

SCCL Global Project (FZE)

Samvardhana Motherson Global FZE, Dubai

Spirited Auto Cars (I) Limited

Motherson Lease Solution Limited

Systematic Conscom Limited

Advanced Technologies and Auto Resources Pte. Ltd.

Edcol Global Pte. Limited

Motherson Innovative Technologies and Research

Radha Rani Holdings Pte Ltd

JSSR Holdings (M) Pvt. Ltd.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Motherson Air Travel Agency GmbH
Nirvana Foods GmbH
Nirvana Niche Products Private Limited
Global Environment Management (FZE)
Sehgal Family Trust
Swarn Lata Motherson Dhenu Sewarth Trust
Valeo Motherson Thermal Commercial Vehicles India Limited
Matsui Technologies India Limited
Fritzmeier Motherson Cabin Engineering private Ltd.
Motherson Bergstrom HVAC Solutions Private Limited
Marelli Motherson Automotive Lighting India Private Limited
Marelli Motherson Auto Suspension Parts Private Limited
CTM India Limited
Samvardhana Motherson Global Holdings Limited & its subsidiaries
Samvardhana Motherson Polymers Limited
Youngshin Motherson Auto Tech Limited
Nissin Advanced Coating Indo Company Pvt. Ltd. (through SMISL)
AES (India) Engineering Limited (through SMISL)
Anest Iwata Motherson Private Limited (through SMISL)
Anest Iwata Motherson Coating Equipment Private Limited (through SMISL)
Calsonic Kansei Motherson Auto Product Pvt. Ltd.
Field Motor Pvt. Ltd.
Frigel Intelligent Cooling Systems India Pvt. Ltd.
Kyungshin Industrial Motherson Pvt. Ltd.
SWS India Management Support and Service Pvt. Ltd.
Advantage Technology Partners Private Limited
Samvardhana Motherson Global Carriers Limited
Samvardhana Motherson Hamakyorek 4PL Value Managers Limited
Renu farms Private limited
FDO Holidays Private Limited

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Adventure Auto Car India Limited
Spirited Motor Vehicles Limited
Prime Auto Cars Limited Prime Auto Cars Limited
Advantedge Incubators Private Limited
Son grows System Limited

iii) Private Company in which Director or his relative is a member/director

Marelli Motherson Automotive Lighting India private Limited
Kyungshin Industrial Motherson Pvt. Ltd.
Fritzmeier Motherson Cabin Engineering Private Limited
Renu Farms Private Limited
Advantedge Technology Partners Pvt. Ltd.
Moon Meadows Private Limited
Nirvana Niche Products Private Limited
Shri Sehgal's Trustee Company Private Limited
Sisbro Motor & Workshop Private Limited
Field Motor Private Limited
Southcity Motors Private Limited
Samvardhana Motherson Auto System Private Limited
Advantedge Incubators Private Limited

iv) Firm in which a director or his relative is a partner

Motherson (Partnership Firm)
Vaaman Auto Industry (Partnership Firm)
Ganpati Auto Industries (Partnership Firm)

v) Public company in which a director is a director and holds along with his relatives more than two percent of its paid-up capital

Samvardhana Motherson International Limited
Motherson Techno Tools Limited
Motherson Auto Limited
Motherson Sumi Wiring India Limited

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

vi) Key Managerial Personnel

a) Board of Directors

Mr. Laksh Vaaman Sehgal
Mr. Bimal Dhar
Mr. Arjun Puri (Independent Director)
Mr. Sanjay Kalia (Independent Director)
Mr. Shunichiro Nishimura
Mr. Hideaki Kobayashi
Ms. Lata Unnikrishnan

b) Other KMP

Mr. Rajesh Thakur, Chief Executive Officer
Mr. Rajesh Srivastava, Chief Financial Officer
Ms. Pooja Mehra, Company Secretary (till January 27, 2022)

vii) Relatives of Key Managerial Personnel

Mr. Vivek Chaand Sehgal
Mrs. Renu Sehgal
Ms. Vidhi Sehgal
Mrs. Samriddhi Sehgal
Master. Sidh Vaasav Sehgal
Master. Ganan Yuvaan Sehgal

II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 34 (I) above:

(a) Key management personnel compensation

	March 31, 2022	March 31, 2021
Short-term employee benefits	48.3	33.7
Post-employment benefits	2.2	2.0
Long-term employee benefits	0.6	0.6
Total compensation	51.1	36.3

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(b) Transactions with related parties

Particulars	Holding Company		Fellow Subsidiary Companies		Joint Venture or JV investor		Associates & Companies where control exists		Key Management Personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Sales of goods	22.3	2.9	24.1	11.7	-	-	203.3	178.6	-	-	249.7	193.7
Services rendered	96.6	15.9	752.3	49.0	-	-	3,055.7	3,422.4	-	-	3,904.6	3,487.4
Script sale	-	-	9.0	-	-	-	-	15.2	-	-	9.0	15.2
Purchases	-	-	-	0.1	-	-	-	0.4	-	-	-	0.5
Purchase of fixed assets	-	-	-	1.1	-	-	59.5	93.4	-	-	59.5	94.5
Sale of fixed assets	0.2	-	-	-	-	-	2.1	-	-	-	2.2	-
Payment of salaries	-	-	-	-	-	-	-	-	51.1	36.3	51.1	46.1
Other Income received	-	-	0.9	-	-	-	1.7	0.6	-	-	2.7	0.6
Legal & professional expenses	35.1	25.5	2.6	0.1	-	-	25.4	2.7	-	-	63.0	28.3
Business Promotion	-	-	-	-	-	-	-	-	-	-	-	-
Rebate & discount	-	-	-	-	-	-	-	-	-	-	-	-
Consultancy charges	-	-	-	-	-	-	-	0.1	-	-	-	0.1
Corporate social responsibility (CSR) activities	-	-	-	-	-	-	-	-	-	-	-	-
Electricity, water and fuel	-	-	-	-	-	-	6.4	8.5	-	-	6.4	8.5
Staff welfare	-	-	3.6	-	-	-	6.0	-	-	-	9.6	-
Communication expenses	-	-	-	-	1.4	-	-	-	-	-	1.4	-
Lease rent	-	-	5.0	5.5	-	-	85.0	85.8	-	-	90.0	91.3
Miscellaneous	1.8	-	3.5	0.6	-	-	23.4	14.9	0.3	-	28.9	15.4
Repairs and maintenance: Building	-	-	-	-	-	-	11.0	10.4	-	-	11.0	10.4
Software license and development charges	9.7	6.7	-	-	-	1.5	2.6	11.4	-	-	12.4	19.6
Travelling and Conveyance	-	-	11.4	2.9	-	-	0.5	-	-	-	11.9	2.9

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Particulars	Holding Company		Fellow Subsidiary Companies		Joint Venture or JV investor		Associates & Companies where control exists		Key Management Personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Insurance	-	-	-	-	-	-	1.0	0.1	-	-	1.0	0.1
Training & seminar expenses	-	-	-	-	-	-	-	-	-	-	-	-
Sitting fees to Directors	-	-	-	-	-	-	-	-	-	0.2	-	0.2
Reimbursements received	-	-	1.1	1.9	-	-	2.4	2.3	-	-	3.5	4.2
Reimbursements paid	11.0	14.1	16.6	0.7	-	-	9.4	13.8	-	-	37.0	28.6
Interest paid	-	-	0.2	-	-	-	1.2	-	-	-	1.5	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-
ICD obtained during the year	150.0	-	140.0	-	-	-	-	45.5	-	-	290.0	45.5
ICD repaid during the year	-	-	-	-	-	-	-	-	-	-	-	-
Interest on ICD obtained	25.2	14.2	2.7	-	-	-	-	0.8	-	-	27.9	14.9
Security deposits given	-	-	-	-	-	-	10.8	10.5	-	-	10.8	10.5
Security deposits refund received	-	-	-	-	-	-	9.0	10.2	-	-	9.0	10.2
Deferred income (net)	7.4	1.5	41.9	(0.7)	-	-	(91.7)	(23.9)	-	-	(42.4)	(23.1)

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Balances at the year end

Particulars	Holding Company		Fellow Subsidiary Companies		Joint Venture or JV investor		Associates & Companies where control exists		Key Management Personnel		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Trade receivables	106.8	1.3	449.2	19.5	-	-	65.6	531.6	-	-	621.6	552.4
Trade payables	6.6	0.1	24.0	1.0	-	0.1	1.9	26.3	-	-	32.5	27.5
Creditors for capital goods	-	-	-	-	-	-	10.2	28.5	-	-	10.2	28.5
Security deposits (given)	-	-	-	-	-	-	78.9	78.4	-	-	78.9	78.4
Security deposits received	-	-	41.9	-	-	-	-	42.9	-	-	41.9	42.9
ICD payable	315.0	165.0	264.0	-	-	-	-	128.7	-	-	579.0	293.7
Interest accrued on ICD payable	60.1	36.2	0.7	-	-	-	-	0.7	-	-	60.8	36.9
Other receivables	-	-	1.4	1.8	-	-	1.3	4.3	-	-	2.6	6.1
Advances from customers	-	-	0.3	-	-	-	0.4	0.5	-	-	0.7	0.5
Employee expenses payable	-	-	-	-	-	-	-	-	3.7	6.3	3.7	6.3
Employee expenses receivable	-	-	-	-	-	-	-	-	3.6	-	3.6	-
Lease Liabilities	-	-	-	-	-	-	2.2	-	-	-	2.2	-

Note(i): The Company has received letters of support from its parent Company, refer note 43.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

35. Assets pledged as security

The carrying amount of assets pledged as security for current borrowings are as follows:

	March 31, 2022	March 31, 2021
Current:		
First charge		
Inventory	17.1	0.8
Trade receivables	914.4	610.4
Cash and cash equivalents	7.7	37.7
Other bank balances	0.3	0.4
Deposits	3.0	13.3
Other financial assets	107.6	59.6
Other current assets	221.7	146.1
Total current assets pledged as security	1,271.8	868.3
Non-current:		
First charge		
Leasehold land	85.2	85.2
Buildings	350.0	361.6
Movable fixed assets	195.1	180.1
Total non-current assets pledged as security	630.3	626.9
Total assets pledged as security	1,902.1	1,495.2

36. 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.	123.0	49.0
Total	123.0	49.0
Other commitments		
Bank guarantee	70.9	47.0
Total	70.9	47.0

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

37. Leases

As a lessee

The Group has lease contracts for various items of land, vehicles and building used in its operations. Leases of land generally have lease terms of 90 years, vehicles generally have lease terms of 4-5 years and other equipment generally have lease terms of 3-6 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group also has certain leases of building with lease terms of 12 months or less and leases of other equipment with low value. The group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases respectively.

a) Set out below are the carrying amounts of lease liabilities and the movements during the period:

Right-of-use assets

Particulars	Leasehold Land	Buildings	Vehicles	Total
Gross carrying amount				
as at April 01, 2020	569.1	4.2	70.8	644.1
Additions during the year*	10.0	6.0	1.1	17.1
as at April 01, 2021	579.1	10.2	71.9	661.2
Additions during the year*	-	-	16.6	16.6
as at March 31, 2022	579.1	10.2	88.5	677.8
Accumulated depreciation				
as at April 01, 2020	8.5	2.1	17.9	28.5
Depreciation charge during the year	6.5	3.3	18.2	28.0
as at April 01, 2021	15.0	5.4	36.1	56.5
Depreciation charge during the year	6.6	3.0	15.8	25.4
as at March 31, 2022	21.6	8.4	51.9	81.9
Net carrying amount as at March 31, 2022	557.5	1.8	36.6	595.9
Net carrying amount as at March 31, 2021	564.1	4.8	35.8	604.7

* During the year ended March 31, 2022, the Group has capitalised borrowing costs amounting to Nil as qualifying assets (March 31, 2021 amounting to 10.0 millions). Borrowing costs were capitalised at specific borrowing rate of 11%.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

b) Set out below are the carrying amounts of lease liabilities and the movements during the period:

Lease liabilities

Particulars	Leasehold Land	Buildings	Vehicles	Total
Recognised as at April 01, 2020	262.9	2.2	52.5	317.6
Additions		6.0	1.1	7.1
Accretion of interest	25.7	0.6	5.2	31.5
Payments	(74.3)	(3.6)	(19.6)	(97.5)
Recognised as at April 01, 2021	214.3	5.2	39.2	258.7
Additions		-	16.6	16.6
Accretion of interest	20.3	0.3	4.2	24.8
Payments	(74.3)	(3.4)	(19.9)	(97.6)
Lease liabilities as at March 31, 2022	160.3	2.1	40.1	202.5
Current	60.0	2.1	16.8	78.9
Non-current	100.3	-	23.3	123.6

The Group had total cash outflows for leases of INR 215.1 million in March 31, 2022 (includes cash outflows of INR 117.5 million relating to short term leases and low value assets)(March 31, 2021 :INR 189.2 Million).

The maturity analysis of lease liabilities is disclosed in Note 32.

The weighted average incremental borrowing rate applied to lease liabilities is 11.05%

c) The following are the amounts recognised in profit or loss:

	March 31, 2022
Depreciation expense of right-of-use assets	25.4
Interest expense on lease liabilities* (Note 26)	24.8
Lease rentals (Note 27)	117.5
	167.7

* interest expense net of borrowing cost capitalised during the year March 31, 2022 of INR Nil (March 31, 2021: INR 10.0 million).

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

38. Contingent liabilities:

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Group believes that none of the contingencies described below would have a material adverse effect on the Group's financial condition, results of operations or cash flows.

	March 31, 2022	March 31, 2021
Claims against the Group not acknowledged as debts		
Standby letter of credit	300.0	-
Income tax matters*	186.2	114.9
Custom matter	1.5	1.5
Sales tax matters	0.5	0.5
Excise duty	-	-

*This includes transfer pricing matters amounting to INR 71.27 million pertaining to AY 2018-19 and INR 114.90 million pertaining to AY 2016-17 which is pending against CIT (Appeals), out of which INR 26.43 million is paid against protest.

Notes:

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

39. Due to micro and small enterprises*

The Group has certain dues to suppliers registered under micro and small Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act 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	23.8	36.0
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

*Information is provided for companies incorporated in India.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

40. Interest in other entities

Details of subsidiaries which have been consolidated are as follows:

S. No	Name of the Company	Country of Incorporation	Ownership interest held by the group		Ownership interest held by the non-controlling interest		Reporting Dates used for Consolidation
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
1	MSID US Inc.	USA	100%	100%	0%	0%	March 31, 2022
2	Mothersonsumi INFotekk And Design GmbH	Germany	100%	100%	0%	0%	March 31, 2022
3	MothersonSumi INFotech and Designs SG Pte. Ltd.	Singapore	100%	100%	0%	0%	March 31, 2022
4	MothersonSumi INFotech & Designs KK*	Japan	85.71% by MIND SG	85.71% by MIND SG	14.29% by MIND SG	14.29% by MIND SG	March 31, 2022
5	Motherson Auto Engineering Service Ltd.	India	100%	100%	0%	0%	March 31, 2022
6	Samvardhana Motherson Virtual Analysis Ltd.	India	100%	100%	0%	0%	March 31, 2022
7	Samvardhana Motherson Healthcare solution Ltd.	India	100%	100%	0%	0%	March 31, 2022
8	SMI Consulting Technologies	USA	100%	100%	0%	0%	March 31, 2022
9	MIND UK	UK	100%	0%	0%	0%	March 31, 2022
10	MIND UAE	UAE	100%	0%	0%	0%	March 31, 2022
11	MIND Spain	Spain	100%	0%	0%	0%	March 31, 2022

* MothersonSumi INFotech & Designs KK is a subsidiary of MothersonSumi INFotech and Designs SG Pte. Ltd. which in turn is held by MIND India

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

41. Additional information required by Schedule III

Current year: 2021-22

Name of entity	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount
Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited)	-171.0%	429.2	48.0%	(381.8)	102.6%	15.6	46.9%	(366.2)
Subsidiaries:								
Indian:								
Samvardhana Motherson Virtual Analysis Limited	-4.1%	10.2	0.0%	0.3	0.0%	-	0.0%	0.3
Motherson Auto Engineering Service Limited	-0.6%	1.5	0.1%	(0.4)	0.0%	-	0.1%	(0.4)
Samvardhana Motherson Healthcare solution Ltd.	74.0%	(185.8)	8.4%	(66.6)	-2.6%	(0.4)	8.6%	(67.0)
Foreign:								
MSID US Inc.	3.0%	(7.6)	4.6%	(36.6)	0.0%	-	4.7%	(36.6)
Mothersonsumi Infotekk And Design GmbH	-62.3%	156.3	0.7%	(5.8)	0.0%	-	0.7%	(5.8)
MothersonSumi INFotech and Designs SG Pre. Ltd.	34.6%	(86.8)	8.2%	(65.4)	0.0%	-	8.4%	(65.4)
MothersonSumi INFotech & Designs KK	126.6%	(317.7)	12.2%	(96.9)	0.0%	-	12.4%	(96.9)
SMI Consulting Technologies	46.8%	(117.4)	1.2%	(9.6)	0.0%	-	1.2%	(9.6)
MIND UK	34.5%	(86.6)	10.1%	(80.6)	0.0%	-	10.3%	(80.6)
MIND UAE	24.3%	(61.1)	7.4%	(59.2)	0.0%	-	7.6%	(59.2)
MIND Spain	-5.9%	14.8	-0.8%	6.7	0.0%	-	-0.9%	6.7
Minority Interest in All Subsidiaries			0.0%	-	0.0%	-	0.0%	-
Total		(251.0)		(795.9)		15.2		(780.7)

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

Previous Year	Name of entity	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
		As a % of Consolidated Net Asset	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount
	Motherson Technology Services Limited (formerly known as MothersonSumi INFotech & Designs Limited)	165.7%	795.3	-56.1%	82.1	100%	(5.7)	-50.2%	76.4
	Subsidiaries:								
	Indian:								
	Samvardhana Motherson Virtual Analysis Limited	2.1%	9.9	-0.2%	0.3	-	-	-0.2%	0.3
	Motherson Auto Engineering Service Limited	0.4%	2.0	0.1%	(0.2)	-	-	0.1%	(0.2)
	Samvardhana Motherson Healthcare solution Ltd.	-24.7%	(118.7)	35.7%	(52.3)	-	0	34.4%	(52.3)
	Foreign:								
	MSID US Inc.	6.0%	28.7	-2.9%	4.2	-	-	-2.8%	4.2
	Mothersonsumi Infotekk And Design GmbH	32.2%	154.4	-17.4%	25.5	-	-	-16.8%	25.5
	MothersonSumi INFotech and Designs SG Pte. Ltd.	-4.2%	(20.1)	25.7%	(37.6)	-	-	24.7%	(37.6)
	MothersonSumi INFotech & Designs KK	-50.4%	(242.0)	55.8%	(81.7)	-	-	53.7%	(81.7)
	SMI Consulting Technologies	-22.5%	(107.8)	39.3%	(57.6)	-	-	37.9%	(57.6)
	MIND UK	-4.4%	(20.9)	13.7%	(20.1)	-	-	13.2%	(20.1)
	MIND UAE	-0.2%	(0.9)	6.1%	(9.0)	-	-	5.9%	(9.0)
	Minority Interest in All Subsidiaries	0.0%	-	-	-	-	-	-	-
	Total		479.9		(146.4)		(5.7)		(152.1)

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

41. Ratio's

	Ratio	March 31, 2022	March 31, 2021	% Variance	Note reference
(a)	Current ratio	0.64	0.85	-24.71%	(a)
(b)	Debt-Equity ratio	(65.78)	1.84	-3675.00%	(b)
(c)	Debt service coverage ratio	(0.82)	0.46	-278.26%	(c)
(d)	Return on equity ratio	(2.39)	(0.27)	785.19%	(d)
(e)	Inventory turnover ratio	31.16	21.4	45.61%	(e)
(f)	Trade receivables turnover ratio	6.44	5.49	17.30%	(f)
(g)	Trade payables turnover ratio	5.70	4.14	37.68%	(g)
(h)	Net capital turnover ratio	(9.87)	(27.34)	-63.90%	(h)
(i)	Net profit ratio	(0.11)	(0.04)	175.00%	(i)
(j)	Return on capital employed	(0.31)	(0.02)	1450.00%	(j)
(k)	Return on investment	-	-	-	(k)

(a)	Current ratio	$\frac{\text{Current assets}}{\text{Current liability}}$
(b)	Debt-Equity ratio	$\frac{\text{Total Debt (Long term borrowing, current maturities of long term borrowing and short term borrowing including Ind AS 116 liabilities)}}{\text{Equity attributable to equity share holder}}$ <p>During the current year, Company has borrowed funds and incurred losses which led to in decrease in ratio.</p>
(c)	Debt service coverage ratio	$\frac{\text{Net Profit/(loss) after taxes + Non-Cash operating expenses (including depreciation and amortization, Provision for doubtful debts / advances, Unrealised foreign exchange (gain)/ loss (net))+interest expenses +other adjustments like loss on sale of fixed assets}}{\text{Current maturities of long term borrowing, interest expense (except Ind AS 116 finance cost) and lease payment}}$ <p>During the current year, Company has borrowed funds and incurred losses which lead to in decrease in ratio.</p>
(d)	Return on equity ratio	$\frac{\text{Profit/ (loss) for the year}}{\text{Average Equity attributable to equity share holder}}$ <p>Due to losses incurred in FY 21-22 return on equity is negative.</p>
(e)	Inventory turnover ratio	$\frac{\text{Change in Inventory and Purchase of traded goods}}{\text{Average of opening and closing inventories}}$ <p>Due to increase in closing inventory as compare to FY 20-21.</p>

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

(f)	Trade receivables turnover ratio	$\frac{\text{Revenue from contract with customers (excluding other operating revenue)}}{\text{Average Trade Receivables}}$
(g)	Trade payables turnover ratio	$\frac{\text{Purchase of Stock-in- Trade and other expenses}}{\text{Average Trade Payable}}$ Due to increase in purchases and other expenses during the year.
(h)	Net capital turnover ratio	$\frac{\text{Revenue from contract with customers (excluding other operating revenue)}}{\text{Average working capital [Current Assets less current liabilities (except current maturity of long term borrowings)]}}$ Due to increase in negative average working capital.
(i)	Net profit ratio	$\frac{\text{Profit/(loss) for the year}}{\text{Revenue from contract with customers (excluding other operating revenue)}}$ Due to loss incurred in FY 21-22 net profit ratio is negative.
(j)	Return on capital employed	$\frac{\text{EBIT i.e Profit/ (loss) before tax + Finance cost}}{\text{Average capital employed (i.e. Tangible net worth, Total Debt and Deferred Tax Liab)}}$ Due to loss incurred in FY 21-22 ROCE is negative.
(k)	Return on investment	Since there is no investment as at current and previous year end, hence this ratio is not applicable

42. The Group has assessed the impact of Covid-19 on its business operations and has prepared the cash flow projections and assessed the recoverability of receivables ,expected credit loss, inventory management, re-evaluated the impairment indicators to test the carrying amount of the property, plant and equipment using various internal and external information up to the date of approval of these financial statement and has concluded that neither there is any material adverse impact on the business operations nor any material adjustments required in the financial statements. However, the impact of Covid-19 may be different from that estimated as at the date of approval of these financial statements and the Group will continue to monitor any material changes to future economic conditions. Since, the Group's operations have been impacted partially in the current and previous year by the outbreak of COVID-19 pandemic and the consequent lockdown announced by central and state governments, the figures presented for the current and previous year are not strictly comparable.
43. Owing to the growth plans envisaged by management, the board has approved the infusion of funds by way of equity amounting INR 2,000 million which will be utilised for construction of new building , capital expenditure, operation and to service debt obligation. The Company has received letter of support from its parent Company to enable it to continue its operations for managing working capital.

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2022 (All amounts in INR Rupee, unless otherwise stated)

44. Other Statutory information

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Group do not have any transactions with companies struck off.
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The Group is not declared as wilful defaulter by any bank or financial Institution or other lender

45. Amounts appearing as zero “0” in financial are below the rounding off norm adopted by the Group.

46. Standard issued but not yet effective

There were no amendments to standards or new standards that are issued but not yet effective.

As per our report of even date attached

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number: 301003E / E300005

per Anil Mehta
Partner
Membership No: 095812

Place: New Delhi
Date: May 24, 2022

For and on behalf of the Board
Motherson Technology Services Limited
(formerly known as MothersonSumi INFotech & Designs Limited)

Laksh Vaaman Sehgal	Lata Unnikrishnan	Rajesh Thakur
Director	Director	Chief Executive Officer
DIN 00048584	DIN 08391470	PAN ACSPT8411E

Rajesh Srivastava
Chief Financial Officer
PAN ADLPS2125A

Place: Noida
Date: May 24, 2022

Motherson Technology Services Limited

(formerly known as MothersonSumi INfotech & Designs Limited)

Registered Office: 2nd Floor, F-7, Block B-1,
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