

Serial No. _____

Addressed to: _____

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INFORMATION MEMORANDUM



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (FORMERLY MOTHERSON SUMI SYSTEMS LIMITED)

(A public limited company registered under the Companies Act, 1956)

CIN: L34300MH1986PLC284510

PAN: AAACM0405A

Date of Incorporation: December 19, 1986

Place of Incorporation: New Delhi

Registered Office: Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051

Corporate Office: – 11th Floor, Plot No. 1, Sector – 127, Noida-Greater Noida Expressway, Noida - 201301

Telephone No.: 022-61354800 | **Website:** motherson.com

Name of Compliance Officer: Mr. Alok Goel

Contact details of Compliance Officer: 0120-6679478

Email: alok.goel@motherson.com

INFORMATION MEMORANDUM FOR ISSUE OF UPTO 50,000 (FIFTY THOUSAND) UNSECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR. 1,00,000/- (RUPEES ONE LAKH ONLY) EACH, FOR CASH, AGGREGATING UPTO INR. 500,00,00,000/- (RUPEES FIVE HUNDRED CRORES ONLY) (“DEBENTURES”), FOR CASH, AT PAR, ON A PRIVATE PLACEMENT BASIS WITH A GREEN SHOE OPTION UP TO RS. 100,00,00,000/- (RUPEES ONE HUNDRED CRORES) IN THE FORM OF UNSECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR. 1,00,000/- (RUPEES ONE LAKH ONLY) EACH BOTH AGGREGATING UPTO INR. 600,00,00,000/- (RUPEES SIX HUNDRED CRORES ONLY) (“ISSUE”).

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Company Secretary	Compliance Officer
Mr. Alok Goel Address: 14 th Floor, Plot No. 1, Sector – 127, Noida-Greater Noida Expressway, Noida - 201301 Tel No: 0120-6679478 Email: alok.goel@motherson.com	Mr. Alok Goel Address: 14 th Floor, Plot No. 1, Sector – 127, Noida- Greater Noida Expressway, Noida - 201301 Tel No: 0120-6679478 Email: alok.goel@motherson.com
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Chief Financial Officer	Registrar
<p>Mr. Kunal Malani Address: – Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051 Tel No: +91 2240029094 Email: Kunal.Malani@motherson.com</p>	<p>KFin Technologies Limited (Formerly KFin Technologies Private Limited)</p>  <p>Inspired By Passion. Driven By Technology.</p> <p>Address: Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, India Contact person: Mr. D Suresh Babu, Manager Tel No: 1800 3094 001 Email: einward.ris@kfintech.com Fax: 040- 23001153 Website: https://www.kfintech.com/</p>

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Credit Rating Agency	Debenture Trustee
<p>India Ratings and Research Private Limited</p> <p>India Ratings & Research</p> <p>A Fitch Group Company</p> <p>Address: – Level 16, Tower B Epitome, Building No. 5, DLF Cyber City, Phase III, Gurugram – 122002, Haryana</p> <p>Contact person: Shruti Saboo, Associate Director – Corporates, India Ratings and Research</p> <p>Tel No: 918130457767</p> <p>Email: shruti.saboo@indiaratings.co.in</p>	<p>Axis Trustee Services Limited</p> <p>AXIS TRUSTEE</p> <p>Address: The Ruby Second Floor, SW 29, Senapati Bapat Marg, Dadar West Mumbai – 400028</p> <p>Contact person: Chief Operation Officer</p> <p>Tel No: +91-22-62300451</p> <p>Email: debenturetrustee@axistrustee.in ; compliance@axistrustee.in</p> <p>Website :- www.axistrustee.in</p>

ISSUE SCHEDULE

Issue Opening Date	January 20, 2023
Issue Closing Date	January 20, 2023
Bid Opening Date	January 20, 2023
Bid Closing Date	January 20, 2023
Pay In Date	January 23, 2023
Deemed Date of Allotment	January 23, 2023

This Information Memorandum is dated January 18, 2023

CREDIT RATING

The Debentures proposed to be issued by the Issuer have been rated by India Ratings and Research Private Limited (“**Rating Agency**”). The Rating Agency has *vide* its letter dated December 16, 2022 assigned a rating of ‘AAA/Stable’. The afore-mentioned rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the Rating Agency and should be evaluated independently of any other ratings. Please refer to **Annexure II** of this Information Memorandum for the letter dated December 16, 2022 from Rating Agency assigning the credit rating abovementioned and the rating rationale adopted by the Rating Agency for the aforesaid credit rating. The press release issued by the rating agency is available at: <https://www.indiaratings.co.in/pressrelease/59944>

ALL RATINGS OBTAINED FOR PRIVATE PLACEMENT

‘IND AAA’/Stable by India Ratings and Research (Ind Ra)

LISTING

The Debentures are proposed to be listed on the wholesale debt segment of the BSE Limited (“**Designated Stock Exchange**”) and NSE Limited.

THE DETAILS ABOUT ELIGIBLE INVESTORS

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The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form (“**Eligible Investors**”):

- I. Foreign portfolio investors
- II. Companies and bodies corporate including public sector undertakings;
- III. Financial institutions, including provident funds and mutual funds;
- IV. Insurance companies;
- V. Foreign institutional investors;
- VI. Anchor investors to the Issue; and
- VII. Any other investor authorized to invest in the Debentures,

in each case, as may be permitted under applicable law.

All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

KEY TERMS

Particulars	Details
Coupon rate	8.15%
Coupon payment frequency	The Coupon shall be payable annually and on the Redemption Date
Redemption Date	January 23, 2026
Redemption Amount	INR 1,00,000 per Debenture
Details of Debenture Trustee	Axis Trustee Services Limited
Nature and issue size, base issue and green shoe option, if any, shelf or tranche size, each as may be applicable	Private placement of upto 50,000 rated, listed, unsecured, redeemable, non-convertible debentures of a face value of INR 1,00,000 (Rupees One Lakh) each, aggregating up to INR 500,00,00,000/- (Rupees Five Hundred Crores only) on a private placement basis with a green shoe option up to Rs. 100,00,00,000/- (Rupees One Hundred Crores) in the form of rated, listed, unsecured, redeemable non-convertible debentures denominated in INR having a face value of INR 1,00,000 (Rupees One Lakh) each both aggregating upto INR 600,00,00,000/- (Rupees Six Hundred Crores only) (the “ Issue ”).

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Underwriting of the issue including the amount undertaken to be underwritten by the underwriters	Nil/Not Applicable.
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BACKGROUND

This Information Memorandum is related to the Debentures to be issued by Samvardhana Mothercon International Limited (formerly Mothercon Sumi Systems Limited) (the “**Issuer**” or “**Company**”) on a private placement basis and contains relevant information and disclosures required for the purpose of issuance of the Debentures. The issue of the Debentures described under this Information Memorandum has been authorised by the Issuer through a resolution passed by the Board of Directors of the Issuer on August 08, 2022 (copy of the resolution is set out in **Annexure V** hereof) in accordance with the provisions of the Act and the Memorandum and Articles of Association of the Issuer. The present issue of the Debentures in terms of this Disclosure Document is within the overall limit and powers of the Board under Section 180(1)(c) of the Companies Act, 2013.

ISSUER’S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this placement memorandum contains all information with regard to the Issuer and the issue which is material in the context of the issue, that the information contained in the placement memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

GENERAL RISKS

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 3 of this Information Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor’s decision to purchase such securities.

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SECTION 1: DISCLAIMERS

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AS PER THE PROVISIONS OF THE SEBI DEBT LISTING REGULATIONS, IT IS NOT STIPULATED THAT A COPY OF THIS PLACEMENT MEMORANDUM HAS TO BE FILED WITH OR SUBMITTED TO THE SEBI FOR ITS REVIEW / APPROVAL. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THIS PLACEMENT MEMORANDUM SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO HAVE BEEN APPROVED OR VETTED BY SEBI AND THAT THIS ISSUE IS NOT RECOMMENDED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY PROPOSAL FOR WHICH THE DEBENTURES ISSUED THEREOF IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS PLACEMENT MEMORANDUM.

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IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DISCLOSURE DOCUMENT WITH THE STOCK EXCHANGE OR IN-PRINCIPLE APPROVAL GIVEN BY BSE VIDE ITS LETTER REF.: DCS/COMP/PG/IP-PPDI/564/22-23 DATED JANUARY 12, 2023 SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE STOCK EXCHANGE NOR DOES THE STOCK EXCHANGE IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS DISCLOSURE DOCUMENT, NOR DOES THE STOCK EXCHANGE WARRANT THAT THE ISSUER'S DEBENTURES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE STOCK EXCHANGE; NOR DOES THE STOCK EXCHANGE TAKE ANY RESPONSIBILITY FOR THE SOUNDNESS OF THE FINANCIAL AND OTHER CONDITIONS OF THE ISSUER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THE ISSUER.

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AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE). IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE AFORESAID SUBMISSION OR IN-PRINCIPLE APPROVAL GIVEN BY NSE VIDE ITS LETTER REF.: NSE/LIST/5786 DATED JANUARY 12, 2023 OR HOSTING THE SAME ON THE WEBSITE OF NSE IN TERMS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 AS AMENDED FROM TIME TO TIME, SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY NSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; NOR DOES IT WARRANT THAT THIS ISSUER'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS ISSUER, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS ISSUER.

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SECTION 2: DEFINITIONS AND ABBREVIATIONS

References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made under that provision.

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Information Memorandum. In the case of any inconsistency between this Information Memorandum and the Debenture Trust Deed, the terms of the Debenture Trust Deed shall prevail.

General terms

Term	Description
the Issuer/ the Company	Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited)

Issuer related terms

Term	Description
Board of Directors/Board	The board of directors of the Company or any committee thereof
Director(s)	Director(s) of the Company, as may change from time to time
Memorandum and Articles	The Memorandum of Association and the Articles of Association of the Issuer, as amended from time to time

Issue related terms

Term	Description
Act	The Companies Act, 2013 and any modifications or re-enactments thereof
Allotment/Allot	The allotment of the Debentures
Application Form	The form in which an investor can apply for subscription to the Debentures which is provided in Annexure I
Beneficial Owner(s)	The holders of the Debentures in dematerialized form whose name is recorded as such with the Depository
Business Day	A day, other than Saturday, Sunday and any day which is a public holiday for the purpose of section 25 of the Negotiable Instruments Act, 1881, on which banks and money markets are open for general banking business in Mumbai and “ Business Days ” shall be construed accordingly
BSE	The BSE Limited
BSE Operational Guidelines	Operating Guidelines for Issuance of Securities on Private Placement basis through Electronic Book Mechanism issued by Bombay Stock Exchange
CDSL	Central Depository Services (India) Limited
Coupon Period	The period of 12 (twelve) months beginning on the Date of Allotment and every 12 (twelve) month period thereafter provided that the last Coupon Period shall commence on the penultimate Coupon Payment Date and end on the Redemption Date.

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Term	Description
Debenture Holder(s)	The persons who are, for the time being and from time to time, collectively the holders of the Debentures and whose names appear in the Register of Beneficial Owners, and “Debenture Holder” means each such person
Debenture Trust Deed	Debenture Trust Deed executed/ to be executed by and between Debenture Trustee and the Company in respect of the Debentures
Debenture Trustee	Debenture trustee for the Debenture Holders, in this case being Axis Trustee Services Limited
Debenture Agreement	Trustee Debenture trustee agreement executed/to be executed by and between the Debenture Trustee and the Company for the purposes of appointment of the Debenture Trustee to act as the debenture trustee in connection with the issuance of the Debentures
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository(ies)	NSDL and/or CDSL, with whom the Company has made arrangements for dematerialising the Debentures
Depository Participant/ DP	A depository participant as defined under the Depositories Act
DP-ID	Depository Participant Identification Number
ECS	Electronic clearing system
Electronic Book Provider	Electronic Book Building Platform of BSE Limited.
Financing Documents	The Offer Documents, the Debenture Trustee Agreement, the Debenture Trust Deed and any other document that may be designated by the Debenture Trustee / Debenture Holders and the Company as a Financing Documents
Group	the Company and its subsidiaries for the time being
Information Memorandum/ Disclosure Document	This Information Memorandum through which the Issue is being made
Issue	Private placement of the Debentures
INR / Rs. / Rupees	Indian Rupee currency
Material Adverse Effect	The effect or consequence of an event, circumstance, occurrence or condition which, in the sole determination of the Debenture Trustee, has caused, as of any date of determination, or could be expected to cause, a material and adverse effect or a material adverse change on: <ul style="list-style-type: none"> i. the financial condition, performance, assets, operations, properties, or business of the Company; ii. the ability of the Company to perform or comply with its obligations under any of the Financing Documents; iii. the validity, legality or enforceability of, or the rights or remedies of any Finance Party under any Financing Document; iv. any roll-back of regulatory approval, material to operations of the Company. provided that the same is not cured to the satisfaction of the Debenture Trustee within 10 (ten) days of such roll-back.
NEFT	National Electronic Fund Transfer service
NSE	National Stock Exchange of India Limited

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Term	Description
NSDL	National Securities Depository Limited
Offer Documents	This Information Memorandum and the Private Placement Offer cum Application Letter
Private Placement Offer cum Application Letter	The private placement offer cum application letter issued by the Issuer in relation to the issuance of the Debentures pursuant to Section 42 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014
Rating Agency(ies)	India Ratings and Research Private Limited
RTGS	Real Time Gross Settlement
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Debt Listing Regulations	The SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by SEBI, as amended from time to time
SEBI Electronic Book Mechanism Guidelines	The guidelines issued by SEBI and pertaining to the Electronic Book Mechanism set out in the SEBI circular dated August 10, 2021
Working Day(s)	All days on which commercial banks in Mumbai, are open for business; <i>Explanation:</i> For the purpose of this definition, in respect of – (i) issue period: working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (ii) the time period between the issue closing date and the listing of the Debentures on the stock exchanges: working day shall mean all trading days of the stock exchanges for Debentures, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.

SECTION 3: RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations in relation to the Debentures. These risks may include, among others, business aspects, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Eligible Investors should carefully consider all the information in this Disclosure Document, including the risks and uncertainties described below, before making an investment in the Debentures. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

General Risk

Potential investors should carefully consider all the risk factors in this Information Memorandum for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures but does not represent that the statements below regarding the risks of holding the Debentures are exhaustive. The order of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

If any one of the following stated risks actually occurs, the Company's business, financial conditions and results of operations could suffer and, therefore, the value of the Company's Debentures could decline and/or the Company's ability to meet its obligations in respect of the Debentures could be affected. More than one risk factor may have simultaneous effect with regard to the Debentures such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No prediction can be made as to the effect that any combination of risk factors may have on the value of the Debentures and/or the Company's ability to meet its obligations in respect of the Debentures. Potential investors should perform their own independent investigation of the financial condition and affairs of the Company, and their own appraisal of the creditworthiness of the Company. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations with respect to the Debentures. Potential investors should thereafter reach their own views prior to making any investment decision.

RISKS RELATING TO THE ISSUER AND ISSUE

Every business carries certain inherent risks and uncertainties that can affect its financial condition, results of operations and prospects. The management of the Issuer understands that risks can negatively impact the attainment of both short term operational and long term strategic goals.

The following factors have been considered for determining the materiality, of which:

- a) Some events may not be material individually but may be found material collectively.
- b) Some events may have material impact qualitatively instead of quantitatively.
- c) Some events may not be material at present but may have material impact in future.

The Company believes that these risk factors may affect its ability to fulfil its obligations under the Debentures issued under this Disclosure Document. All of these factors may or may not occur and the Company is not in a position to express a view on the likelihood of any such event occurring.

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Unless the context requires otherwise, the risk factors described below apply to the Company and its subsidiaries only. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures, but does not represent that the statements below regarding the risks of holding the Debentures are exhaustive.

Please note that unless specified or quantified in the relevant risk factors, the Company is not in a position to quantify the financial or other implications of any risk mentioned herein below.

a. Risks in relation to the non-convertible securities

(i) Repayment of principal is subject to the credit risk of the Company.

Potential investors should be aware that receipt of the principal amount along with coupon payable thereon and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Company and the potential investors assume the risk that the Company may not be able to satisfy its obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings are instituted by or against the Company, the payment of sums due on the Debentures may be substantially reduced or delayed.

(ii) Any downgrade in credit rating may affect the ability of the Company to redeem the Debentures

The Debentures offered through this Issue have been rated “IND AAA/Stable” by the Credit Rating Agency. Credit rating is merely an indicator of the perceived repayment capability of a company. Therefore, the Credit Rating of the Debentures may not bear any co-relation to the price of the Debentures. Further, the Credit Rating is subject to continuous scrutiny and revision.

b. Tax Considerations and Legal Considerations

Special tax considerations and legal considerations may apply to certain types of potential investors. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of this investment.

c. Company's indebtedness and covenants imposed by its financing arrangements may restrict its ability to conduct its business or operations

Company's financing arrangements require it to maintain certain security cover for some of its borrowings. Should there be any breach of financial or other covenants of any financing arrangements and such breach continues beyond the stipulated cure period (if any), the Company may be subjected to various consequences as a result of such default including forced repayment of such borrowings. Further, under some of the financing arrangements, the Company is required to inform / obtain prior approval of the lenders / debentures holders / debenture trustee for various actions. This may restrict / delay some of the actions / initiatives of the Company from time to time.

d. Accounting Considerations

Special accounting considerations may apply to certain types of taxpayers. Potential investors are

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urged to consult with their own accounting advisors to determine implications of this investment.

e. Changes in regulations / tax laws to which the Company is subject could impair the Company's ability to meet payments or other obligations.

The Company is subject generally to changes in Indian law and/or tax laws, as well as to changes in government regulations by applicable regulators in India and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Company or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

f. Limited or sporadic trading of non-convertible securities of the issuer on the stock exchanges

The Debentures may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. This could limit the ability of the Investor to resell them. This leads to liquidity and price risk on the Debentures.

g. Risks to Company's Business

This section should be read together with "Industry and Market Data", "About Our Company – Our Business", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" as well as the financial statements, including the notes thereto, and other financial information included elsewhere or referred or extracted in this Disclosure Document. The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us, or that we currently believe to be immaterial, may also adversely affect our business, prospects, financial condition and results of operations and cash flow.

Without limiting or restricting the effect of the above, risks to Company's business includes the following:

- (i) We are affected by economic trends and adverse developments in the global economy and in countries where we operate.
- (ii) We depend upon sales of our products to a small number of customers, and the loss of or reduction in sales to any of our major customers would have a material adverse effect on us.
- (iii) Our customers may fail to pay us the amounts due to us on time or at all, which could have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.
- (iv) Our business may be adversely impacted by the emissions incident involving alleged violations by our customer.
- (v) Seasonal or economic cyclicalities coupled with reduced demand in the automotive industry in which we operate could affect our business.

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- (vi) Our customers may encourage competition to reduce their costs and even reduce sourcing from us to reduce their dependence on us, which would have a material adverse effect on us.
- (vii) We may incur significant costs in connection with ongoing efforts by our customers to restructure their operations.
- (viii) Escalating price pressure from customers could materially and adversely affect our business.
- (ix) Deterioration in the performance of any of our subsidiaries, joint ventures and affiliates may adversely affect our results of operations and our ability to service obligations under the Debentures depends on our ability to obtain cash dividends or other cash payments.
- (x) Competition in our markets could reduce our profitability or reduce our market share.
- (xi) Our inability to identify and adapt to evolving industry trends and preferences and develop new products to meet our customers' demands may adversely affect our business.
- (xii) Any disruption of the operations of our manufacturing, design, engineering and other facilities could materially and adversely affect our business, financial condition and results of operations.
- (xiii) The Company does not own all its premises from which it operates and continuous and uninterrupted use and possession of such premises are subject to certain conditions as per the lease agreements.
- (xiv) We depend on our suppliers, some of whom are our competitors, for the supply of raw materials and components that are critical to our manufacturing processes. Our production could also be adversely affected by any quality or reliability issues with any of our component suppliers. If we receive low-quality or defective components or raw materials, this may delay our production or lower the quality of our finished products. Any such delays or quality defects may affect our relationship with our customers and result in a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.
- (xv) A loss of suppliers or interruptions in the delivery of raw materials could adversely affect our results of operations and cash flows.
- (xvi) Volatility in the prices of raw materials or pre-constructed components on which we rely could adversely affect our results of operations and cash flows.
- (xvii) Increases in the price or inadequate supply of energy and other input materials may adversely affect our results of operations and cash flows.
- (xviii) Our business could be adversely affected by any delays or increased costs resulting from issues that our common carriers may face in transporting our raw materials, components or finished products.

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- (xix) Damage to our image and reputation or any of our customers' image and reputation could have a material adverse effect on our results of operations.
- (xx) Legal or regulatory claims or investigations against us could have a material adverse effect on our financial position.
- (xxi) We are required to obtain and maintain quality and product certifications for certain markets and customers.
- (xxii) The discontinuation of, the loss of business with respect to, or lack of commercial success of, a particular vehicle model for which we are a significant supplier could affect our business and results of operations.
- (xxiii) The acquisition of other companies, businesses or technologies could result in operating difficulties, dilution and other adverse consequences.
- (xxiv) We have experienced significant growth in recent years and could make investments and acquisitions in the future that involve considerable integration costs, and we may be unable to sustain, manage or realize the expected benefits of such growth or may not be able to fund that growth.
- (xxv) Our business, results of operations, cash flows and financial condition may be significantly impacted by any reorganization or restructurings in the future.
- (xxvi) Our estimates of production volume we produce may not correspond to actual demand for our products.
- (xxvii) Start-up costs and inefficiencies related to new products or programs can adversely affect our operating results and such costs may not be fully recoverable if new programs are cancelled.
- (xxviii) A decline in the financial condition of original equipment manufacturers ("OEMs") or other customers or suppliers could have a material adverse effect on our business, financial condition and results of operations.
- (xxix) Our diverse and complex global operations subject us to risks in multiple countries that could adversely affect our business.
- (xxx) Any inability to manage our growing international business may materially and adversely affect our financial condition and results of operations.
- (xxxi) We are exposed to risks associated with foreign exchange rate fluctuations and hedging.
- (xxxii) Our continued operations are critical to our business and any shutdown of our manufacturing facilities may have an adverse effect on our business, results of operations and financial condition.
- (xxxiii) Natural or man-made disasters and other events outside our control, and the ineffective management of the effects of such events, may affect our business.

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- (xxxiv) Any delay in the implementation or failure in the operation of our information systems could disrupt our operations and cause an unanticipated increase in costs.
- (xxxv) Increasing labor costs or labour unrest in various jurisdictions in which we operate may adversely affect us. Also, employee misconduct could harm us and is difficult to detect and deter.
- (xxxvi) We rely upon contract labor to carry out some of the activities at our manufacturing facilities, and any shortage of such contract labor or work stoppages caused by disagreements with independent labor contractors could adversely affect our business, financial condition and results of operations.
- (xxxvii) Agreements with unions or works councils could reduce our ability to manage our cost base and cause labor unrest or work stoppages at our facilities.
- (xxxviii) We depend on our promoters, senior management, executive officers, key employees and skilled personnel, and if we are unable to recruit and retain skilled management personnel, our business and our ability to operate or grow our business could be adversely affected.
- (xxxix) We cannot guarantee that our decentralized structure will not lead to incidents or developments that could damage our reputation, operations or financial condition.
- (xl) We conduct some of our operations through joint ventures over which we may have limited control.
- (xli) Our business exposes us to potential liabilities that may not be covered by insurance.
- (xlii) The success of our newly designed products and other innovations depends in part on our ability to obtain, protect and preserve intellectual property rights to our designs and we cannot assure you that we will develop sufficient new revenue streams to replace revenue streams that may diminish as our current intellectual property rights expire.
- (xliii) Our future success depends on our ability to satisfy changing customer demands by offering innovative products in a timely manner and maintaining such products' competitiveness and quality.
- (xliv) Product liability and other civil claims and costs incurred as a result of product recalls could have a material adverse effect on our business, financial condition and results of operations.
- (xlv) Our operations are subject to environmental and health and safety laws and other government regulations which could result in material liabilities in the future.
- (xlvi) Significant changes in laws and governmental regulations could have an adverse effect on our profitability.
- (xlvii) We face risks relating to the availability of tax deductions. Also, changes in legislation or policies related to tax applicable to us could adversely affect our results of operations.

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- (xlviii) We have entered into, and will continue to enter into, related party transactions, and there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties.
- (xlix) Our factoring facilities expose us to various risks.
- (l) Any downgrade of our debt ratings or of India's debt rating by international rating agencies could adversely affect our business.
- (li) Our off-balance sheet liabilities could adversely affect our financial condition.
- (lii) Our ability to pay interest / dividends / coupon in the future will depend upon our future earnings, financial condition, cash flows, capital expenditure, long-term target payout ratios, growth & investment opportunities, current capital ratios, current & prospective financial performance and other macro & micro-economic factors.
- (liii) Certain terms contained in our business agreements may be onerous and commercially restrictive.
- (liv) Any conflict of interest which may occur between our business and any other similar business activities pursued by our promoters or directors could have a material adverse effect on our business, financial condition and results of operations.
- (lv) A failure to comply with financial and other restrictive covenants imposed on us under our financing agreements could cause us to default on these agreements, which could adversely affect our ability to conduct our business and operations.
- (lvi) The outstanding litigation against our Company could adversely affect our financials and business.
- (lvii) We have given corporate guarantees in relation to certain debt facilities provided to certain of its subsidiaries, which, if invoked, will require us to pay the guaranteed amounts.
- (lviii) Potential changes to our business through acquisitions and divestments may have a material adverse effect on our future results and financial condition.

We regularly examine a range of corporate opportunities, including acquisitions and divestments, with a view to determining whether those opportunities will enhance our strategic position and financial performance. There can be no assurance that any acquisition or divestment would have the anticipated positive results, including results relating to the total cost of integration or separation, the time required to complete the integration or separation, the amount of long-term cost savings, the overall performance of the combined or remaining entity, or an improved price for the Company's securities. Additionally, there are risks relating to the completion of any particular transaction occurring, including counterparty and settlement risk, or the non-satisfaction of any completion conditions (for example, relevant regulatory or third party approvals). Our operating performance, risk profile and capital structure may be affected by these corporate opportunities and there is a risk that our credit ratings may be placed on credit watch or downgraded if these opportunities are pursued. Integration or separation of an acquired or divested business can be complex and costly, sometimes including combining or separating relevant accounting and data processing systems, and management controls, as well as managing relevant relationships with employees, customers, regulators, counterparties, suppliers and other

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business partners. Integration or separation efforts could create inconsistencies in standards, controls, procedures and policies, as well as diverting management attention and resources. This may adversely affect our ability to conduct our business successfully and impact our operations or results. Additionally, there can be no assurance that employees, customers, counterparties, suppliers and other business partners of newly acquired or retained) businesses will remain post-acquisition or post-divestment, and the loss of employees, customers, counterparties, suppliers and other business partners may adversely affect our operations or results.

- (lix) Deterioration in the performance of any of our subsidiaries, joint ventures or affiliates could materially and adversely affect our results of operations.

We have made and may continue to make capital commitments to our subsidiaries, joint ventures and affiliates. If the business or operations of any of these subsidiaries, joint ventures and affiliates deteriorate, the value of our investments may decline substantially. We are also subject to risks associated with joint ventures and affiliates wherein we retain only partial or joint control. Our partners may be unable, or unwilling, to fulfill their obligations, or the strategies of our joint ventures or affiliates may not be implemented successfully, any of which may significantly reduce the value of our investments or cause our relationship with the co-owner to deteriorate, which could, have a material adverse effect on our reputation, business, financial position or results of operations. Investments in projects over which we have partial or joint control are subject to the risk that the other shareholders of the joint venture, who may have different business or investment strategies than we do or with whom we may have a disagreement or dispute, may have the ability to block business, financial or management decisions, such as the decision to distribute dividends or appoint members of management, which may be crucial to the success of the project or our investment in the project, or otherwise implement initiatives that may be contrary to our interests. Moreover, our partners may be unable, or unwilling, to fulfill their obligations under the relevant joint venture agreements and shareholder agreements or may experience financial or other difficulties that may adversely impact our investment in a particular joint venture or strategic partnership projects. Operating a business as a joint venture often requires additional organizational formalities, as well as time consuming procedures for sharing information and making decisions. In joint ventures, we are required to foster our relationships with our co-owners as well as promote the overall success of the joint venture. If there is a significant change in these relationships (for example, if a co-owner changes or relationships deteriorate), our success in the joint venture may be materially adversely affected.

- (lx) Risk associated with COVID 19

Our business has been negatively affected by the COVID-19 pandemic. The ongoing COVID-19 pandemic has negatively impacted our business, financial condition and results of operations. In December 2019, the first case of a novel strain of coronavirus, COVID-19, was identified in the PRC. The pandemic has since spread worldwide and there have been increased initial infection and fatality rates across the world. On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. Due to the outbreak of COVID-19, a significant number of industries and national economies, as well as general consumer sentiment, have been negatively affected. Moreover, global capital markets experienced steep declines and liquidity disruptions at the beginning of the pandemic, and investor sentiment remains volatile. These negative trends are likely to continue until levels of infection are materially reduced around the world. Production

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activities at our plants across the globe were disrupted, as we sought to comply with local regulations and ensure the health of our employees.

Given the uncertainties regarding the continued spread of COVID-19, it is difficult to predict the future economic effect of the virus on the global economy, or to what extent our business will be affected. We cannot assure you that, for example, that further outbreaks will not result in our production facilities being re-closed, or that the continued spread of the virus will not result in materially fewer automotive sales that would in turn result in reduced demand for our products by OEMs. Any material change in the financial markets, the global economy or regional economies as a result of the COVID-19 pandemic may materially and adversely affect our business, financial condition, results of operations, and obligation under the borrowings raised in the company or its subsidiaries.

(1x) Specific risks relating to operations in India

- Increased volatility or inflation of commodity prices in India could adversely affect our business.
- Trade deficits could have a negative effect on our business.
- A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could have an adverse impact on us. A rapid decrease in reserves would also create a risk of higher interest rates and a consequent slowdown in growth.
- Acts of terrorism and other similar threats to security could adversely affect our business, cash flows, results of operations and financial condition.
- Natural disasters, pandemic or events of like nature could have a negative impact on the Indian economy and damage our facilities.
- Political instability or significant changes in the economic liberalization and deregulation policies of the Government or in the government of the states where we operate, could disrupt our business.
- Statistical, industry and financial data in this Disclosure Document may be incomplete or unreliable.
- This Disclosure Document may also contain forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors including the considerations described below and elsewhere in this Disclosure Document.

Unless otherwise stated, references to "we", "us", "our" and similar terms are to Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited).

h. Refusal of listing of any security of the issuer during last three years by any of the stock exchanges in India or abroad.

Nil

i. In case of outstanding debt instruments or deposits or borrowings, any default in compliance with the material covenants such as creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, non-creation of debenture redemption reserve, default in payment of penal interest wherever applicable.

Nil

SECTION 4: REGULATORY DISCLOSURES

4.1 Documents submitted to the exchange

The following documents have been / shall be submitted to the stock exchange:

- (a) Memorandum and Articles of Association of the Issuer and the necessary resolution(s) for the allotment of the debt securities;
- (b) Copy of last 3 (Three) years audited annual reports;
- (c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (d) Copy of the Board / committee resolution authorising the issue of debt securities and list of authorized signatories;
- (e) Any other particulars or documents that the stock exchange may call for as it deems fit.

4.2 Documents submitted to the Debenture Trustee

The following documents have been / shall be submitted to the Debenture Trustee at the time of allotment of the debt securities:

- (a) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the debt securities;
- (b) Copy of last 3 (Three) years audited annual reports;
- (c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (d) Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any.
- (e) An undertaking to the effect that the Issuer would, till the redemption of the debt securities, submit the details mentioned in point (d) above to the Debenture Trustee within the timelines as mentioned in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, for furnishing / publishing its quarterly / half yearly / annual result(s). Further, the Issuer shall within 180 (One Hundred and Eighty) days from the end of the financial year, submit a copy of the latest annual report to the Trustee and the Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture-holders within 2 (Two) working days of their specific request.

4.3 (a) Name and Address of the Issuer

Name : Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited)

Registered Office of Issuer : Unit 705, C Wing, ONE BKC, G Block Bandra Kurla Complex, Bandra East Mumbai- 400051

Corporate Office of the Issuer : 11th Floor, Plot No. 1, Sector-127, Noida-Greater Noida Expressway, Noida-201301

Compliance Officer of Issuer : Mr. Alok Goel


CFO of the Issuer : Mr. Kunal Malani

Corporate Identification : L34300MH1986PLC284510

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Number
Contact No. : 0120 - 6679500
Website : www.motherson.com

(b) Arrangers, if any

Name : HDFC Bank Limited
Logo : 
Address : HDFC Bank Limited
Peninsula Business Park,
4th Floor, Tower B,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai - 400013

Tel. No. : +91-22-33928150
Fax No. : +91-22-30788584
Contact Person : Gaurav Pasricha; Somashree GhoshDastidar
Email : gaurav.pasricha@hdfcbank.com;
Somashree.Ghoshdastidar@hdfcbank.com
Website : www.hdfcbank.com

(c) Debenture Trustee to the Issue

Name : Axis Trustee Services Limited
Logo : 
Address : The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West,
Mumbai – 400028
Tel. No. : +91-22-62300451
Contact Person : Chief Operation Officer
Email : compliance@axistrustee.in, debenturetrustee@axistrustee.com
Website : axistrustee.com

(d) Registrar of the Issue

Name : KFin Technologies Limited
(formerly KFin Technologies Private Limited)
Logo : 
Address : Selenium Tower B, Plot Nos. 31 & 32, Financial District,
Nanakramguda, Serilingampally Mandal, Hyderabad – 500032,
India
Tel. No. : 1800 3094 001
Contact Person : Mr. D. Suresh Babu
Email : einward.ris@kfintech.com
Website : <https://www.kfintech.com/>

(e) Credit Rating Agency (ies) of the Issue

Name : India Ratings and Research Private Limited
Logo : 
Address : Level 16, Tower B Eptome, Building No. 5, DLF Cyber City, Phase III, Gurugram – 122002, Haryana
Tel. No. : 918130457767
Contact Person : Shruti Saboo, Associate Director – Corporates, India Ratings and Research
Email : shruti.saboo@indiaratings.co.in
Website : www.indiaratings.co.in

(f) Auditors of the Issuer

Name : S.R. Batliboi & Co. LLP, Chartered Accountants
Logo : NA
Address : 2nd & 3rd Floor Golf View Corporate Tower - B Sector - 42, Sector Road Gurugram - 122 002, Haryana, India
Tel. No. : +91 124 681 6000
Contact Person : Pankaj Chadha
Email : srbc@srb.in
Website : Not applicable

(g) Legal Counsel

Name : Wadia Ghandy & Co.
Logo :



Address : 2nd Floor, NM Wadia Buildings, 123 MG Road, Fort, Mumbai 400 001
Tel. No. : +91 (22) 2271 5600
Contact Person : Mr. Piyush Kumar
Email : contact@wadiaghandy.com
Website : N.A.

4.4 Details of Promoters of the Issuer Company

Please refer to Annexure XIII

The Issuer confirms that Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoter have been submitted to the stock exchanges on which the non-convertible securities are proposed to be listed, at the time of filing the draft offer document.

4.5 About the Issuer

A brief summary of business / activities of Issuer and its subsidiaries with the details of branches or units if any and its line of business

A. Overview of the business of the Issuer:

Samvardhana Motherson International Ltd. (SAMIL/Motherson/Company) (formerly Motherson Sumi Systems Limited) is a diversified global manufacturing specialist and one of the world's leading suppliers to automotive OEMs. Motherson supports its customers from more than 300 facilities across 41 countries, with a team of over 150,000 dedicated professionals. Facilities include all operational units (manufacturing plants, module centres, assembly centres, units for service businesses), tech centres and representative offices. This global footprint allows the company to support the evolving needs of its customers across the world. As the main hub of our operations and the central listed entity, SAMIL serves as the catalyst for growth and value creation for its customers, investors, employees and the communities in which it works.

The Company is a full system solutions provider and has a diversified product portfolio which includes electrical distribution systems, fully assembled vehicle interior and exterior modules, automotive rear vision systems, moulded plastic parts and assemblies, injection moulding tools, moulded and extruded rubber components, lighting systems, electronics, precision metals and modules, Industrial IT solutions and services and new innovative technologies such as telematics etc. The group has expanded its presence to support customers in new segments including health and medical, aerospace and logistics. The diversified range of technologies and capabilities allows SAMIL to support a wide spectrum of sectors, with automotive as the main industry served.

The Company features among one of the largest auto ancillaries in India and globally with market leadership in many of its product segments. It has 28 joint ventures with 26 partners. The Company has a philosophy of collaborating with global leaders to support customers by enhancing its geographical reach and technological capabilities.

The Company is listed on BSE (formerly Bombay Stock Exchange Limited) and the National Stock Exchange of India Limited (NSE).

Awards and Recognition

Awards and recognitions received by SAMIL are a manifestation of the performance of the company and the trust it enjoys amongst its customers. Some of the awards received in FY 2021-22 include the Best Performance in Logistics (Wiring Harness), Certificate of Appreciation Lock Out Tag Out Project (Wiring Harness), Best Support (Wiring Harness), Best Supplier Silver (Wiring Harness), Supplier Performance (Wiring Harness), Quality Stability Competition First Place (Vision Systems), Outstanding Supplier (Vision Systems), Excellent Supplier (Vision Systems), Best Performance (Vision Systems) from Hyundai; Outstanding Quality Performance (Vision Systems) from Nissan; Capitalisation & Zero Weld Defect (Precision Metals & Modules) from Renault Nissan; Overall

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Performance (Wiring Harness), Special Support (Wiring Harness), Special Support (Modules & Polymer Products), Quality Improvement (Vision Systems), Part Design & Development (Vision Systems) from Maruti Suzuki; Special Appreciation (Wiring Harness), Achieving Targets in Delivery (Wiring Harness and (Modules & Polymer Products), Achieving Targets in Quality (Modules & Polymer Products), Zero Defect Supplies (Modules & Polymer Products), Zero Defect Supplies (Precision Metals & Modules) from Toyota; Supplier Quality Excellence (Modules & Polymer Products), Supplier of the Year (Vision Systems), Supplier Quality Excellence (Lighting & Electronics) from General Motors; Supplier Quality Excellence Silver (Precision Metals & Modules), Best APQP Project (Precision Metals & Modules), Best Quality Performance (Precision Metals & Modules) from Caterpillar etc.

The Company operates its business through below key divisions:

Wiring harness division

The Wiring Harness division of Motherson is one of the world's leading suppliers of wiring harnesses and electrical components. It supports its customers by designing and producing the electronic nerve system of their vehicles, thus being a part of ensuring safe and reliable mobility around the world. With 98 facilities across 21 countries, the division is a full-system solutions provider that can support our customers from the drawing board to production.

The product portfolio includes components, electrical distribution systems (EDS), power modules, power packs and enterprise resource planning (ERP) systems. The division supports a wide range of vehicles, from passenger vehicles to two-wheelers to commercial vehicles, farm equipment and rolling stock.

By consistently improving our performance, we have gained the trust of our customers and have been growing geographically alongside them. We also started supporting our customers in all the segments on the Electric Vehicle (EV) side as well. We were entrusted with new orders from new customers in all the regions including those entering the automotive market for the first time. Thanks to our customers for entrusting us with the responsibility when their normal supply chains were disrupted due to the pandemic and geopolitical events and our teams were able to help them. To meet the growing demands of our customers, we have set up Greenfield and Brownfield projects across the globe.

Rearview Mirrors division

Motherson is one of the leading global suppliers of automotive vision systems with a product range that includes exterior mirrors, interior mirrors, aesthetic surfaces and camera-based vision systems. The division, through its company Samvardhana Motherson Reflectec, has been a pioneer in the field of high-performance camera systems since introducing the world's first camera-based, intelligent blind-spot detection system in 2005. Since then, we have further developed our in-house expertise to become a provider of full-system solutions for conventional exterior mirrors and camera-based vision systems.

Across our global operations, Vision Systems drives organic growth by continuously adapting to meet our customers' ever-changing and complex demands. With 37 facilities in 18 countries, the division combines expertise, a drive for innovation and the extensive manufacturing capacities of Motherson to design and produce innovative products that meet customer demands of the future.

The division's success has been driven by continuous and dedicated efforts towards expanding our portfolio of products and services. Our current offerings include exterior mirrors with integrated cameras, aesthetic surfaces, innovative lighting features, rearview monitoring systems and integrated interior displays. By combining cutting-edge image processing technology, high-quality optical components and experience in automotive interior and exterior products, we offer our customers a wide selection of durable, advanced solutions to meet their demands for vision systems.

In addition to complete mirror units, the division specialises in a number of components, including reflector-glass modules, high-gloss moulding, LED turn-signal lamps, image processing units, electronic control units, glass and power folding actuators and surround-view cameras, among others.

Modules and Polymers division

Motherson is one of the leading global manufacturers of automotive interior and exterior components with product lines ranging from build-to-print plastic parts to complex modules. The Modules & Polymer Products division has extensive expertise in various polymer processes including precision moulding, aesthetic surfaces, assembly and complex logistics solutions like just-in-time and just-in-sequence, which allows us to serve OEMs in a variety of segments, from mid-segment to premium passenger vehicles and large trucks to commercial vehicles.

With 103 facilities in 25 countries, our footprint places us within reach of customers on five continents, positioning us as a local, full-system solutions provider across varied product ranges.

From the concept to design and eventually to manufacture and supply of finished products, the Modules & Polymer Products division is equipped to support customers at every step of the manufacturing process. By combining our commitment to quality with cost optimisation, we offer our customers innovative products that fulfil their requirements. Our line of interior components includes cockpits, instrument panels, door panels, centre consoles and decorative trims, etc. For vehicle exteriors, our product range includes bumpers, front-end modules and grilles, spoilers, rocker panels, window-sealing strips and much more

Elastomer processing division

Motherson supplies a wide range of elastomer-based solutions and products to a spectrum of industries including automotive, medical, home appliances and general industrial applications. Our in-house rubber mixing facilities in India and Australia guarantee extensive technical capabilities in the formulation and development of rubber compounds.

The elastomers business offers multiple solutions, including rubber injection moulding for a wide range of components primarily to the automotive industry, including grommets, boots, bellows, dampers, gaskets, seals etc. The range of compression moulded rubber components and extruded rubber products include weather strips, glass runs, boot and hood seals, tank straps, rubber flares, bonded components, suspension bushes, engine and transmission mounts, bump stops, large engine gaskets, auto suspension components and moulded rubber brake components for automotive, non-automotive and industrial applications.

Lighting and Electronics

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The Lighting & Electronics division encompasses a spectrum of businesses that focus on supplying to major automotive OEMs and also does business through direct channels. The division's product line includes front and rear exterior lighting solutions, LED modules, body control modules and electronic components, HVAC (heating, ventilation and air conditioning) systems, shock absorbers and aluminium diecast components. On the independent aftermarket, we offer air compressors and paint coating equipment.

Our inhouse design services and manufacturing capabilities – including plastic injection moulding, surface coating, welding, assembly and testing – facilitate our ability to assist our customers throughout their journey, ensuring they are satisfied with the final product.

Precision Metals and Modules

Our Precision Metals & Modules division offers complete solutions in metal processing and integration of higher-level assemblies. The division's product portfolio includes operator cabins and HVAC systems for the off-highway, agriculture, commercial-vehicle and bus segments. In addition to manufacturing standard and customised cutting tools, hot and cold stamped parts, sintered metal parts, we offer thin- film coating and machining services. Our in-house design and development capabilities allow us to provide our customers with cutting-edge products tailor-made to meet their demands.

Technology and Industry solutions

The Technology & Industrial Solutions division manages IT services for Motherson and offers product support, validation, prototyping, computer-aided engineering (CAE) services and tool design. The division maintains a robust internal network that allows for an efficient, reliable and secure flow of information across the group. Using global Enterprise Resource Planning (ERP) systems and smart business applications, the division manages data, digitalises and integrates work-flows and improves collaboration, all of which fosters more agility in decision-making and action plans.

Technology & Industrial Solutions also designs and manufactures a range of products, from connected car infotainment systems to customised telematics units (GPS trackers, Save-Our-Soul [SOS] and On-Board Diagnostics [OBD] devices), automation and robotics products and electronics for defence and industrial IoT applications.

The division also works with external clients, assisting them with automation and streamlining of business processes. The division's strengths lie primarily in intelligent warehousing, supply-chain enablement, software-application development, smart ERP customisation, cloud, Internet of Things (IoT) and big data analytics. The division works closely with customers at every step, from product design to testing to assembly and validation.

Aerospace

The Aerospace division brings the decades of manufacturing experience, spirit of innovation and commitment to excellence of Motherson into an exciting industry. Backed by the broad range of manufacturing capabilities across the group, Aerospace plans to develop additional capacities to meet evolving industry needs. Our goal is aligned with the group's Vision; To be a globally preferred sustainable solutions provider that helps our customers realise their goals and meet the challenges of the 21st century.

Logistic Solutions

The Logistics Solutions division handles transportation for finished vehicle (FV) in India and provides fourth- party logistics (4PL) solutions for all Motherson companies. Consisting of two entities - Samvardhana Motherson Global Carriers Limited (SMGCL) and Samvardhana Motherson Hamakyorex Engineers Logistics Limited (SAMRX), the division strives to be a preferred provider of environmentally and socially conscious transportation solutions. The logistics industry in India is largely unstructured. Our aim is to change this and offer a much better service to both customers and drivers. The division operates one of the world's most advanced trucking fleets, with comfortable, air-conditioned cabs and large carrying capacities.

Health and Medical

The Health & Medical division is structured along four segments: Home Medical Equipment (HME), Durable Medical Equipment (DME), Diagnostic Imaging, InVitro Diagnostics and Health Solutions and Services

With the COVID19 pandemic impacting the entire world, we have all realised the importance of global health systems. From having affordable and effective diagnostic testing to devising treatments, from producing and distributing protective equipment to developing vaccines, the pandemic challenged every sector in the healthcare industry to go above and beyond to battle this virus. Motherson is proud to have played a part in supporting the efforts – from a protective face mask designed for comfortable, long-term wear, to compressors for medical equipment, to a refrigerated truck for vaccine transport. Motherson is now taking a leap forward to expand our presence in the healthcare sector with the aim to make a difference for the global community for generations to come.

Services

The Services division engages in direct sales and services to end customers and supports their manufacturing operations. In addition to our state-of-the-art industrial park in Chennai, we provide a broad range of services, including manufacturing engineering, consulting, project management and providing turnkey supplies to the automotive industry.

The division also has two important joint ventures: we are working with the Sojitz Corporation (Japan) on the Chennai Park; with TNET JAPAN Co., Ltd. (Japan), we are collaborating to provide engineering and consulting services in both automotive and non-automotive sectors.

B. Corporate Structure of the Issuer:

The Issuer has presence in 41 countries with 240+ legal entities and several business verticals. The details of board of directors of the Issuer are provided in Clause 4.8. For more details about the corporate structure of the Issuer please refer to annual report available at <https://www.motherson.com/storage/annual-report/SAMIL-Annual-Report-2021-22/SAMIL-Annual-Report-2021-22.pdf>.

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Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited) has following securities listed on the stock exchanges in India:

(A) Equity Share Capital

Sl. No.	Security	Stock exchange	Scrip code/ Symbol	Face Value (in INR per share)	Nos. of shares ¹
1.	Equity shares	BSE	517334	1/-	677,60,10,930
2.	Equity shares	NSE	MOTHERSON	1/-	677,60,10,930

(B) Debt Securities

Sl. No.	Security	Stock exchange	Scrip code	Aggregate Amount (Rs. In crores)	Allotment Date	Redemption date
1.	NCD	BSE Limited	959422	500	21.04.2020	20.04.2023
2.	NCD	BSE Limited	960000	2130	14.09.2020	14.09.2023
3.	NCD	BSE Limited	973594	250	25.11.2021	25.11.2024
4.	NCD	BSE Limited	973595	515	25.11.2021	25.11.2026
5.	NCD	BSE Limited	973635	235	08.12.2021	08.12.2024

C. Project cost and means of financing, in case of funding of new projects

Not Applicable.

The end use of NCDs is refinancing of existing indebtedness and refinancing of short term and long-term domestic financing of the Company.

D. Financial Statements: A columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the placement memorandum or issue opening date, as applicable.

The above financial statements shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.

a) Balance Sheet

The Audited Balance Sheet for the financial years ended March 31, 2020, March 31, 2021 and March

¹ Including 225,86,70,310 equity shares of Re. 1/- each allotted by the Board of Directors on October 6, 2022 as Bonus Shares.

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31, 2022, both on a standalone and consolidated basis are set out in Annexure X.

b) Profit and Loss

The Profit and Loss Statements for the financial years ended March 31, 2020, March 31, 2021 and March 31, 2022, both on a standalone and consolidated basis are set out in Annexure XI.

c) Cash Flow Statement

The Cash Flow Statements for the financial years ended March 31, 2020, March 31, 2021 and March 31, 2022, both on a standalone and consolidated basis are set out in Annexure XII.

The standalone and consolidated financial statements with notes to accounts and auditors reports for the financial years ended March 31, 2020, March 31, 2021 and March 31, 2022 are attached to this Placement Memorandum document and form part of the aforementioned Annexure XII.. For accessing the said standalone and consolidated financial statements with notes to accounts and auditors reports please refer to the PDF attachments to this Placement Memorandum by clicking on the sidebar to the left in Adobe PDF Reader.

- E. Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, may disclose unaudited financial information for the stub period in the format as prescribed therein with limited review report in the placement memorandum, as filed with the stock exchanges, instead of audited financial statements for stub period, subject to making necessary disclosures in this regard in placement memorandum including risk factors**

The unaudited and limited reviewed financial results for the half-year ended on September 30, 2022 both on a standalone and consolidated basis are set out in Annexure X. The profit and loss statements for the half-year ended September 30, 2022 both on a standalone and consolidated basis are set out in Annexure XI. The cash flow statements for the half-year ended September 30, 2022 both on a standalone and consolidated basis are set out in as Annexure XII. The limited review report of auditors in respect of the unaudited financial results is attached to this Placement Memorandum document and forms part of the aforementioned Annexure XII of this Placement Memorandum. Please refer to the PDF attachment to this Placement Memorandum document titled '1. Unaudited Financial Statements (Consolidated and Standalone) September 30 2022 with limited review report' for the same.

- F. Key Operational and Financial Parameters (on a consolidated and standalone basis) for the last 3 audited years: (All figures are in INR Million)**

On Consolidated Basis:

Parameters	For the half year ended September 30, 2022 (Unaudited)	FY 22 (IND AS)	FY 21 (IND AS)	FY 20 (IND AS)
Balance Sheet				
Net Fixed Assets ¹	175,872	179,012	167,785	172,085
Current Assets	237,547	226,162	202,485	194,654

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Assets classified as held for distribution	-	-	17,790	-
Non-Current Assets	334,578	336,539	260,575	260,304
Total Assets	572,124	562,701	480,850	454,958
Non-Current Liabilities* (including maturities of long-term borrowings and short-term borrowings)	158,756	158,804	135,659	146,080
Financial (borrowings, trade payables, and other financial liabilities)	67,986	99,888	90,185	96,706
Provisions	6,456	6,814	6,396	5,554
Deferred tax liabilities (net)	5,381	5,445	3,363	4,627
Other non-current liabilities	3,714	4,055	3,771	4,104
Current Liabilities** (including maturities of long-term borrowings)	228,948	190,803	189,368	161,629
Financial (borrowings, trade payables, and other financial liabilities)	232,662	193,002	177,419	173,615
Provisions	6,663	7,095	6,982	4,335
Current tax liabilities (net)	4,525	3,901	3,342	3,623
Other current liabilities	20,136	18,855	15,200	14,135
Liabilities directly associated with the assets held for distribution	-	-	8,353	-
Total Liabilities	347,524	339,055	315,011	306,699
Equity (equity and other equity)	224,600	223,646	165,839	148,259
Total equity and liabilities	572,124	562,701	480,850	454,958
Profit and Loss				
Continuing Operations:				
Total revenue	360,674	640,317	575,992	609,535
From operations	358,755	635,360	573,699	607,289
Other income	1,919	4,957	2,293	2,246
Total Expenses	352,298	625,754	564,485	593,887
Profit / loss after tax	4,697	8,173	12,427	9,342
Other comprehensive income	(270)	2,218	3,227	2,690
Discontinued operations:				
Total revenue				
From operations	-	39,735	41,382	39,439
Other income	-	207	275	64
Total Expenses	-	35,096	37,261	34,597
Profit / loss after tax	-	3,642	3,267	3,603
Other comprehensive income	-	(22)	(8)	(64)
Profit for the year from continuing and discontinued operations	4,697	11,815	15,694	12,945
Total comprehensive income from continuing and discontinued operations for the year, net of tax	4,427	14,011	18,913	15,571
Earnings per equity share: (a) basic; and (b) diluted ***				
Continuing operations	0.57	0.97	1.50	1.71
Discontinued operations	-	0.70	0.69	0.76

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Continuing and discontinued operations	0.57	1.67	2.19	2.47
Cash Flow				
Net cash (used in)/generated from operating activities	8,083	24,627	50,513	63,520
Net cash (used in) / generated from investing activities	(8,663)	(23,119)	(18,935)	(22,399)
Net cash (used in)/ generated from financing activities	(8,576)	(12,174)	(20,975)	(28,029)
Cash and cash equivalents	48,775	59,366	48,688	35,399
Balance as per statement of cash flows	39,617	48,775	59,366	48,688
Additional Information*				
Net worth ²	216,385	215,129	156,148	141,103
Cash and Cash Equivalents at the beginning of the year	41,582	49,994	59,434	48,789
Current Investments	16	12	12	6
Net sales	349,645	647,148	591,916	625,731
EBIDTA ³	26,718	54,892	50,868	54,320
EBIT ⁴	11,907	24,928	21,105	26,540
Dividend Amounts (excludes DDT)	2,936	4,737	-	9,474
Long term debt to working capital ⁵	6.7	6.9	3.6	(1,962.7)
Current Liability ratio- Current Liabilities/ Total liabilities ⁶	0.76	0.66	0.67	0.64
Total Debts to Total assets ⁷	0.22	0.23	0.22	0.26
Debt service coverage ratios ⁸	1.25	4.1	2.3	10.1
Interest service coverage ratio ⁹	14.90	20.0	13.7	12.4

* Includes short term borrowings and current maturities of long term borrowings, which is reported as current liabilities in published annual financial of the Group.

** Includes current maturities of long term borrowings and excludes short term borrowings.

***The shareholders of the Company approved the issue of bonus shares on September 23, 2022 in proportion of 1 equity share for every 2 equity shares held. These bonus shares have been allotted on October 6, 2022. Accordingly, the basic and diluted earnings per share have been adjusted for all the periods presented for the bonus shares allotted in accordance with Ind AS-33 "Earnings per share" as notified by the Ministry of Corporate Affairs.

On Standalone Basis:

Parameters	For the half year ended September 30, 2022 (Unaudited)	FY 22 (IND AS)	FY 21 (IND AS)	FY 20 (IND AS)
Balance Sheet				
Net Fixed Assets ¹	18,502	18,202	17,875	20,185
Current Assets	50,507	31,840	18,730	23,281
Assets classified as held for distribution	-	-	17,872	-
Non-Current Assets	329,437	345,707	98,827	68,748

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Total Assets	379,944	377,547	135,429	92,029
Non-Current Liabilities* (including maturities of long-term borrowings and short-term borrowings)	56,121	55,045	48,880	15,970
Financial (borrowings, trade payables, and other financial liabilities)	18,827	46,130	35,043	12,932
Provisions	608	676	302	760
Deferred tax liabilities (net)	123	-	-	-
Other non-current liabilities	-	-	-	-
Current Liabilities** (including maturities of long-term borrowings)	47,969	20,681	22,665	13,615
Financial (borrowings, trade payables, and other financial liabilities)	48,458	19,037	23,389	14,057
Provisions	393	367	228	590
Current tax liabilities (net)	-	-	-	-
Other non-current liabilities	1,419	2,027	573	1,247
Liabilities directly associated with the assets held for distribution	-	-	8,464	-
Total Liabilities	69,828	68,237	67,999	29,585
Equity (equity and other equity)	310,117	309,310	67,430	62,444
Total equity and liabilities	379,944	377,547	135,429	92,029
Profit and Loss				
Continuing Operations:				
Total revenue	36,604	60,562	37,796	43,573
From operations	34,290	53,448	36,692	39,850
Other income	2,314	7,114	1,104	3,723
Total Expenses	32,419	50,883	35,165	36,865
Profit / loss after tax	3,339	7,996	1,941	5,385
Other comprehensive income	404	284	(227)	(48)
Discontinued operations:				
Total revenue				
From operations	-	39,735	41,382	39,439
Other income	-	207	275	64
Total Expenses	-	35,096	37,261	34,597
Profit / loss after tax	-	3,642	3,267	3,603
Other comprehensive income	-	(22)	(8)	(64)
Profit for the year from continuing and discontinued operations	3,339	11,638	5,207	8,988
Total comprehensive income from continuing and discontinued operations for the year, net of tax	3,743	11,900	4,972	8,876
Earnings per equity share: (a) basic; and (b) diluted ***				
Continuing operations	0.49	1.53	0.41	1.14
Discontinued operations	-	0.70	0.69	0.76
Continuing and discontinued operations	0.49	2.22	1.10	1.90

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Cash Flow				
Net cash (used in)/generated from operating activities	(118)	3,683	3,401	10,362
Net cash (used in) / generated from investing activities	(2,670)	8,873	(37,014)	(497)
Net cash (used in)/ generated from financing activities	(2,520)	(9,393)	34,130	(8,926)
Cash and cash equivalents at the beginning	6,246	2,867	2,300	1,333
Balance as per statement of cash flows	943	6,246	2,867	2,300
Additional Information****				
Net worth ²	304,227	303,768	65,698	60,648
Cash and Cash Equivalents	1,269	6,317	2,928	2,366
Current Investments	16	12	12	06
Net sales	32,224	76,749	63,308	66,321
EBIDTA ³	5,820	18,453	10,496	14,803
EBIT ⁴	4,700	16,029	8,010	11,920
Dividend Amounts (excludes DDT)	2,936	4,737	-	9,474
Long term debt to working capital ⁵	1.51	2.94	3.2	1.61
Current Liability ratio- Current Liabilities/ Total liabilities ⁶	0.72	0.31	0.47	0.54
Total Debts to Total assets ⁷	0.14	0.14	0.36	0.15
Debt service coverage ratios ⁸	0.44	2.12	0.82	53.30
Interest service coverage ratio ⁹	7.67	15.97	14.05	53.40

* Includes short term borrowings and current maturities of long term borrowings, which is reported as current liabilities in published annual financial of the Group.

** Includes current maturities of long term borrowings and excludes short term borrowings.

***The shareholders of the Company approved the issue of bonus shares on September 23, 2022 in proportion of 1 equity share for every 2 equity shares held. These bonus shares have been allotted on October 6, 2022. Accordingly, the basic and diluted earnings per share have been adjusted for all the periods presented for the bonus shares allotted in accordance with Ind AS-33 "Earnings per share" as notified by the Ministry of Corporate Affairs.

****All additional information shown including ratios calculated includes amount of discontinued operations under the respective heads.

¹Net Fixed assets includes property, plant & equipment, Right-to-use assets, investment properties, capital work in progress but not including goodwill and intangible assets

² Net worth = Total equity - other reserves - reserve on amalgamation

³EBITDA = Profit before exceptional items, share of net profit of investments accounted for using equity method and tax + Finance costs + Depreciation and amortization expense

⁴EBIT = EBITDA- Depreciation and amortization expense

⁵Long term debt to working capital (in times) = Long term borrowings including current maturities /(Current assets - current liabilities excluding current maturities of long term borrowings)

⁶Current liability ratio (in times) = (Current liability / Total liability)

⁷Total debt to total assets (in times) = (Long term borrowing including current maturities + short term borrowing) / Total assets)

⁸ Debt service coverage ratio (in times) = (Earnings before interest, depreciation, tax and exceptional items (during last twelve months)) / (Interest expense on short term and long term borrowings (during last twelve months) + scheduled principal repayment of long term borrowing during the period).

⁹ Interest service coverage ratio (in times) = (Earnings before interest depreciation, tax and exceptional items)

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/ (Interest expense on short term and long term borrowings for the period)

G. Debt: Equity Ratio of the Company:

	Sep-2022	
	Standalone	Consolidated
	Provisional	
Gross Debt : Equity ratio (before issue)	0.18	0.68
Gross Debt : Equity ratio after Issue (provisional)	0.19	0.71

H. Project cost and means of financing, in case of funding new projects:

Not Applicable.

The end use of NCDs is refinancing of existing group indebtedness and / or any other bonafide business purposes including capital expenditure, operating expenses and/or working capital of the Company.

I. Details of any other contingent liabilities of the Issuer based on the last audited financial statements including amount and nature of liability:

(All figures are in INR Million)

	March 31, 2022	March 31, 2021
Excise, sales tax and service tax matters	147	95
Other tax matters	94	83
Claims made by workmen	229	169
Income tax matters	326	150
Unfulfilled export commitment under EPCG scheme	9	28
Others (surety in respect of subsidy received by subsidiaries)	3,380	2,821

4.6 Brief history of Issuer since its incorporation giving details of its following activities:

A. Details of Share Capital as on last quarter end i.e. September 30, 2022

Share Capital	Rs.
Authorised Share Capital	
12,300,000,000 Equity Shares of Re. 1 each	12,300,000,000
Total	12,300,000,000
Issued, Subscribed and Paid-up Share Capital	
451,76,14,244 ² Equity Shares of Re. 1 each	451,76,14,244

B. Changes in its capital structure as on last quarter end i.e. September 30, 2022, for the last three

² Issued, Subscribed and Paid-up Share Capital of the Company has increased to Rs. 6,776,421,366 divided into 6,776,421,366 equity shares of Re. 1/- each allotted by the Board of Directors on October 6, 2022 as bonus shares.

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years:

Date of change i.e. the date of the annual general meeting / extra-ordinary general meeting / Board / Committee Meeting	Authorized Share Capital	Paid up Equity Share Capital	Particulars
28.01.2022	N.A.	105,57,50,653	Cancellation of existing shareholding of erstwhile Samvardhana Motherson International Limited (Amalgamating Company) in the Company i.e. 105,57,50,653 (One Hundred Five Crores Fifty Seven Lakhs Fifty Thousand Six Hundred Fifty Three) equity shares of Re. 1/- each (Rupee One only) aggregating to 33.43% of the total paid up share capital of the Company pursuant to Composite Scheme of Amalgamation and Arrangement.
28.01.2022	N.A.	241,54,30,660	Allotment of 241,54,30,660 (Two Hundred Forty One Crores Fifty Four Lakhs Thirty Thousand Six Hundred Sixty) equity shares of Re. 1/- each (Rupee One only) amounting to Rs. 241,54,30,660 (Rupees Two Hundred Forty One Crores Fifty Four Lakhs Thirty Thousand Six Hundred Sixty only) pursuant to Composite Scheme of Amalgamation and Arrangement.

Note: 225,86,70,310 equity shares of Re. 1/- each were allotted by the Board of Directors on October 6, 2022 as Bonus Shares.

C. Equity Share Capital History of the Issuer as on last quarter end i.e. September 30, 2022, for the last three years:

Date of Allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price (in Rs)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
						No. of equity shares	Equity share	Equity Share	

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							capital (Rs)	Premi um (Rs)	
28.01. 2022	241, 54,3 0,66 0	1	N.A.	N.A.	shares allotted pursuant to Composite Scheme of Amalgamat ion and Arrangeme nt	451,76 ,14,24 4	451,76, 14,244	Nil	N.A.

D. Details of any Acquisition or Amalgamation in the last 1 (One) year:

1. The Board of Directors of the Company at its meeting held on July 2, 2020, approved the composite Scheme of Amalgamation and Arrangement amongst the Company (“the Amalgamated Company”), erstwhile Samvardhana Motherson International Limited (“the Amalgamating Company”) (“erstwhile SAMIL”) and Motherson Sumi Wiring India Limited (“the Resulting Company”) (“MSWIL”) and their respective shareholders and creditors (“the Scheme”). The Scheme, *inter-alia*, had provided to (A) demerge the Domestic Wiring Harness Undertaking or DWH Undertaking (as defined in the Scheme) into the Resulting Company and (B) amalgamate the Amalgamating Company with the Company, by absorption, subsequent to the completion of the demerger referred to in (A). The Scheme was approved by the Hon’ble NCLT by way of its order dated December 22, 2021. Pursuant to the Scheme, the Domestic Wiring Harness Undertaking or DWH Undertaking (as defined in the Scheme) of the Company has been demerged into MSWIL with effect from January 5, 2022 and erstwhile SAMIL has merged with and into the Company with effect from January 21, 2022.
2. The Board of Directors of the Company in its meeting held on October 8, 2021 had approved acquisition of 55% stake in CIM Tools Private Limited (‘CIM’). Further, the shareholders of the Company through Postal Ballot on December 3, 2021 granted their approval by way of a special resolution to make investment and/ or provide loan / guarantee in excess of the limits prescribed under Section 186 of the Companies Act, 2013. The closing of said transaction was completed by the Company on April 6, 2022 CIM in turn holds 83% in Aero Treatment Private Limited (ATPL) and 49.99% in Lauak CIM Aerospace (JV with Lauak International, LCA).

E. Details of any Reorganization or Reconstruction in the last 1 (One) year:

Type of Event	Date of Announcement	Date of Completion	Details
Composite Scheme of Amalgamation and Arrangement (“Scheme”) among Motherson Sumi Systems Limited (“Company”), erstwhile Samvardhana Motherson International Limited and Motherson Sumi Wiring India	July 2, 2020	December 22, 2021	The Hon’ble National Company Law Tribunal, Mumbai Bench - IV (“Hon’ble NCLT”) has, by way of its order dated December 22, 2021 (“Order”) approved the Scheme.

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Limited ("MSWIL") and their respective shareholders and creditors			
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4.7 Details of the shareholding of the Issuer as on last quarter end i.e. September 30, 2022

A. Shareholding pattern of the Issuer as on last quarter end i.e. September 30, 2022

Name of the Shareholder (Particulars)	Total number of equity shares	No. of shares in demat form	Total shareholding as a % of total no. of equity shares
*			
a) Promoters holdings			
Ms. Renu Alka Sehgal (Trustee of Renu Sehgal Trust)	560108958	560108958	12.40
Sumitomo Wiring Systems Ltd.	792637291	792637291	17.55
Mr. Vivek Chaand Sehgal	585855096	585855096	12.97
Ms. Vidhi Sehgal	24331875	24331875	0.54
Mrs. Geeta Soni	16190764	16190764	0.36
Mrs. Nilu Mehra	10312590	10312590	0.23
Mrs. Renu Sehgal	150085	150085	0.00
Mr. L.V. Sehgal	1143	1143	0.00
Motherson Engineering Research and Integrated Technologies Limited	74180520	74180520	1.64
Shri Sehgal's Trustee Company Private Limited (Trustee of Sehgal Family Trust)	620113431	620113431	13.73
H. K. Wiring Systems Ltd.	7660351	7660351	0.17
Radha Rani Holdings Pte. Ltd.	344020623	344020623	7.62
Advance Technologies And Automotive Resources Pte	43576475	43576475	0.96
Sub Total :	3079139202	3079139202	68.16
b) Public holdings			
Mutual Funds	353002892	353002892	7.81
Alternate Investment Funds	1802323	1802323	0.04
Financial Institutions/Banks	22340	22340	0.00
Insurance Companies	118090538	118090538	2.61
Provident Funds/ pension Funds	1120253	1120253	0.02
Sovereign Wealth Funds	2777600	2777600	0.06
Foreign Portfolio Investors Category I	395229454	395229454	8.75

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Directors and their relatives (excluding independent directors and nominee directors)	532819	532819	0.01
Key Managerial Personnel	284655	284655	0.01
Bodies Corporate	21259689	21259689	0.47
Foreign Companies	160012718	160012718	3.54
Individuals	342134387	342134387	7.57
NBFCs registered with RBI	2592	2592	0.00
Non Resident Indians	17224937	17224937	0.38
Foreign Nationals	525	525	0.00
Trusts	14125824	14125824	0.31
IEPF	700076	700076	0.02
Others (FIIs, Banks, Clearing Members, HUF)	10151420	10151420	0.23
Sub Total :	1438475042	1438475042	31.84
Total	4517614244	4517614244	100

Notes:-

51,780,934 equity shares held by Radha Rani Holdings Pte. Ltd. are pledged in favour of Axis Trustee Services Limited (“ATSL”), appointed as the security trustee for the benefit of DBS Bank Ltd., Singapore for availing a credit facility of USD 20 million.

B. List of top 10 holders of equity shares of the Issuer as on last quarter end i.e. September 30, 2022

Sr. No.	Name of the Shareholder	Total No. of Equity Shares held	No of Shares held in Demat Form	Total Shareholding as % of total no. of equity shares
1.	Sumitomo Wiring Systems Limited	79,26,37,291	79,26,37,291	17.55
2.	Shri Sehgal's Trustee Company Private Limited	62,01,13,431	62,01,13,431	13.73
3.	Vivek Chaand Sehgal	58,58,55,096	58,58,55,096	12.97
4.	Renu Alka Sehgal (Trustee of Renu Sehgal Trust)	56,01,08,958	56,01,08,958	12.40
5.	Radha Rani Holdings Pte Ltd	34,40,20,623	34,40,20,623	7.62
6.	Sojitz Corporation	15,61,25,499	15,61,25,499	3.46
7.	Motherson Engineering Research and Integrated Technologies Limited	74,180,520	74,180,520	1.64
8.	ICICI Prudential Life Insurance Company Limited	5,79,41,001	5,79,41,001	1.28
9.	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Long Term Equity Fund	4,84,78,717	4,84,78,717	1.07
10.	Advance Technologies And Automotive Resources Pte	43,576,475	43,576,475	0.96

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4.8 Following details regarding the directors of the Issuer:

A. Details of current directors of the Issuer:

S. No.	Name	DIN of Director	Designation	Age	Address	Director of the Company Since	Details of other Directorships and Interest in other entities*	Whether Willful Defaulter (Yes/No)
1.	Mr. Vivek Chaand Sehgal	00291126	Chairman	65	Villa No. 40, Dubai Creek Villas Dubai Creek Golf and Yacht Club, Port Saeed Deira Dubai	19/12/1986	1. Marelli Motherson Automotive Lighting India Private Limited; 2. Fritzmeier Motherson Cabin Engineering Private Limited; 3. Kyungshin Industrial Motherson Private Limited; 4. Renu Farms Private Limited; 5. Motherson Auto Limited; 6. Hero Fincorp Limited; 7. Motherson Techno Tools Limited; 8. Shri Sehgal's Trustee Company Private Limited; and 9. Motherson Sumi Wiring India Limited	No
2.	Mr. Norikatsu Ishida	09443998	Director	61	1-509 Hoshimigaoka, Kuwana - 5110912, Japan	04/01/2022	Motherson Sumi Wiring India Limited	No
3.	Mr. Gautam	02590120	Independent Director	65	P - 62, Sector XI, Noida,	10/09/2012	1. SMR Automotive Systems India Limited	No

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S. No.	Name	DIN of Director	Designation	Age	Address	Director of the Company Since	Details of other Directorships and Interest in other entities*	Whether Wilful Defaulter (Yes/No)
	Mukherjee				Gautam Budh Nagar, 201301, Uttar Pradesh		2. Motherson Sumi Wiring India Limited 3. Jamna Auto Industries Limited	
4.	Mr. Naveen Ganzu	00094595	Independent Director	60	104, Four Seasons Apartments, 16, Brunton Road, Bangalore-560025	14/10/2015	Nil	No
5.	Ms. Rekha Sethi	06809515	Independent Director	59	32 Uday Park, Second Floor, New Delhi - 110049	10/08/2021	1. CESC Ltd 2. Spencer's Retail Limited 3. Hero Steels Limited 4. Kirloskar Brothers Limited	No
6.	Mr. Veli Matti Ruotsala	09462008	Independent Director	66	Juusjarventie 153, Lapinkyla, Finland - 02520	28/01/2022	Nil	No
7.	Mr. Robert Joseph Remenar	09469379	Independent Director	67	1219 Treasure CT., Marco Island, Florida - 34145	28/01/2022	Nil	No
8.	Mr. Laksh Vaaman Sehgal	00048584	Director	40	48, Queens Grove, London, NW86HH, UK	30/04/2009	1. Samvardhana Motherson Adsys Tech Limited; 2. Samvardhana Motherson Auto System Private Limited; 3. Motherson Technology Services Limited (formerly MothersonSumi	No

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S. No.	Name	DIN of Director	Designation	Age	Address	Director of the Company Since	Details of other Directorships and Interest in other entities*	Whether Willful Defaulter (Yes/No)
							Infotech and Designs Limited); 4. Advantedge Technology Partners Private Limited; 5. Renu Farms Private Limited; 6. Motherson Auto Limited; 7. Motherson Air Travel Agencies Limited; 8. Motherson Auto Solutions Limited; 9. Shri Sehgal's Trustee Company Private Limited 10. Motherson Sumi Wiring India Limited 11. CIM Tools Private Limited	
9.	Mr. Shunichiro Nishimura	08138608	Director	56	7-C-503 Kamiyamada, Suita, Osaka-pref., 5650872, Japan	23/05/2018	Motherson Technology Services Limited (formerly Motherson Sumi Infotech and Designs Limited)	No
10.	Mr. Pankaj Mital	00194931	Whole-time Director/ Chief Operating Officer	56	C-9, Sector-50, Noida-201301 (U.P.)	02/09/2011	1. SMR Automotive Systems India Limited 2. Motherson Innovations Tech Limited 3. Samvardhana Motherson Adsys Tech Limited	No

*Note: The details of other directorship and interest in other entities have been provided in the table above with respect to the Indian entities

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B. Details of change in directors since last three years as on September 30, 2022:

Name, designation and DIN	Date of appointment / resignation	Director of the Issuer since (in case of resignation Date of resignation)	Remarks (viz. reasons for change etc.)
Mr. S.C. Tripathi Independent Director DIN - 00941922	Cessation due to demise: 19/05/2021	10/09/2012	Demise
Ms. Rekha Sethi Independent Director DIN- 06809515	Appointment: 10/08/2021	NA	Appointment as Independent Director.
Mr. Takeshi Fujimi Director DIN- 08501292	Cessation: 04/01/2022	11/07/2019	Cessation
Mr. Norikatsu Ishida Director DIN- 09443998	Appointment: 04/01/2022	NA	Appointment as Non-Executive Director.
Mr. Arjun Puri Director DIN- 00211590	Cessation: 28/01/2022	11/01/2006	Cessation
Ms. Geeta Mathur Director 02139552	Cessation: 28/01/2022	31/01/2014	Cessation
Mr. Veli Matti Ruotsala Director DIN- 09462008	Appointment: 28/01/2022	NA	Appointment as Independent Director.
Mr. Robert Joseph Remenar DIN- 09469379	Appointment: 28/01/2022	NA	Appointment as Independent Director.

4.9 Following details regarding the auditors of the Issuer:

A. Details of the auditor of the Issuer:

Name	Address	Auditor since
S.R. Batliboi & Co. LLP	Golf View Corporate Tower B Sector-42, Sector Road Gurugram- 122002, Haryana, India	21.08.2017 Reappointed by the members for the second term of 5

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		year at the Annual General Meeting held on August 29, 2022.
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B. Details of change in auditors since last three years: NIL

4.10 Details of the following liabilities of the Issuer, as at the end of the last quarter (i.e. September 30, 2022):-

A. Details of Outstanding Secured Loan Facilities:

Lender	Nature of Facility	Amount Sanctioned (Rs. In Crores)	Amount Outstanding at 30.09.2022 (Rs. In Crores)	Repayment Terms	Security / Principal, Term and Conditions
HDFC	Term Loan	900	946	5%,5%,25%,10%,55% in each year starting from Sep 21 to Sep 25	Secured by creating a pledge on investment in shares of one of the subsidiary, MSSSL (GB) Ltd on pari passu basis.

B. Details of Outstanding Unsecured Loan Facilities:

Lender	Nature of Facility	Amount Sanctioned (Rs. In Crores)	Amount Outstanding at 30.09.2022 (Rs. In Crores)	Repayment Terms	Security / Principal, Term and Conditions
MUFG Bank	Working Capital	450	450	On Demand	Unsecured
Axis Bank Limited	Working Capital	2,000	950	On Demand	Unsecured
HDFC Bank	Working Capital	1,000	900	On Demand	Unsecured

4.11 Details of Outstanding Non-Convertible Securities as on September 30, 2022

A. Details of the non-convertible securities

Sr No.	Series of Non-Convertible Securities	Tenor / Period of Maturity (in months)	Coupon	Amount (outstanding as on Sep 30, 2022) (Rs. In Cr)	Date of allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
1.	MOTHERSON SUMISYSTEMS LIMITED APRIL 2020	36 months	7.84%	500	21 April 2020	20 April 2023	INAA / Stable	Secured	Secured by first pari-passu charge on moveable and immoveable properties
2.	MOTHERSON SUMISYSTEMS LIMITED SEPTEMBER 2020	36 months	6.65%	2,130	14 September 2020	14 September 2023	INAA / Stable	Unsecured	NA
3.	MOTHERSON SUMISYSTEMS LIMITED NOVEMBER 2021 S1	36 months	5.69%	250	25 November 2021	25 November 2024	INAA / Stable	Unsecured	NA

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4.	MOTHERSON SUMISYSTEMS LIMITED NOVEMBER 2021 S2	60 months	6.09%	515	25 November 2021	25 November 2026	INAA / Stable	Unsecured	NA
5.	MOTHERSON SUMISYSTEMS LIMITED DECEMBER 2021	36 months	5.68%	235	8 December 2021	8 December 2024	INAA / Stable	Unsecured	NA

B. List of Top 10 holders of non convertible securities in terms of value (in cumulative basis)

S. No.	Name of Debenture Holders	Amount (Rs. In Crores)	% of total NCS outstanding
1.	AXIS BANK LIMITED	1050	28.93%
2.	HDFC BANK LIMITED	985	27.13%
3.	HDFC TRUSTEE COMPANY LTD A/C HDFC FLOATING RATE DEBT FUND	400	11.02%
4.	ICICI PRUDENTIAL ULTRA SHORT TERM FUND	265	7.30%
5.	KOTAK MAHINDRA BANK LIMITED	245	6.75%
6.	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	200	5.51%
7.	RELIANCE GENERAL INSURANCE COMPANY LIMITED	100	2.75%
8.	AXIS TREASURY ADVANTAGE FUND	100	2.75%
9.	DBS BANK INDIA LIMITED	100	2.75%
10.	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA ULTRA SHORT DURATION FUND	75	2.07%

C. Details of Outstanding Commercial Paper - as at the latest quarter end

The Company has not issued any commercial paper

D. Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on September 30, 2022.

Nil

E. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Issuer, in the past 3 years including the current financial year:

Nil

F. Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued: (i) whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option:

Nil

4.12 Any material event/ development or change having implications on the financials / credit quality (e.g. any material regulatory proceedings against the Issuer / promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of Issue which may affect the issue or the investor's decision to invest / continue to invest in the non convertible securities.

Nil

4.13 Any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of prospectus against the promoter of the company.

Nil

4.14 Details of default and non-payment of statutory dues

Nil

4.15 Names of the Debentures Trustee(s) with statement to the effect that debenture trustee(s) has given consent for appointment along with copy of the consent letter of the Debenture Trustee.

Axis Trustee Services Limited. The Debenture Trustee has given its consent for appointment as debenture trustee in respect of the issuance of Debentures and the copy of consent from Debenture Trustee is annexed as **Annexure III**. The Debenture Trustee Agreement is annexed as **Annexure XVIII**.

4.16 Details of credit rating along with reference to the rating letter issued (not older than one month on the date of the opening the issue) by the rating agencies in relation to the issue shall be disclosed

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The Rating Agency has assigned a rating of IND AAA/ Stable outlook to the Debentures. The rating letter dated December 16, 2022 from the Rating Agency along with the rating rationale issued by the Rating Agency is annexed as **Annexure II**.

The Issuer hereby declares the aforesaid credit rating obtained by it in relation to the Debentures shall be valid on the date of Issue and on the date of listing of Debentures.

4.17 The detailed press release of the Credit Rating Agencies along with rating rationale(s) adopted (not older than one year on the date of opening of the issue) shall also be disclosed.

The press release issued by the rating agency is available at <https://www.indiaratings.co.in/pressrelease/59944>.

4.18 Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s)

The Debentures are proposed to be listed on the BSE Limited and the NSE Limited. The *in-principle* approval of BSE Limited and NSE Limited is annexed as **Annexure VI**.

The Issuer has created/ is creating the recovery expense fund with BSE Limited in accordance with the regulations, guidelines and circulars issued by SEBI.

4.19 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

Not Applicable

4.20 Names of all the recognised stock exchanges where the debt securities are proposed to be listed clearly indicating the designated stock exchange

BSE Limited and NSE Limited. BSE Limited will be the designated stock exchange.

4.21 Undertakings of the Issuer

- (a) Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given on page number 4 under the section 'General Risks'
- (b) The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this offer document contains all information with regard to the issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as

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a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

- (c) The issuer has no side letter with any debt securities holder except the one(s) disclosed in the offer document/placement memorandum. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

4.22 Other details:

A. DRR Creation:

In terms of the provisions of Companies (Share Capital and Debentures) Rules, 2014, the Issuer is not required to create a DRR, on account of the Issuer being a listed company issuing privately placed debentures.

B. Issue / instrument specific regulations:

The Issue of Debentures shall be in conformity with the applicable provisions of the Act, the rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

C. Default in payment:

All interest on the Debentures and all other monies shall, in case the same are not paid on the respective due dates, carry interest at the rate of 2% per annum (“**Default Interest**”) payable monthly, which Default Interest shall be payable over and above the Coupon Rate, computed from the date of the Event of Default up to the earlier of: (a) date on which such Event of Default is rectified; or (b) date on which the entire amounts outstanding in respect of the Debentures have been paid to the Debenture Holders.

D. Delay in Listing

In the event of any delay in listing of the Debentures beyond 3 (Three) Working Days from the Issue Closing Date, the Issuer shall pay to the investors penal interest of 2% p.a. (two percent per annum) over the applicable Coupon Rate for the period of delay (i.e. from the Deemed Date of Allotment till the listing of the Debentures).

E. Delay in execution of the Debenture Trust Deed

In the event of delay in execution of the Debenture Trust Deed beyond the time period stipulated under the Applicable Law, the Company shall pay interest of 2% (Two percent), per annum, or such other rate, as specified by SEBI, to the Debenture Holders, over and above the agreed Coupon Rate, till the execution of the Debenture Trust Deed.

F. Delay in allotment of securities

The interest on application money shall be calculated at the Coupon Rate prevailing on the Deemed Date of Allotment for the period commencing on the date of receipt of the subscription monies from

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the prospective Debenture Holders by the Issuer up to 1 (One) day prior to the Deemed Date of Allotment. The interest on application monies shall be paid by the Company to the Debenture Holders within 7 (Seven) Business Days from the Deemed Date of Allotment

G. Application process:

The Application Process is provided in Section 6 of this Information Memorandum.

H. Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this Information Memorandum, if any:

The Private Placement Offer Cum Application Letter is annexed hereto and marked as **Annexure XIV**.

I. Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project;

None

J. Due Diligence Certificate

The due diligence certificate issued by the Debenture Trustee is annexed hereto and marked as Annexure VII.

K. Issue details:

Security Name	8.15% Samvardhana Motherson International Limited 2026
Issuer	Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited)
Type of Instrument	Non-convertible Debentures
Nature of Instrument	Unsecured
Seniority	Senior
Mode of Issue	Private Placement
Eligible Investors	<p>The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form:</p> <ul style="list-style-type: none">I. Foreign portfolio investorsII. Companies and bodies corporate including public sector undertakings;III. Financial institutions, including provident funds and mutual funds;IV. Insurance companies;V. Foreign institutional investors;

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	<p>VI. Anchor investors to the Issue; and</p> <p>VII. Any other investor authorized to invest in the Debentures,</p> <p>in each case, as may be permitted under applicable law.</p>	
Total Amount of Anchor Portion	30% of the base Issue, aggregating to INR 150,00,00,000/- (Rupees One Hundred Fifty Crores)	
Details of Anchor Investors	Name of Anchor Investor	Amount of Debentures subscribed out of Anchor Portion
	ICICI Prudential Mutual Fund	INR 75,00,00,000/-
	Axis Mutual Fund	INR 45,00,00,000/-
	Nippon India Mutual Fund	INR 30,00,00,000/-
Listing (including name of stock exchange(s) where it will be listed and timeline of listing)	<p>The Debentures are proposed to be listed on the WDM segment of the BSE and Debt Market segment of NSE. The Issuer will ensure that the Debentures are listed on BSE within 3 (three) Working Days from the Issue Closing Date. In case, the Issuer fails to list the Debentures beyond 3 (Three) Working Days from the Issue Closing Date, the Issuer shall be liable to pay penal interest at the rate of 2% (two percent) per annum on the Debentures in addition to the payment of Coupon at the Coupon Rate for the period of delay (i.e. from the Deemed Date of Allotment till the day of listing of the Debentures on wholesale debt market segment on BSE).</p>	
Rating of the Instrument	“IND AAA/Stable” by India Ratings and Research Private Limited	
Issue Size	Rs. 500,00,00,000/- (Rupees Five Hundred Crores only) with a green shoe option up to Rs. 100,00,00,000/- (Rupees One Hundred Crores) both aggregating upto Rs. 600,00,00,000/- (Rupees Six Hundred Crore only).	
Minimum Subscription	1 (One) Debenture of Rs.1,00,000 (Rupees One Lakh) each and in multiples of 1(One) Debenture thereafter	
Option to retain oversubscription	green shoe option to retain oversubscription of an amount up to Rs. 100,00,00,000/- (Rupees One Hundred Crores Only).	
Objects of the Issue/ Purpose for which there is requirement of funds	<p>The proceeds of the Issue will be used for:</p> <ol style="list-style-type: none"> 1. Refinancing of existing Financial Indebtedness of the Issuer and/or its Group Companies 2. Onward lending to its Subsidiaries, Group Companies and/or joint ventures 3. Investment (including acquisition of shares) in its Subsidiaries and joint ventures of the Issuer in compliance with Applicable Law 4. Towards general corporate purpose of the Issuer 	

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	<p>5. Meeting any transaction costs and expenses including costs and expenses related to the Financing Documents and the issuance of the Debentures.</p> <p>No part of the proceeds of the Debentures would be utilized for investment in equity in Indian capital market specially for speculative purposes, acquisition.</p>
Details of the utilization of the Proceeds	<p>The proceeds of the Issue would be utilised for the purposes set out in the row titled '<i>Objects of the Issue/ Purpose for which there is requirement of funds</i>'.</p> <p>End use of the Issue proceeds to be evidenced with a certificate from a chartered accountant and to be furnished to Debenture Trustee within 90 (ninety) days of the allotment of Debentures</p>
Coupon Rate	8.15% and the same maybe reset in the manner specified in row below
Step Up/ Step Down Coupon Rate	<p>1. Step Up Rate</p> <p>(a) The Coupon Rate shall remain unchanged other than in case of downgrade of credit rating of the Debentures in the manner given below.</p> <p>(b) In the event of downgrade in the credit rating of the Debenture by the Rating Agency to AA, the Coupon Rate shall, without any act or deed by any Party, automatically stand increased by a rate of 0.25% (zero decimal two five per cent) per annum, for such downgrade in the credit rating of the Debentures by the Rating Agency, over and above the then applicable Coupon Rate ("Step Up Rate I") accruing on and from the date of each such downgrade in the credit rating of the Debentures on the outstanding principal amount of each Debenture.</p> <p>(c) In the event of a downgrade in the credit rating of the Debentures by the Rating Agency to AA- or below and to the extent within 15 (Fifteen) days of the date of occurrence of the Identified Downgrade Event (as defined below) neither the option at sub- paragraph (d)(i) is exercised by a Debenture Holder nor the option at sub-paragraph (d)(ii) is exercised by the Company in respect of such Debentures, the Coupon Rate for all such outstanding Debentures shall stand increased by a rate of 0.50% (zero decimal five per cent) per annum over and above the then applicable Coupon Rate (which the then applicable Coupon Rate shall reflect the Step Up Rate I) for such downgrade</p>

	<p>in credit rating to AA- and 0.50% (zero decimal five per cent) per annum thereafter for every further notch downgrade in rating of the Debentures by the Rating Agency (“Step Up Rate II”) accruing on and from the date of such downgrade in the credit rating of the Debentures on the outstanding principal amount of each relevant Debenture.</p> <p>(d) In the event of a downgrade in the credit rating of the Debentures to AA- or below by the Rating Agency or to A+ or below by any other rating agency registered with SEBI (each such downgrade event is hereinafter referred to as “Identified Downgrade Event”) the following options shall be exercisable:</p> <p>(i) without prejudice to the other rights of the Debenture Holders, each of the Debenture Holders shall have the option to require the Company to redeem all (and not less than all) of their respective outstanding Debentures in full (and not in part) upon occurrence of any Identified Downgrade Event by issuing a prior redemption notice to the Company in accordance with sub-paragraph (e) below and the Company shall, within 15 (fifteen) days of receipt of such notice, redeem the respective Debentures in full by paying the applicable Early Redemption Amount and all other amounts payable in respect of such Debentures in accordance with the Financing Documents to the satisfaction of the relevant Debenture Holders/Debenture Trustee (acting at the instructions of such Debenture Holder);</p> <p>(ii) the Company shall have the option to redeem all (and not less than all) of the outstanding Debentures in full (and not in part) upon occurrence of each Identified Downgrade Event by issuing a redemption notice to the Debenture Trustee in accordance with sub-paragraph (e) below.</p> <p>(e) Any notice of redemption of the Debentures given by the Company or any Debenture Holder / Debenture Trustee (on behalf of the relevant Debenture Holders) under this clause shall:</p> <p>(i) be irrevocable and unconditional;</p> <p>(ii) be issued no later than 15 (fifteen) days from the date of the relevant downgrade in rating and specify the date on which the relevant redemption</p>
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	<p>is to be made, which shall be no earlier than 15 (fifteen) days from the date of such notice; and</p> <p>(iii) set out the outstanding amount of the Debt to be prepaid by the Company for redemption of all the Debentures on the specified date.</p> <p>(f) For the avoidance of doubt: (I) interest calculated at the relevant Step Up Rate shall be payable severally for each downgrade by a notch in the credit rating of the Debentures as specified above and in case of multiple downgrades, the Step Up Rate shall be the rate of interest per annum that is the aggregate of all such step ups to the original Coupon Rate; and (II) the Company shall be liable to pay interest at a Coupon Rate that is calculated on basis of each relevant Step Up Rate from the date of the relevant downgrade(s) until the date on which the Company redeems the Debentures in full, in accordance with this Deed; subject to any further step-ups or step-downs to the Coupon Rate under this paragraph.</p> <p>2. Step Down Rate</p> <p>(a) For the upgrade by a notch or more in the credit rating of any Debenture by the Rating Agency after the occurrence of downgrade as specified in sub-paragraph (1)(b) above, the then applicable Coupon Rate (which was stepped up in terms of paragraph 1(b) above) shall, without any act or deed by any Party, automatically stand reduced by 0.25% (zero decimal two five per cent) per annum ("Step Down Rate I") and the Company shall pay interest at such Coupon Rate which is reduced by the Step Down Rate accruing on and from the date of each such upgrade in the credit rating of the Debentures on the outstanding principal amount of each Debenture.</p> <p>(b) Where the Step Up Rate II option has been exercised/automatically invoked by the relevant Debenture Holders as set out at paragraph 1(c) above, for each subsequent upgrade by a notch in the credit rating of any Debenture by the Rating Agency upto AA, the then applicable Coupon Rate shall, without any act or deed by any Party, automatically stand reduced by a rate of 0.50% (zero decimal five per cent) per annum over and above the then applicable Coupon Rate ("Step</p>
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	<p>Down Rate II”) accruing on and from the date of such upgrade in the credit rating of the Debentures on the outstanding principal amount of each Debenture.</p> <p>(c) For the avoidance of doubt, interest calculated on basis of such Step Down Rate shall be payable severally for each upgrade by a notch in the credit rating of the Debentures and in case of multiple upgrades, the Step Down Rate shall be the rate of interest per annum that is the aggregate of all such step downs to the applicable Coupon Rate. The Company shall be liable to pay interest at a Coupon Rate that is calculated on basis of each Step Down Rate, on and from the date of the relevant upgrade(s) in the credit rating of the Debentures until the date on which the Company redeems the Debentures in full, in accordance with this Deed; subject to any further step-ups or step-downs to the Coupon Rate under this paragraph. Notwithstanding anything to the contrary contained above, it is clarified that the Coupon Rate shall not stand reduced at any time below the original Coupon Rate prevailing at the time of the Date of Allotment till the Final Settlement Date.</p> <p>3. As an illustration, any notch downgrade in the credit rating of the Debentures will include downgrade from AA+ to AA or AA to AA-. Similarly, any notch upgrade in the credit rating of the Debentures will include upgrade from AA- to AA or AA to AA+.</p>
Coupon Payment Frequency	The Coupon shall be payable annually and on the Redemption Date
Coupon payment dates	<p>1st Coupon Payment Date – January 23, 2024</p> <p>2nd Coupon Payment Date – January 23, 2025</p> <p>3rd Coupon Payment Date – January 23, 2026</p>
Coupon Type	Fixed
Coupon Reset Process	As set out in Step Up/ Step Down Coupon Rate paragraph above.
Day Count Basis	<p>Actual/ Actual</p> <p>Coupon payable on the Debentures shall be calculated on the basis of actual number of days in a year 365 or 366 days as the case may be.</p>
Interest on Application Money	The interest on application money shall be calculated at the Coupon Rate for the period commencing on the date of

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	receipt of the subscription monies from the prospective Debenture Holders by the Issuer up to 1 (One) day prior to the Deemed Date of Allotment. The interest on application monies shall be paid by the Company to the Debenture Holders within 7 (Seven) Business Days from the Deemed Date of Allotment.
Default Interest Rate	<ol style="list-style-type: none">1. In case of default of payment of interest and / or principal redemption on the due date additional interest @ 2% p.a. payable monthly over the documented rate will be payable by the Company.2. In case, the Issuer fails to list the Debentures beyond 3 (Three) Working Days from the Issue Closing Date, the Issuer shall be liable to pay penal interest at the rate of 2% (two percent) per annum on the Debentures in addition to the payment of Coupon at the Coupon Rate for the period of delay (i.e. from the Deemed Date of Allotment till the day of listing of the Debentures on wholesale debt market segment on BSE)..3. In the event of delay in execution of the Debenture Trust Deed beyond the time period stipulated under the Applicable Law, the Company shall pay interest of 2% (Two percent), per annum, or such other rate, as specified by SEBI, to the Debenture Holders, over and above the agreed Coupon Rate, till the execution of the Debenture Trust Deed.4. Without prejudice to the Debenture Trustee's right to call an event of default for any other default (besides the once covered above under the transaction documents company will be required to pay additional 2% p.a interest over and above the applicable coupon rate). <p>For the sake of clarification, the total penal interest payable by the Issuer and the transaction document(s) will not be more than 2% per annum at any point of time other than to the extent of the minimum penal interest mandated in terms of the SEBI regulations for the events set out in (2) and (3) above which shall not be capped, as aforesaid.</p>
Tenor	36 months from the deemed date of allotment
Redemption Date	January 23, 2026
Redemption Amount	INR 1,00,000 (Rupees One Lakh) per Debentures plus accrued Coupon, Default Interest, if any, and other

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	charges, costs and payments required to be made in terms of the Transaction Documents
Redemption Premium/Discount	None
Issue Price	INR 1,00,000 (Rupees One Lakh) per Debentures
Discount at which security is issued and the effective yield as a result of such discount	Not applicable
Put Date	Not applicable
Put Price	Not applicable
Call Date	Not applicable
Call Price	Not applicable
Put Notification Time	Not applicable
Call Notification Time	Not applicable
Face Value	INR 1,00,000 (Rupees One Lakh) per Debentures
Minimum Application and in multiples of thereafter	INR 1,00,000 (i.e. 1 (One) Debenture of Rs.1,00,000 (Rupees One Lakh) each) and in multiples of 1(One) Debenture thereafter
Issue Timing 1. Issue Opening Date 2. Issue Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	Issue Opening Date: January 20, 2023 Issue Closing Date: January 20, 2023 Date of earliest closing of the issue, if any: January 20, 2023 Pay-in Date: January 23, 2023 Deemed Date of Allotment: January 23, 2023
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	RTGS/ NEFT or any other mode as may be determined by the Issuer
Depository(ies)	NSDL and CDSL
Disclosure of Interest / redemption dates	As set out in the row titled 'Coupon Payment Date' and 'Redemption Date' above
Business Day Convention	In case the date for performance of any event or any Coupon Payment Date falls on a Sunday or a day which is not Working Day, the payment to be made on such date or the due date for such performance of the event shall be made on the next Working Day, except where the due date for redemption of Debentures falls on a day which is a Sunday or a day which is not a Working Day, in which case all payments to be made on the due date for redemption of Debentures (including accrued Coupon) shall be made on the immediately preceding Working Day

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Record Date	In relation to any date on which a payment has to be made by the Company in respect of the Debentures, the date that is 15 (fifteen) days prior to that payment date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As set out in this section and Annexure VIII hereto
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum	The Debentures are unsecured
Transaction Documents	<ol style="list-style-type: none"> 1. The Debenture Trust Deed; Information Memorandum (including the Private Placement Offer Letter in Form PAS-4); 2. Debenture Trustee Agreement; 3. Consent letter dated December 20, 2022 issued by the Debenture Trustee to act as the debenture trustee for the Issue; 4. Rating letter dated December 16, 2022 from the Rating Agency; 5. Consent letter dated October 17, 2022 issued by KFin Technologies Private Limited for acting as registrar and transfer agent in respect of the Debentures; 6. Such other document as may be designated as such by the Debenture Trustee.
Conditions Precedent to Disbursement	<p>The Issuer shall ensure that all the consents and resolution required to issue the Debentures are in place prior to the Issue. The Issuer shall also ensure that all regulations pertaining to this are complied with.</p> <p>The pre disbursement conditions shall include, but not limited to:</p> <ol style="list-style-type: none"> 1. Constitutional documents of the Company 2. Board / Committee resolutions of the Issuer for issuance of the Debentures

	<ol style="list-style-type: none"> 3. A certificate from an independent chartered accountant confirming that the proposed amount to be raised through the Debentures along with its existing borrowings (excluding temporary loans) will not exceed the borrowing limit as specified in section 180(1)(c) of the Companies Act, 2013. 4. A certificate from Company Secretary of the Issuer confirming that the proposed amount to be raised through Debentures along with its existing borrowings (excluding temporary loans) will not exceed the borrowing limit as specified in section 180(1)(c) of the Companies Act, 2013. 5. Credit Rating Letter not more than 30 days old & Rating Rationale not more than 180 days old from the date of pay-in of the Debenture issuance. 6. In-principle approval from BSE and NSE for listing the Debentures 7. Consent Letter from the Debenture Trustee for acting as the Debenture Trustee. 8. Execution of all transaction documents including the Debenture Trust Deed 9. A legal opinion from the Legal Counsel on the validity and enforceability of the transaction documents 10. Issuer to provide an undertaking that there are no existing material litigation which will impact Issuer's ability to perform any obligations under the transaction documents. 11. Issuer to give following undertaking: <ol style="list-style-type: none"> a) Non-occurrence of any force majeure event which will impact Issuer's ability to perform any obligations under the transaction documents. b) No Event of Default has occurred and is continuing, and no such event or circumstance will result as a consequence of the Borrower performing any obligation contemplated under the Transaction Documents. c) There is no material adverse effect <p>Such other mutually acceptable covenants and undertakings as are customary to the transactions of this nature.</p>
Conditions Subsequent to Disbursement	<p>Customary to transaction of such nature including but not limited to:</p> <p>The Issuer shall ensure that the following documents are executed/ activities are completed:</p> <ol style="list-style-type: none"> 1. Board / Committee Resolution for allotment on the Deemed Date of Allotment 2. Corporate Action / Issue of Debentures in Dematerialized form on the Deemed Date of

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	<p>Allotment</p> <ol style="list-style-type: none"> Credit of dematerialized LOA/Debentures within 2 trading days from Deemed Date of Allotment End use certificate to be provided within 90 days of Deemed Date of Allotment by Statutory Auditors Listing on BSE within 4 Working Days from Issue Opening Date NOC from existing lenders, if applicable Filing of Form PAS-3 within 15 (fifteen) days from the Deemed Date of Allotment but in any case prior to the utilization of proceeds of the NCDs by the Issuer.
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	<p>Events of Defaults are set out in the Annexure IX hereto.</p> <p>The conditions of joining Inter Creditor Agreement shall be as per the relevant directions of SEBI issued in terms of the SEBI circular dated October 13, 2020 bearing number SEBI/HO/MIRSD/CRADT/CIR/P/2020/203.</p>
Creation of recovery expense fund	<p>The Issuer agrees and undertakes to create and maintain a recovery expense fund, in accordance with the SEBI Debt Listing Regulations and the guidelines and circulars issued by SEBI. The purpose and utilisation of the recovery expense fund shall be as specified by SEBI.</p>
Conditions for breach of covenants (as specified in Debenture Trust Deed)	<p>A breach of covenant subject to cure period (if any) as set out in Annexure IX hereto will constitute an Event of Default.</p>
Provisions related to Cross Default Clause	<ol style="list-style-type: none"> Any Financial Indebtedness of the Company or any of its Subsidiaries (excluding Excluded Subsidiary), and including any corporate guarantee, indemnity or similar assurance given by the Company or any Included Subsidiary, is not paid when due nor within any expressly stated grace period in the governing documents for such Financial Indebtedness. Notwithstanding anything contained in herein, it is clarified that there shall be no cure period for an Event of Default under this sub- paragraph. Any Financial Indebtedness of the Company or any of its Subsidiaries (excluding Excluded Subsidiary) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of any actual or potential default, event of default, credit review event, or any similar event (however described).

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	<p>Notwithstanding anything contained herein, it is clarified that there shall be no cure period for an Event of Default under this sub- paragraph.</p> <p>(c) Any commitment for any Financial Indebtedness of the Company or any of its Subsidiaries (excluding Excluded Subsidiary) is cancelled or suspended by a creditor of the Company or any of its Subsidiaries (excluding Excluded Subsidiary) as a result of any actual or potential default, event of default, or any similar event (however described).</p> <p>(d) There is an event of default or potential event of default (howsoever described) or other similar condition or event which with the lapse of time or giving of notice may become an event of default under one or more agreements or instruments relating to any Financial Indebtedness granted by lenders to the Company or any of its Subsidiaries (excluding Excluded Subsidiary).</p> <p>(e) Any creditor of the Company or any of its Subsidiaries (excluding Excluded Subsidiary) becomes entitled to declare any Financial Indebtedness of the Company or any of its Subsidiaries (excluding Excluded Subsidiary) due and payable prior to its specified maturity.</p> <p>Provided that no Event of Default under this paragraph shall occur if the aggregate Financial Indebtedness of the Company and its Subsidiaries (excluding Excluded Subsidiary) referred to above in this paragraph does not exceed USD 25,000,000 (United States Dollar Twenty Million) (or its equivalent in any currency) at a consolidated level and/or USD 15,000,000 (United States Dollar Ten Million) (or its equivalent in any currency) at a standalone level.</p>
Accelerated Redemption	<p>Except for default in payment of Coupon or Principal (which will be payable immediately), the Debentures along with accrued Coupon shall become due and payable within 5 Working Days (unless otherwise specified) from the date of receipt of notice from Debenture Trustee in respect of happening of any of the following events:</p>

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	<p>1. Withdrawal / Suspension of long-term credit rating of the Debentures.</p> <p>2. Delisting of NCDs issued under this Information Memorandum.</p> <p>Further in case the accelerated redemption is not made within 5 (Five) Working Days upon receipt of written notice from Debenture Trustee, penal interest of 2% per annum payable monthly would be charged to the Issuer, over and above the Coupon, for the defaulting period and shall be payable immediately on monthly basis. For the sake of clarification, the total penal interest payable will not be more than 2% per annum at any point of time.</p>
Early Redemption	<p>In the event any breach occurs in relation to any existing long term Financial Indebtedness of the Company or any of its Included Subsidiaries on account of non-compliance with financial covenants (irrespective of it being declared as a breach by the creditors of such Financial Indebtedness or not, at the time of occurrence of such breach) pertaining to maintenance of (i) interest service coverage ratio and (ii) net debt to EBITDA ratio (“Financial Covenant Event”), then the Debenture Trustee (acting on the instructions of any Debenture Holders) shall be entitled to redeem the Debentures (in full or part i.e. any Debenture Holder can opt for redemption of the Debentures held by it) by providing a written notice to the Company within a period of 30 (Thirty) Working Days from the date of occurrence of Financial Covenant Event (“Financial Covenant Redemption Notice”). Upon receipt of the Financial Covenant Redemption Notice, the Company shall on or prior to 15 (Fifteen) Working Days from the date of Financial Covenant Redemption Notice, redeem the Debentures (in respect of which Financial Covenant Redemption Notice has been issued) by crediting to the beneficiary account of the Debenture Holder(s), the outstanding amount for the Debentures in respect of which Financial Covenant Redemption Notice has been issued by the Debenture Trustee (acting on the instructions of any Debenture Holders).</p>
Representations and Warranties	<p>As set out in Clause 8 of the Debenture Trust Deed</p>
Consequences of an Event of Default	<p>As set out in Clause 10.2 of the Debenture Trust Deed</p>

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Role and Responsibilities of Debenture Trustee	As set out in the SEBI (Debenture Trustees) Regulations, 1993 and as set out in the Debenture Trustee Agreement and the Debenture Trust Deed.
Risk factors pertaining to the issue	As specified in specified in Section 3 of the Information Memorandum.
Governing Law and Jurisdiction	The Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of Delhi.

Notes:

- a. If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating of the Debentures, then such new Coupon Rate and events which lead to such change should be disclosed.
- b. The list of documents which has been executed in connection with the issue and subscription of the Debentures shall be annexed.
- c. The Issuer shall provide granular disclosures in the Placement Memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "Object of the Issue".

SECTION 5: DISCLOSURES PERTAINING TO WILFUL DEFAULT

- 5.1 Name of the bank declaring the entity as a wilful defaulter:** Not Applicable
- 5.2 The year in which the entity is declared as a wilful defaulter:** Not Applicable
- 5.3 Outstanding amount when the entity is declared as a wilful defaulter:** Not Applicable
- 5.4 Name of the entity declared as a wilful defaulter:** Not Applicable
- 5.5 Steps taken, if any, for the removal from the list of wilful defaulters:** Not Applicable
- 5.6 Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions:** NA
- 5.7 Any other disclosure as specified by SEBI:** Not Applicable

SECTION 6: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer (to the extent applicable), the terms of this Information Memorandum, the Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

Terms of offer are set out under the section “Issue Details”. Below are the general terms and conditions.

Who Can Apply

Only the persons who are eligible participants for the electronic platform prescribed by SEBI for listing the Debentures are eligible to apply for the Debentures. An application made by any person who has not made a successful bid on the electronic platform prescribed by SEBI will be deemed as an invalid application and rejected. In order to subscribe to the Debentures a person must belong to one of the categories of Eligible Investors, in each case, in accordance with applicable law.

The application must be accompanied by certified true copies of (i) memorandum and articles of association, (ii) board resolution authorising investments or letter of authorization or power of attorney or other resolution authorizing investment and containing operating instructions, and (iii) specimen signatures of authorized signatories.

DISCLAIMER: AN APPLICATION, EVEN IF COMPLETE IN ALL RESPECTS, IS LIABLE TO BE REJECTED WITHOUT ASSIGNING ANY REASON FOR THE SAME. THE LIST OF DOCUMENTS PROVIDED ABOVE IS ONLY INDICATIVE, AND AN INVESTOR IS REQUIRED TO PROVIDE ALL THOSE DOCUMENTS / AUTHORIZATIONS / INFORMATION, WHICH ARE LIKELY TO BE REQUIRED BY THE ISSUER. THE ISSUER MAY, BUT IS NOT BOUND TO REVERT TO ANY INVESTOR FOR ANY ADDITIONAL DOCUMENTS / INFORMATION, AND CAN ACCEPT OR REJECT AN APPLICATION AS IT DEEMS FIT. INVESTMENT BY INVESTORS FALLING IN THE CATEGORIES MENTIONED ABOVE ARE MERELY INDICATIVE AND THE ISSUER DOES NOT WARRANT THAT THEY ARE PERMITTED TO INVEST AS PER EXTANT LAWS, REGULATIONS, ETC. EACH OF THE ABOVE CATEGORIES OF INVESTORS IS REQUIRED TO CHECK AND COMPLY WITH EXTANT RULES/REGULATIONS/ GUIDELINES, ETC. GOVERNING OR REGULATING THEIR INVESTMENTS AS APPLICABLE TO THEM AND THE ISSUER IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE ISSUER REQUIRED TO CHECK OR CONFIRM THE SAME.

How to Apply

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and/ or redemptions warrants.

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The final subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the SEBI Electronic Book Mechanism Guidelines by placing bids on the electronic book platform during the Issue period. The Issuer shall pay such fee to the Anchor Investors as mutually agreed between the Issuer and the Anchor Investor.

Bidding Amount: There shall be no bidding on the Anchor Portion of the Issue. The Eligible Investors shall be allowed to bid on the Non-anchor Portion only. The Non-anchor Portion aggregates to Rs. 450,00,00,000/- (Rupees Four Hundred Fifty Crore only) which is the sum of base Issue and green shoe portion less the anchor portion.

Minimum Bid Lot: 1 (One) Debenture

Bidding time: 11 AM to 12 PM on January 20, 2023

Mode of Bidding/ Bidding Type: The Debentures are proposed to be issued in the closed bidding mode in accordance with the SEBI Electronic Book Mechanism Guidelines read with the BSE Operational Guidelines. The bidding for the issue of the Debentures will be set up on the EBP platform of BSE (BSEBOND platform) and not on the EBP platform of NSE. Please note that for making bidding Eligible Investors shall make bid for the Non-Anchor Portion on the BSEBOND platform alone.

Manner of Allotment: The Debentures will be allotted to the successful bidders in dematerialized form and will be directly credited upon verification, to the beneficiary account, the details of which are furnished by the bidder in the application form. The Debentures will be credited to the account of such successful bidders as soon as practicable but in any event within 2 (Two) days of Deemed Date of Allotment.

Manner of Settlement: Through Clearing Corporation

Settlement Cycle: T+1 day; where T refers to the date of bidding

Mode of Allotment /Allocation Option/ Allocation Type: Multiple Yield

Process flow of settlement:

Successful bidders shall make pay-in of funds towards the allocation made to them, in the bank account of the clearing corporation on or before 10:30 a.m. on the Deemed Date of Allotment.

The fund pay-in by the successful bidders will be made only from the bank account(s), which have been provided/ updated in the electronic book mechanism system. Upon the transfer of funds into the aforesaid account and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Debenture Holder(s) to the registrar and transfer agent shall provide the corporate action file along with all requisite documents to the Depositories by 12:00 hours and subsequently, the pay-in funds shall be released into the Issuer's bank account, the details whereof are set out below:

Beneficiary Name	Samvardhana Motherson International Limited
Address of Beneficiary	Unit – 705, C Wing, ONE BKC, G Block Bandra Kurla Complex, Bandra East Mumbai – 400051, Maharashtra (India)

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Name of Beneficiary Bank and Address	AXIS BANK LTD., No. 148, Statesman House 148 Barakhamba Road New Delhi-110001
Account number of Beneficiary Bank	921020049516474
Account Name	Samvardhana Motherson International Limited NCD 2021 Account No 3

The applications must be accompanied by certified true copies of (i) a letter of authorization, and (ii) specimen signatures of authorised signatories.

Instructions for application

- 1) Application must be completed in BLOCK LETTERS IN ENGLISH. A blank must be left between two or more parts of the name.
- 2) Signatures should be made in English.
- 3) The Debentures are being issued at par to the face value. Full amount has to be paid on application per Debenture applied for. Applications for incorrect amounts are liable to be rejected. Face Value: INR 1,00,000 (Rupees One lakh only) each.
- 4) Money orders or postal orders will not be accepted. The payments can be made by NEFT/ RTGS, the details of which are given above. Payment shall be made from the bank account of the person subscribing. In case of joint-holders, monies payable shall be paid from the bank account of the person whose name appears first in the application.
- 5) No cash will be accepted.
- 6) The applicant should mention its permanent account number or the GIR number allotted to it under the Income Tax Act, 1961 and also the relevant Income-tax circle/ward/District.
- 7) Applications under power of attorney/relevant authority

In case of an application made under a power of attorney or resolution or authority to make the application a certified true copy of such power of attorney or resolution or authority to make the application and the Memorandum and Articles of Association and/or bye-laws of the investor must be attached to the application form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason therefor. Further any modifications / additions in the power of attorney or authority should be notified to the Issuer at its registered office. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed application.

- 8) An application once submitted cannot be withdrawn. The applications should be submitted during normal banking hours at the office mentioned below:

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Samvardhana Motherson International Limited
Unit – 705, C Wing, ONE BKC, G Block Bandra Kurla Complex, Bandra East
Mumbai – 400051, Maharashtra (India)

- 9) The applications would be scrutinised and accepted as per the terms and conditions specified in this Disclosure Document.
- 10) Any application, which is not complete in any respect, is liable to be rejected.
- 11) The investor / applicant shall apply for the Debentures in electronic, i.e., dematerialised form only. Applicants should mention their Depository Participant's name, DP-ID and Beneficiary Account Number in the application form. In case of any discrepancy in the information of Depository/Beneficiary Account, the Issuer shall be entitled to not credit the beneficiary's demat account pending resolution of the discrepancy.

The applicant is requested to contact the office of the Issuer as mentioned above for any clarifications.

Succession

In case the Debentures are held by a person other than an individual, the rights in the Debenture shall vest with the successor acquiring interest therein, including a liquidator or such person appointed as per the applicable laws.

Over and above the aforesaid terms and conditions, the Debentures, if any issued under this Disclosure Document, shall be subject to this Disclosure Document, the Debenture Trust Deed and also be subject to the provisions of the constitutional documents of the Issuer.

Option to Subscribe

The Issuer has made arrangements for issue and holding of the Debentures in dematerialized form.

Right to accept or reject applications

The Issuer reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The rejected applicants will be intimated along with the refund warrant, if applicable, to be sent. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- 1) incomplete application forms;
- 2) applications exceeding the Issue size;
- 3) bank account details have not been provided;
- 4) details for issue of Debentures in electronic / dematerialised form not given;
- 5) PAN or GIR No. and the income tax circle / ward / district is not given;
- 6) in case of applications made through power of attorneys, if the relevant documents are not submitted.

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The full amount of Debenture has to be submitted along with the application form. Also, in case of over subscription, the Issuer reserves the right to increase the size of the placement subject to necessary approvals/certifications, and the basis of allotment shall be decided by the Issuer.

Allotment

The Debentures allotted to investor in dematerialized form would be directly credited to the beneficiary account as given in the application form after verification. The Debentures will be credited to the account of the allottee(s) as soon as practicable but in any event within two (2) days of Deemed Date of Allotment.

Register of Debentures Holder(s)

A register of all Debenture Holder(s) containing necessary particulars of the Debenture Holders will be maintained by the Issuer at its registered office. A copy of the register of the Debenture Holder(s) will also be maintained by the Issuer at its corporate office.

Transfer / Transmission

The Debentures shall be transferable freely to all classes of Eligible Investors. It is clarified that the Debentures are not intended to be held by any category of persons who are not Eligible Investors. Subject to the foregoing, the Debentures may be transferred and/or transmitted in accordance with the applicable provisions of the Act. The Debentures held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by depositories and the relevant Depository Participants of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of Debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer.

Provided further that nothing in this section shall prejudice any power of the Issuer to register as Debenture Holder any person to whom the right to any Debenture of the Issuer has been transmitted by operation of law.

Subject to the terms of the Debenture Trust Deed, the normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's Depository Participant account to its Depository Participant. The Issuer undertakes that there will be a common transfer form / procedure for transfer of debentures.

The Debentures shall be issued only in dematerialised form in compliance with the provisions of the Depositories Act, 1996 (as amended from time to time), any other applicable regulations (including of any relevant stock exchange) and these conditions. No physical certificates of the Debentures would be issued.

Authority for the placement

This private placement of Debentures is being made pursuant to the resolution passed by the board of directors dated August 08, 2022 authorising the Issuer to borrow monies by way of issue of non-convertible debentures.

Record Date

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This will be 15 (fifteen) calendar days prior to each payment date. The list of beneficial owner (s) provided by the Depository as at the end of day of Record Date shall be used to determine the name(s) of person(s) to whom the interest and/or principal instalment is to be paid.

Effect of Holidays

In case the date for performance of any event or any Coupon Payment Date falls on a Sunday or a day which is not Working Day, the payment to be made on such date or the due date for such performance of the event shall be made on the next Working Day, except where the due date for redemption of Debentures falls on a day which is a Sunday or a day which is not a Working Day, in which case all payments to be made on the due date for redemption of Debentures (including accrued Coupon) shall be made on the immediately preceding Working Day

Redemption on Maturity of Debenture

The Issuer shall pay, in respect of each outstanding Debenture, an amount that is equal to the outstanding principal amount of that Debenture on the redemption details set out in the Issue Details and any accrued but unpaid Coupon applicable to the principal amount of each Debenture which is payable annually.

Compliance Officer

The investor may contact the Issuer in case of any pre -issue / post-issue related problems such as non-receipt of letters of allotment / Debenture certificates / refund orders / interest cheques.

Debentures to Rank Pari-Passu

The Debentures of this Issue shall rank pari-passu inter-se without preference or priority of one other or others.

Payments at Par

Payment of the principal, all interest and other monies will be made to the registered Debenture Holder(s)/ beneficial owner(s) and in case of joint holders to the one whose name stands first in the register of Debenture Holder(s) / in the list of beneficial owner(s) provided to the Issuer by the Depository. Such payment shall be made through electronic clearing services (ECS), real time gross settlement (RTGS), direct credit or national electronic fund transfer (NEFT).

Right to Re-Purchase and Re-Issue Debenture(s)

The Issuer will have the power, exercisable at its sole and absolute discretion from time to time, to re-purchase a part or all of its Debentures from the secondary markets or otherwise, at any time prior to the maturity date, subject to applicable law and in accordance with the prevailing guidelines/regulations issued by the RBI, SEBI and other authorities. In the event of a part or all of its Debentures being repurchased as aforesaid or redeemed under any circumstances whatsoever, the Issuer shall have, and shall be deemed always to have had, the power to reissue the Debentures either by reissuing the same Debentures or by issuing other debentures in their place, in accordance with applicable laws.

The Issuer may also, at its discretion and as per the prevailing guidelines/regulations of RBI and other authorities at any time purchase the Debentures at discount, at par or at premium in the open market. Such Debenture may, at the option of Issuer, be cancelled, held or resold at such price and on such terms and conditions as the Issuer may deem fit and as permitted by law.

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If the Debentures are held by a foreign institutional investor, the Issuer can purchase them only in accordance with applicable law including prevailing guidelines/regulations issued by the RBI, SEBI and other regulatory authorities.

All costs incurred by the Debenture Holders (including but not limited to break costs relating to interest, currency exchange and/or hedge agreements) pursuant to the repurchase by the Issuer before the redemption date as set out above, will be borne by the Issuer and will be calculated (and the Debenture Holders will be reimbursed) on the basis as if an acceleration event had occurred.

Tax Benefits

There are no specific tax benefits attached to the Debentures. Investors are advised to consider the tax implications of their respective investment in the Debentures.

All the rights and remedies of the Debenture holder(s) shall vest in and shall be exercised by the Debenture Trustees without having it referred to the Debentures holder(s).

Loss of Letter(s) of Allotment / Principal and Interest Payment Instruments

Not applicable since the Debentures are being issued in dematerialised form.

Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment. If the Debentures issued are not listed within 15 (Fifteen) days of the Deemed Date of Allotment or for any reason whatsoever, the Company shall, subject to the terms of the Debenture Trust Deed, immediately redeem/ buy back the relevant Debentures issued.

Debentures subject to the Debenture Trust Deed, etc.

Over and above the aforesaid terms and conditions, the Debentures, issued under this Disclosure Document, shall be subject to prevailing guidelines/regulations of RBI and other authorities and also be subject to the provisions of the Debenture Trust Deed and all documents to be entered into by the Issuer in relation to the Issue, including this Disclosure Document, the Debenture Trust Deed and other transaction documents.

Governing Law

The Debentures are governed by and will be construed in accordance with Indian law. The Issuer and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of RBI, SEBI and stock exchanges and other applicable regulations from time to time. Applicants, by purchasing the Debentures, agree that the courts at Delhi shall have exclusive jurisdiction with respect to matters relating to the Debentures.

Conflict

In case of any repugnancy, inconsistency or where there is a conflict between the conditions as are stipulated in this Disclosure Document and the Debenture Trust Deed executed by the Issuer, the provisions as contained in the Debenture Trust Deed shall prevail and override the provisions of such Disclosure Document.

Material Contracts and Agreements

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Set out below is the statement containing particulars of, dates of, and parties to all material contracts and agreements of the Issuer:

- Memorandum and Articles of Association of the Issuer.
- Debenture Trust Deed.
- Director's Declaration to be executed by an authorised director of the Issuer.
- Letter of authority to be issued by the Debenture Trustee.
- Debenture Trustee Agreement dated December 22, 2022 executed between the Company and the Debenture Trustee.
- Credit Rating Letter dated December 16, 2022 from India Ratings and Research Private Limited.
- Consent from Axis Trustee Services Limited to act as debenture trustee vide their letter dated December 20, 2022.
- In-principle approval of stock exchange for listing of the Debentures.
- Copy of the board resolution(s) of the Issuer authorizing, *inter alia*, issue of the Debentures dated August 08, 2022.

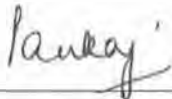
SECTION 1: DECLARATION

The Issuer declares that all the relevant provisions in the applicable law have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the applicable law.

The directors of the Issuer attest that:

- (a) the Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, the Act and the rules and regulations made thereunder;
- (b) the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government;
- (c) the monies received under the offer shall be used only for the purposes and objects indicated in the Information Memorandum;
- (d) whatever is stated in this Information Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Information Memorandum has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

For **Samvardhana MotherSON International Limited**
(formerly MotherSON Sumi Systems Limited)



Name	:	Mr. Pankaj Mital
Designation	:	Whole-time Director & Chief Operating Officer
Date	:	January 18, 2023
Place	:	Noida

ANNEXURE I: APPLICATION FORM

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED
(formerly Motherson Sumi Systems Limited)

(A public limited company registered under the Companies Act, 1956)

Date of Incorporation: December 19, 1986

Registered Office: Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051

Corporate Office: 11th Floor, Plot No. 1, Sector – 127, Noida-Greater Noida Expressway, Noida - 201301

Telephone No.: 022-61354800 | Website: www.motherson.com

Contact Person: Mr. Alok Goel

Email: alok.goel@motherson.com

DEBENTURE APPLICATION FORM SERIAL NO.

Addressed To:	Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited) 11th Floor, Plot No. 1, Sector – 127, Noida-Greater Noida Expressway, Noida - 201301 Contact Person: Mr. Alok Goel Email: alok.goel@motherson.com
Date:	January 23, 2023

ISSUE OF UPTO 50,000 (FIFTY THOUSAND) UNSECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR. 1,00,000/- (RUPEES ONE LAKH ONLY) EACH, FOR CASH, AGGREGATING UPTO INR. 500,00,00,000/- (RUPEES FIVE HUNDRED CRORES ONLY) (“DEBENTURES”), FOR CASH, AT PAR, ON A PRIVATE PLACEMENT BASIS WITH A GREEN SHOE OPTION UP TO RS. 100,00,00,000/- (RUPEES ONE HUNDRED CRORES) IN THE FORM OF UNSECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR. 1,00,000/- (RUPEES ONE LAKH ONLY) EACH WITH BOTH AGGREGATING UPTO INR. 600,00,00,000/- (RUPEES SIX HUNDRED CRORES ONLY) (“ISSUE”).

DEBENTURES APPLIED FOR:

Number of Debentures _____ in words _____

Amount Rs. _____ /- in words Rupees _____ Only

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS No. _____ Drawn on _____ (bank details)

Funds transferred to : Samvardhana Motherson International Limited

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Account Number	:	_____
Dated	:	_____

Total Amount Enclosed :	(In Figures) Rs. _____/-
	(In words) Rupees _____ <u>Only</u>

APPLICANT'S DETAILS (IN BLOCK LETTERS):

First/ Sole Applicant: _____
Second Applicant: _____
Third Applicant: _____

APPLICANT'S ADDRESS

ADDRESS																	
STREET																	
CITY																	
PIN																	
PHONE																	
FAX																	

APPLICANT'S PAN/GIR NO. : _____

IT CIRCLE/WARD/DISTRICT : _____

WE ARE : () COMPANY () OTHERS () SPECIFY _____
(kindly ✓ relevant)

We have read and understood the Terms and Conditions of the issue of Debentures contained in the Offer Documents including the Risk Factors described in the Information Memorandum and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders.

Name of the Authorised Signatory(ies)	Designation	Signature

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--	--	--

Applicant's Signature : _____

We the undersigned, are agreeable to holding the Debentures of the Issuer in dematerialised form. Details of my/our Beneficial Owner Account are given below:

Details for Issue of Debentures in Electronic / Dematerialised Form

DEPOSITORY	NSDL () CDSL ()
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account : (Settlement by way of NEFT, RTGS, electronic fund transfer)	
--	--

FOR OFFICE USE ONLY
DATE OF RECEIPT _____
DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Offer Documents is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: (i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, (ii) the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, (iii) if the names of the Applicant in this application are not identical and also not in the same order

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as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Issuer shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the sale value of the Debentures.

Applicant's Signature : _____

FOR OFFICE USE ONLY

DATE OF RECEIPT _____

DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

----- (TEAR HERE) -----

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) SERIAL NO.

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Received from _____

Address _____

UTR # _____ Drawn on _____ for Rs. _____ on
account of application of _____ Debenture

ANNEXURE II: RATING LETTER AND RATIONALE



Mr. Kunal Malani
Chief Financial Officer
SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (Formerly Motherson Sumi Systems Limited)
Plot no. 1, Sector 127,
Noida - 201301

December 16, 2022

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (Formerly Motherson Sumi Systems Limited)

This is in reference to the rating action commentary released on 7th November 2022.

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of IND AAA/Stable for the INR46.3 billion Non-Convertible Debentures (NCDs) of SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (Formerly Motherson Sumi Systems Limited).

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

India Ratings & Research Private Limited A Fitch Group Company
Wockhardt Tower, Level 4, West Wing, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
Tel: +91 22 4000 1700 | Fax: +91 22 4000 1701 | CIN/LLPIN: U67100MH1995FTC140049 | www.indiaratings.co.in



Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

Abhishek Bhattacharya
Senior Director

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Mr. Kunal Malani
Chief Financial Officer
SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (Formerly Motherson Sumi Systems Limited)
Plot no. 1, Sector 127,
Noida - 201301

November 07, 2022

Dear Sir/Madam,

Re: Rating Letter for BLR & NCDs of SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (Formerly Motherson Sumi Systems Limited)

India Ratings and Research (Ind-Ra) has affirmed Samvardhana Motherson International Limited's (SAMIL; erstwhile Motherson Sumi Systems Limited (MSSL)) Long-Term Issuer Rating at 'IND AAA'. The Outlook is Stable. The instrument-wise rating actions are as follows:

Instrument Type	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Non-fund-based working capital limits (derivatives)^		INR6.35	WD	Affirmed and Withdrawn
Fund-based working capital limits^	-	INR10.02	WD	Affirmed and Withdrawn
Non-fund-based working capital limits^	-	INR2.9	WD	Affirmed and Withdrawn
Term loan#	December 2026	INR9.15 (reduced from INR21.81)	IND AAA/Stable	Affirmed
Non-convertible debentures (NCDs)*	-	INR36.3	IND AAA/Stable	Affirmed
Proposed NCDs**	-	INR10.0	IND AAA/Stable	Assigned

^Affirmed at 'IND AAA/Stable/A1+' before being withdrawn. The ratings have been withdrawn as the agency has received no-objection certificates from the banks.

#INR0.15 billion of term loan from PIC UP has been transferred to MSWIL and we await the documentation to withdraw the ratings against the same.

*Details in Annexure II

**yet to be issued

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**India Ratings
& Research**

A Fitch Group Company

FitchGroup

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

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It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

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In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at

SAMVARDHANAMOTHERSONINTERNATIONALLIMITEDFormerlyMothersonSumiSystemsLimited



07-November-2022

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**India Ratings
& Research**
A Fitch Group Company

FitchGroup

info@indiaratings.co.in

Sincerely,

India Ratings



Abhishek Bhattacharya
Senior Director

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Annexure : Facilities Breakup

Instrument Description	Banks Name	Ratings	Outstanding/Rated Amount (INR million)
Fund Based Working Capital Limit	State Bank of India	WD/WD	2000
Fund Based Working Capital Limit	MUFG Bank	WD/WD	450
Fund Based Working Capital Limit	Axis Bank Limited	WD/WD	1000
Fund Based Working Capital Limit	HDFC Bank Limited	WD/WD	300
Fund Based Working Capital Limit	ICICI Bank	WD/WD	900
Fund Based Working Capital Limit	Citibank N.A.	WD/WD	500
Fund Based Working Capital Limit	Hongkong Shanghai Banking corporation	WD/WD	50
Fund Based Working Capital Limit	DBS Bank India Limited	WD/WD	100
Fund Based Working Capital Limit	Standard Chartered bank	WD/WD	100
Fund Based Working Capital Limit	Mizuho Bank Ltd	WD/WD	100
Fund Based Working Capital Limit	NA	WD/WD	500
Fund Based Working Capital Limit	Axis Bank Limited	WD/WD	1000
Fund Based Working Capital Limit	Citibank N.A.	WD/WD	3020
Term Loan	PICUP Loan	IND AAA/Stable	150
Term Loan	Bank of Tokyo Mitsubishi	WD	5850
Term Loan	HDFC Limited	WD	5750
Term Loan	HDFC Limited	IND AAA/Stable	9000
Non-Fund Based Working Capital Limit	State Bank of India	WD/WD	450
Non-Fund Based Working Capital Limit	MUFG Bank	WD/WD	50
Non-Fund Based Working Capital Limit	Axis Bank Limited	WD/WD	200
Non-Fund Based Working Capital Limit	HDFC Bank Limited	WD/WD	100
Non-Fund Based Working Capital Limit	ICICI Bank	WD/WD	150
Non-Fund Based Working Capital Limit	Axis Bank Limited	WD/WD	700
Non-Fund Based Working Capital Limit	ICICI Bank	WD/WD	1250
Non-Fund Based Working Capital Limit	MUFG Bank	WD/WD	1270
Non-Fund Based Working Capital Limit	Axis Bank Limited	WD/WD	600
Non-Fund Based Working Capital Limit	HDFC Bank Limited	WD/WD	2060
Non-Fund Based Working Capital Limit	ICICI Bank	WD/WD	1230
Non-Fund Based Working Capital Limit	DBS Bank India Limited	WD/WD	420
Non-Fund Based Working Capital Limit	Kotak Mahindra Bank	WD/WD	220
Non-Fund Based Working Capital Limit	State Bank of India	WD/WD	550

Annexure II

Instrument Type	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
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SAMVARDHANAMOTHERSONINTERNATIONALLIMITEDFormerly MothersonSumiSystems Limited

07-November-2022

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NCDs*	INE775A07016	April 2020	7.84%	20 April 2023	INR5.0	IND AAA/Stable	Affirmed
NCDs**	INE775A08048	September 2020	6.65%	14 September 2023	INR21.3	IND AAA/Stable	Affirmed
NCDs**	INE775A08055	November 2021	5.69%	25 November 2024	INR2.5	IND AAA/Stable	Affirmed
NCDs**	INE775A08071	December 2021	5.68%	08 December 2024	INR2.35	IND AAA/Stable	Affirmed
NCDs**	INE775A08063	November 2021	6.09%	25 November 2026	INR5.15	IND AAA/Stable	Affirmed

*The NCDs are listed, secured, and redeemable in nature. The proceeds are being used for refinancing the existing debt, and/or general corporate purposes, and/or working capital needs.

**The NCDs are listed, unsecured and redeemable in nature. The proceeds of the issue are being used for refinancing the existing debt, and/ or general corporate purpose, and/or working capital.

India Ratings Affirms Samvardhana Motherson International at 'IND AAA'/Stable; Rates Proposed NCDs

Nov 07, 2022 | Auto Components & Equipments

India Ratings and Research (Ind-Ra) has affirmed Samvardhana Motherson International Limited's (SAMIL; erstwhile Motherson Sumi Systems Limited (MSSL)) Long-Term Issuer Rating at 'IND AAA'. The Outlook is Stable. The Instrument-wise rating actions are as follows:

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Instrument Type	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Non-fund-based working capital limits (derivatives)*	-	-	-	-	INR6.35	WD	Affirmed and Withdrawn
Fund-based working capital limits*	-	-	-	-	INR10.02	WD	Affirmed and Withdrawn
Non-fund-based working capital limits*	-	-	-	-	INR2.9	WD	Affirmed and Withdrawn
Term loan#	-	-	-	December 2026	INR9.15 (reduced from INR21.81)	IND AAA/Stable	Affirmed
Commercial paper (CP)	-	-	-	7 to 365 days	INR1.5	IND A1+	Affirmed
Non-convertible debentures (NCDs)*	-	-	-	-	INR36.3	IND AAA/Stable	Affirmed
Proposed NCDs**	-	-	-	-	INR10.0	IND AAA/Stable	Assigned

*Affirmed at 'IND AAA/Stable/IND A1+' before being withdrawn. The ratings have been withdrawn as the agency has received no-objection certificates from the banks.

#INR0.15 billion of term loan from PIC UP has been transferred to Motherson Sumi Wiring India Limited (MSWIL) and the agency awaits the documentation to withdraw the ratings against the same.

*Details in Annexure

**yet to be issued

Analytical Approach: Ind-Ra continues to take a consolidated view of SAMIL and its subsidiaries (collectively referred to as the group), as they have a similar business profile, cater largely to the same set of customers across geographies, and have a strong management presence. Samvardhana Motherson Reflectec (SMR), Samvardhana Motherson Peguform (SMP) and PKC Group Limited (PKC) are SAMIL's key subsidiaries that are engaged in the manufacturing of rear-view mirror, polymer modules and wiring harness businesses outside India. Ind-Ra had been factoring the net debt held at erstwhile Samvardhana Motherson International Ltd (prior to its reorganisation) at the standalone level and the corporate guarantees issued by that entity, while taking the consolidated view. Erstwhile SAMIL and all its subsidiaries and JVs were merged into erstwhile MSSL, and the merged entity was renamed SAMIL in 4QFY22. Ind-Ra is now considering consolidated profile of the merged entity for the analysis.

Under the business restructuring, the domestic wiring harness business was demerged to a new entity, MSWIL, in which SAMIL held a 33% stake as on 31 March 2022 and has been consolidated as per Ind-AG.

Key Rating Drivers

Diversified Business Profile: SAMIL has a diversified revenue base with regard to its customers, geographies and products, and a global manufacturing footprint, mitigating the risks arising from business cyclicality, regulatory fallouts and technological obsolescence inherent in the automobile industry. In FY22, Germany accounted for 21% of its revenue from continuing operations, with the US (19%), India (13%), and China (10%) and others forming the rest. Overall, Europe

accounted for around 40% of the group's revenue in FY22.

In FY22, Mercedes Benz Group AG (Fitch Rating Ltd.: Issuer Default Rating: 'A-/Positive) and Daimler AG (Fitch Rating Ltd.: Issuer Default Rating: 'A-/Stable) together contributed 15% to its revenue. Although the Volkswagen (VW) group (Volkswagen AG, Fitch Rating Ltd.: Issuer Default Rating: 'A-/Stable), as a whole, continued to account for the largest share of the revenue in FY22 (27%), it was spread across several brands (including Audi, VW, Seat, Scania, MAN and Porsche), platforms and geographies. SAMIL has transitioned to a new segment reporting structure basis business classification and not entity-wise classification. Wiring harness (including the PKC business) accounted for 28% of its total FY22 revenue, modules and polymers (largely SMP; 48%), vision systems (largely SMR; 20%) with other businesses forming the rest. The revenues from only electric vehicle programs contributed 4% to its total revenue in FY22.

Ind-Ra draws comfort from SAMIL's stated strategic intent, articulated under its 3CX10 plan, to reduce its exposure below 10.0% to any customer, country or component over the next five-year plan (FY20-FY25). The group is focusing on reducing its customer concentration on a yoy basis through inorganic growth.

Strong Market Position and Longstanding Customer Relations: SMR is a global leader in the external rear-view mirror segment. In addition, through SMP, the group is a leading player in polymer modules in the passenger vehicle (PV) premium segment in Europe. With PKC, the group is a leading player in the commercial vehicle wiring harness markets in North America and Europe. The group has increased its presence in the Chinese truck market through PKC's JVs. The now separated domestic wiring harness business of the group had been holding a leading share in the PV wiring harness market in India. Moreover, SAMIL has longstanding relationships with key original equipment manufacturers (OEMs) globally, including the VW group, Daimler, Renault-Nissan Group and Hyundai Motors Limited, along with a high wallet share. The strong business relationships and proximity to OEMs enable the group to mitigate competitive and profitability pressure.

Revenue Growth despite industry headwinds: SAMIL's consolidated revenue increased 11% yoy to INR635.4 billion in FY22, and rose 9% yoy to INR176.1 billion in 1QFY23, despite several macro-economic headwinds including an adverse demand environment especially in the global markets, supply chain issues due to prevailing geo-political conditions and China lockdowns, and continued semi-conductor chip shortage. Its revenue growth outpaced global production growth in FY22, due to a rise in its content per vehicle, increasing trend of premiumisation worldwide and the pass-through of increased input prices. The company has been adding new customers and increasing its share of business with the existing customers. SAMIL's consolidated revenue in FY22 included erstwhile SAMIL's revenue for three months, and as per proforma financials, the group's revenue increased around 11% yoy.

Ind-Ra expects SAMIL's revenue to grow 5%-7% in FY23, largely driven by cost inflation pass-through/reimbursements to its OEMs, a recovery in the domestic auto industry as well as a strong order book at Samvardhana Motherson Automotive Systems Group BV level. As on 31 March 2022, the order book at SMRPBV level was EUR16.1 billion, providing adequate revenue visibility. Electric vehicles accounted for around 27% of the order book, showing that a shift towards electrification in the global car market is unlikely to impact SAMIL's operations. However, the revenue growth rate is likely to be constrained by a slowdown/uncertain demand conditions in the global markets, especially Europe and the US.

Moderation in EBITDA Margins: On a consolidated level, SAMIL's EBITDA margins moderated to 7.0% in FY22 (FY21: 7.6%), and to 6.1% in 1QFY23 (1QFY22: 7.6%; 4QFY22: 7.0%), due to a significant increase in the raw material prices, volatility with regard to supply chain disruptions, higher manpower cost following a rise in the minimum wage in some key geographies, as well as higher energy costs. The FY22 numbers included erstwhile SAMIL's numbers for the three months period in FY22 and were not included in FY21. The company could pass on the increase in absolute raw material cost in most segments, albeit a time lag of three-to-six months. As per the management, the company is also in discussion with its customers for passing on or the reimbursement of significant hikes in manpower and energy costs. This should help the company increase consolidated margins in the remaining FY23.

Segment wise, in FY22, SMP's margins benefitted from its incremental revenue and EBITDA from greenfield plants as well as its exposure to the luxury car segment where demand remained fairly robust. SMR's margins were impacted due

to its exposure to the mass segment in Europe as well where some impact of adverse demand can be seen amid supply chain issues in the auto industry. However, PKC margins reduced in FY22, due to higher manpower costs and new products launch costs.

Ind-Ra expects the consolidated EBITDA margin to be 7%-7.5% in FY23, largely on account of the likely reimbursement / pass-through of the higher cost which the company is expecting over in the rest of FY23. However, supply-chain issues, higher raw material, energy and manpower costs are likely to constrain EBITDA margins in FY23. The improvement in EBITDA margins remain a key rating monitorable.

Stable Credit Metrics: The consolidated net adjusted leverage (net debt adjusted for lease liabilities/EBITDA) increased to 2.0x in FY22 (FY21: 1.7x; including erstwhile SAMIL's standalone net debt and extended corporate guarantees), mainly on account of increase working capital related debt. This rose further to 2.3x (on annualised basis) in 1QFY23, primarily due to reduced profitability. Ind-Ra expects the group's net adjusted leverage from the organic business to remain largely stable in FY23, in the absence of any large greenfield capex, full year consolidation of erstwhile SAMIL, though somewhat offset by higher inventory requirement amid supply chain concerns. Any large debt-funded acquisition could hamper the debt metrics for the next one-to-two years.

The consolidated interest coverage (EBITDA / interest expense) in FY22 remained strong at 8.2x (FY21: 8.5x), though dropped in 1QFY23 to 6.4x, due to lower EBITDA.

At FYE22, the consolidated reported gross adjusted debt, including lease liabilities was INR141.3 billion (FYE21: INR119.3 billion). As the restructuring and consolidation was completed in 4QFY22, erstwhile SAMIL's numbers are excluded from the FY21 debt numbers. On a like-to-like basis, SAMIL's consolidated debt at FYE21, including lease liabilities remained at INR136.5 billion. The company undertook non-recourse factoring of receivables, which were INR44.1 billion at FYE22 (FYE21: INR46.4 billion).

Liquidity Indicator - Adequate: The company has adequate liquidity at the consolidated as well as the operating subsidiaries' level. As of 1QFY23, the group had a reasonable cash balance of INR40.9 billion (FY22: INR49.9 billion; FY21: INR59.0 billion). SAMIL had unused bank facilities of around INR45.6 billion on consolidated level as of March 2022. At the standalone level, SAMIL had low utilisation of around 16% of its sanctioned fund-based working capital limits over the 12 months ended June 2022.

The company's free cash flow turned negative to INR10.5 billion in FY22 (FY21: positive INR25.8 billion), mainly due to lower profitability and higher working capital requirement. The company's capex and dividend payout also increased on a yoy basis to INR25.1 billion (INR19.7 billion), and INR6.5 billion (INR1.6 billion), respectively. The company's working capital cycle elongated to around 42 days in FY22 (FY21: 28 days), primarily due to higher inventory holding amid supply chain issues and uncertain geo-political conditions and lockdowns in China. Inventory valuation had also increased due to higher raw material prices. SAMIL plans to incur capex of INR25 billion-27.5 billion in FY23, although a part of the same could be deferred depending on the business conditions. Ind-Ra expects the free cash flow to turn marginally positive in FY23, mainly on account of higher absolute profits. The company has scheduled debt repayments of INR14.8 billion and INR34.0 billion in FY23 and FY24, respectively.

Although the liquidity available at individual entities is adequate, the absence of a pooling mechanism does not provide full flexibility to freely transfer the funds within the group. However, if required, any entity can be supported through unsecured loans at an arm's length basis.

Acquisition-led Growth Strategy: SAMIL has been pursuing acquisitions, as part of its growth strategy. Over the past six months, the company announced two acquisitions. The first one is to acquire the assets of frame manufacturing and assembly operations of Daimler India Commercial Vehicles, operated out of its facilities in Chennai, Tamil Nadu. The deal could entail a cash outflow of approximately INR1.1 billion and is likely to be closed during 2QFY23. The second is to acquire the mirror business of Ichikoh Industries, which would provide the group footprints in Japan. The same is done at an enterprise value of JPY5.2 billion (equivalent to INR2.9 billion) and is likely to close by May 2023. Ind-Ra takes comfort

from the company's selective, order-backed and OEM-guided acquisition strategy, though will monitor it in terms of size, funding mix, impact on profitability and diversification.

Exposed to Cyclicalities in Auto Industry: SAMIL is exposed to cyclicalities in the global auto industry and inherent risks related to supply-chain concerns, and dependence of OEMs' performance. The ongoing geo-political risks, and inflationary pressure could lead to muted vehicle demand in the European markets, which accounted for around 40% of the total revenue. However, geographic and customer diversification mitigates the risk to an extent.

Standalone Profile: At the standalone level, the company recorded a revenue of INR53.4 billion in FY22 (FY21: INR36.7 billion) and an EBITDA margin of 11.3% (12%). The interest coverage was 4.2x (4.9x) as debt were raised in the standalone entity to refinance debt due at SMRPBV.

Rating Sensitivities

Negative: A sustained compression in EBITDA margins and / or any large acquisition or capex, leading to the consolidated net adjusted debt leverage exceeding 2.0x, on a sustained basis, could lead to a rating downgrade.

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on SAMIL, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click [here](#). For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click [here](#).

Company Profile

In 1986, SAMIL was incorporated as MSSL, the flagship company of the Motherson group, as a JV between erstwhile SAMIL and Japan-based Sumitomo Wiring Systems. The group then acquired various business and expanded into other segments including polymer modules and vision systems. Under the recently concluded business restructuring, the domestic wiring harness business has been shifted to a separate legal entity, MSWIL. While the erstwhile businesses of SAMIL and its subsidiaries and JVs were merged to MSSL and the resultant entity was renamed as SAMIL.

The company manufactures wiring harness products for the PV segment for export markets. Post-restructuring, SMRPBV became a 100% subsidiary of SAMIL. SAMIL also owned a 33.4% stake in MSWIL. As of March 2022, the Sehgal family held a 50.4% stake in SAMIL, with Sumitomo Wiring Systems (17.7%) and the public (31.9%) holding the rest. The promoters pledged 1.12% shares as on 30 September 2022.

CONSOLIDATED FINANCIAL SUMMARY

Particulars	FY22	FY21
Revenue (INR billion)	635.4	573.7
EBITDA (INR billion)	44.6	43.6
EBITDA margin (%)	7.0	7.6
Interest coverage (x)	8.2	8.5
Net leverage (x)	1.8	1.1
Net adjusted leverage including leases and SAMIL's debt and corporate guarantee (x)	2.0	1.7

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

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Source: SAMIL

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Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook				
	Rating Type	Rated Limits (billion)	Rating	9 November 2021	30 June 2021	7 September 2020	13 July 2020	17 April 2020
Issuer rating	Long-term	-	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Negative	IND AAA/Negative	IND AAA/RWN
Fund-based working capital limits	Long-short-term	INR10.02	WD	IND AAA/Stable(IND A1+)	IND AAA/Stable(IND A1+)	IND AAA/Negative(IND A1+)	IND AAA/Negative(IND A1+)	IND AAA/RWN(IND A1+)
Non-fund-based working capital limits	Long-short-term	INR2.9	WD	IND AAA/Stable(IND A1+)	IND AAA/Stable(IND A1+)	IND AAA/Negative(IND A1+)	IND AAA/Negative(IND A1+)	IND AAA/RWN(IND A1+)
Non-fund-based working capital limits (Derivatives)	Long-short-term	INR6.35	WD	IND AAA/Stable(IND A1+)	IND AAA/Stable(IND A1+)	-	-	-
Term loan	Long-term	INR9.15	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Negative	IND AAA/Negative	IND AAA/RWN
CP	Short-term	INR1.5	IND A1+	IND A1+	IND A1+	IND A1+	IND A1+	IND A1+
NCDs	Long-term	INR45.3	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Negative	IND AAA/Negative	IND AAA/RWN

Annexure

Instrument Type	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
NCDs*	INE775A07016	April 2020	7.84%	20 April 2023	INR5.0	IND AAA/Stable	Affirmed
NCDs**	INE775A08048	September 2020	6.65%	14 September 2023	INR21.3	IND AAA/Stable	Affirmed
NCDs**	INE775A08055	November 2021	5.69%	25 November 2024	INR2.5	IND AAA/Stable	Affirmed
NCDs**	INE775A08071	December 2021	5.68%	08 December 2024	INR2.35	IND AAA/Stable	Affirmed
NCDs**	INE775A08063	November 2021	6.09%	25 November 2026	INR5.15	IND AAA/Stable	Affirmed

*The NCDs are listed, secured, and redeemable in nature. The proceeds are being used for refinancing the existing debt, and/or general corporate purposes, and/or working capital needs.

**The NCDs are listed, unsecured and redeemable in nature. The proceeds of the issue are being used for refinancing the existing debt, and/or general corporate purpose, and/or working capital.

Bank wise Facilities Details

[Click here to see the details](#)

Complexity Level of Instruments

Instrument Type	Complexity Indicator
Fund-based working capital limits	Low
Non-fund-based working capital limits	Low
Non-fund-based working capital limits (Derivatives)	Low
Term loan	Low
NCDs	Low
CP	Low

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

Contact

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APPLICABLE CRITERIA

Evaluating Corporate Governance

Corporate Rating Methodology

Short-Term Ratings Criteria for Non-Financial Corporates

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ANNEXURE III: DEBENTURE TRUSTEE CONSENT LETTER

ATSL/CO/22-23/0154

December 20, 2022

Samvardhana Motherson International Ltd.
(formerly Motherson Sumi Systems Limited)
Unit 705, C wing, One BKC, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai - 400051

Kind Attn : Mr. Alok Goel

Dear Sir,

**Sub: Consent Letter to act as Debenture Trustee for the proposed Listed, Rated,
Unsecured, Non-Convertible Debentures aggregating upto INR 600 Crs [including Green
Shoe option upto INR 100 Crs]**

We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for the above-mentioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as Debenture Trustee in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum and/or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustees is purely its business decision and not an indication on the Issuer Company's standing or on the Debenture Issue. By consenting to act as Debenture Trustees, ATSL does not make nor deems to have made any representation on the Issuer Company, its Operations, the details and projections about the Issuer Company or the Debentures under Offer made in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the Shelf Prospectus/ Private Placement offer letter/Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer Company, its performance and profitability and details in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document before taking their investment decision. ATSL shall not be responsible for the investment decision and its consequence.

We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debentures) Rules, 2014.

Yours Truly,
For Axis Trustee Services Limited

Naveen Kumar
Assistant General Manager

Registered Office:
Axis House, Bombay Dyeing Mills Compound, Pandhurang Budhkar Marg, Worli Mumbai - 400 025
Corporate Office:
The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai-400 028
Tel No.: 022-62300451 Fax No.: 022-6230 0700 Website- www.axistrustee.com
Corporate Identify Number: U74999MH2008PLC182264 | **MSME Registered UAN:** MH19E0033585



ANNEXURE IV: ILLUSTRATION OF NON-CONVERTIBLE DEBENTURE CASH FLOWS

Non-Convertible Debentures

<u>Illustration of Bond Cash Flows</u>	
Issuer	Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited)
Face Value (per security)	INR 1,00,000
Issue Date/Date of Allotment	January 23, 2023
Date of Redemption	January 23, 2026
Tenure and Coupon Type	Coupon type : Fixed Tenor : 3 (Three) years
Coupon Rate	8.15% per annum
Frequency of the Coupon Payment with specified dates	Annually 1 st Coupon Payment Date – January 23, 2024 2 nd Coupon Payment Date – January 23, 2025 3 rd Coupon Payment Date – January 23, 2026
Day Count Convention	actual/actual

Cashflows	Day and date for coupon/ redemption becoming due	Number of days for denominator	Amount (In Rs.) per Debenture
1st Coupon	January 23, 2024	365	8,150
2nd Coupon	January 23, 2025	365	8,150
3rd Coupon	January 23, 2026	366	8,150
Principal Repayment	January 23, 2026		1,00,000
Total			1,24,450

ANNEXURE V: RESOLUTION(S)



Samvardhana Mother'son International Limited
(formerly Mother'son Sumi Systems Limited)
Head Office: Plot No.1, Sector 127, Noida-Greater Noida Expressway, Noida - 201305, U.P., India
Tel: +91-120-6678500 / Fax: +91-120-6678270, Website: www.mother'son.com

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (FORMERLY MOTHERSON SUMI SYSTEMS LIMITED) ("COMPANY") IN ITS MEETING HELD ON AUGUST 8, 2022.

To borrow upto Rs. 10,000 Million by issuance of Non-Convertible Debentures:

"RESOLVED THAT pursuant to provisions of Section 71 and all other applicable provisions of the Companies Act, 2013, read with Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the provisions of the Foreign Exchange Management Act, 2000, if applicable, and other applicable laws, if any, and in pursuance of provisions of the Memorandum and Articles of Association of the Company, the Board hereby be and hereby grants its approval for the issuance of Rated, Listed, Unsecured, Redeemable Non-Convertible Debentures of face value of INR 10,00,000/- (Rupees Ten Lakh) each, for an aggregate principal amount of INR 1000,00,00,000 (Rupees One Thousand crore), in whole or part at the discretion of the Company ("**Debentures**") in one or more series/ tranches in dematerialized form, for cash at par, on private placement basis to any one or more of the following categories of identified investors:

- Foreign Portfolio Investors;
- Companies and Bodies Corporate including Public Sector Undertakings;
- Scheduled Commercial Banks;
- Financial Institutions, including provident funds and mutual funds;
- Insurance Companies;
- Foreign Institutional Investors; and/or
- any other investor authorized by applicable law to invest in the Debentures.

who are identified and finalised post closure of the EBP window by the BSE and / or NSE on the issue closing date ("Identified Investor(s)"), subject to the total borrowing of the Company pursuant to by way of the proposed issuance and allotment of the Debentures not exceeding the borrowing limits under section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. Pankaj Mittal, Whole-time Director, Mr. Kunal Malani, Chief Financial Officer and Mr. Alok Goel, Company Secretary of the Company (the "**Authorized Signatories**") be and are hereby severally authorized to do the following:

- 1) to decide / confirm / ratify / amend / modify the terms and conditions and number of the Debentures to be issued, timing, nature, type, pricing and such other terms and conditions of the issue including coupon rate, minimum subscription, listing, security, if any, etc. and to issue and allot the Debentures;
- 2) prepare, negotiate and finalize the detailed terms and conditions of the Debentures, including the price, coupon, face value, tenor, issue opening date, issue closing date, redemption premium (if applicable), and all other related matters in connection with the issue of the Debentures;

Read Officer
Unit - 725, C Wing, ONE BKC, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai - 400 051, Maharashtra (India)
Tel: 022-63354800 / Fax: 022-63354803
CIN No. L24202MH1998PLC264540

Printed & signed at Samvardhana mother'son



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- 3) appoint, modify or change the debenture trustee(s), registrar and transfer agent, depository participant, consultants, legal counsels, advisors, rating agency(ies), intermediaries, other agencies on such terms and condition including payment of fees / reimbursement, from time to time;
- 4) appoint credit rating agency and procure rating for the Debentures including an amendment / revision in rating from time to time;
- 5) execute, issue, negotiate, finalize, ratify and deliver the information memorandum, private placement offer letter, debenture trust deed, debenture trustee agreement, and such other documents as may be required to be executed in relation to issuance and allotment of Debentures ("**Transaction Documents**") including all papers, applications, notices or letters and other documents and writings as may be required for filing, negotiation or dealing in any manner with any regulatory authorities in connection with the Debentures (including but not limited to the Registrar of Companies, Ministry of Corporate Affairs, any stock exchange(s), any depository(ies), registrar and transfer agents) and such other authorities as may be required;
- 6) enter into the requisite agreements with the depository participant and depositories, i.e. National Securities Depository Limited and/or Central Depository Services (India) Limited for the issue of the Debentures in a dematerialized form and stock exchange(s) for listing of Debentures;
- 7) open, operate and maintain bank accounts with account bank;
- 8) obtain listing of the Debentures on recognized stock exchange(s) in dematerialized form and to make such applications to, and filings with, the relevant statutory and regulatory authorities and do and execute all such acts, deeds and things as may be necessary or desirable in connection thereto, including without limitation, applying for the in-principle approval and the final listing of the Debentures, as may be required in terms of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (as amended from time to time) and other applicable law and execute requisite agreement(s) with an electronic book mechanism provider for establishment of connectivity with the EBP platform for the purposes of issuance of the Debentures;
- 9) shortlist the Identified Investors to whom the Company shall make the offer for subscription to the Debentures, and to whom the private placement offer letter (in Form PAS-4) and information memorandum (collectively, "**Disclosure Documents**") will be specifically addressed and issued by the Company in accordance with applicable law;
- 10) accept and receive subscription / application money, to appropriate the proceeds of the issue for the aforesaid purpose and to make allotment of the Debentures and to authorize maintenance of register of debenture holders, register of charges or any other statutory register as may be required; and
- 11) seek, if required, the consent of the Company's lenders, and other third parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities and any other consents that may be required in connection with the issuance of Debentures
- 12) do all such acts, matters, deeds and things in relation to the issue of the Debentures including, without limitation, appointment of legal counsel, the registrar and transfer agent, the arranger and other advisors and/ or intermediaries as may be required.

RESOLVED FURTHER THAT the Authorized Signatories of the Company be and are hereby severally authorized to negotiate, finalize and execute or ratify, on behalf of the Company, the term sheet in connection with the Debentures, letters of appointment of agents/intermediaries/account banks, including agreements to be entered into with National Securities Depository Limited and/or Central Depository Services (India) Limited and/or stock exchanges, the Debenture Trustee, any undertakings, the Transaction Documents, declarations, letters of allotment and such other document, including debenture certificates, that are required to be executed by the Company and the Authorized Signatories are hereby severally authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, proper or desirable in connection with the issue and



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allotment of Debentures, listing of Debentures, opening and operating specified accounts with account bank, or otherwise for the purpose of giving effect to this resolution and to settle any question or difficulties that may arise in the matter of the said issue of Debentures as may be considered necessary or expedient in the best interest of the Company, without requiring any further approval of the Board and to perform all acts, deeds and things as may be deemed necessary or expedient in connection therewith, and incidental thereto including any modification in the terms and conditions of the aforesaid issue.

RESOLVED FURTHER THAT the Authorized Signatories be and are hereby severally authorized to negotiate, finalize and execute or ratify amendments, variations, modifications or supplements to such executed Transaction Documents or terms of the Debentures and other documents and writings in connection with the Debentures as and when they become necessary and to sign letters of undertaking, declarations, agreements and other papers which may be required from time to time.

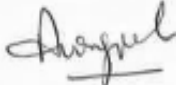
RESOLVED FURTHER THAT the Common Seal of the Company, if required be affixed to such documents, deeds, evidences, writings and undertakings and/or other related papers, wherever necessary in the presence of any Director of the Company and Mr. Kunal Malani, Chief Financial Officer or Mr. Alok Goel, Company Secretary of the Company who shall sign the same in token thereof, in terms of the Articles of Association of the Company.

RESOLVED FURTHER THAT any of the Authorized Signatories, be and are hereby severally authorized to settle any question or difficulties that may arise in the matter of the said issue of Debentures as may be considered necessary or expedient in the best interest of the Company, without requiring any further approval of the Board of Directors or Committee or the shareholders of the Company and to do all acts, deeds and things as may be deemed necessary or expedient in connection therewith and incidental thereto including any modification in the terms and conditions of the aforesaid issue.

RESOLVED FURTHER THAT the resolutions aforesaid shall continue to be in force till the redemption of the Debentures, in full in the manner and upon the terms and conditions set out in the Transaction Documents.

RESOLVED FURTHER THAT a copy of the foregoing resolution certified to be a true copy by any of the Directors or Company Secretary of the Company be furnished to such parties concerned with respect to the issue of Debentures."

For Samvardhana Motherson International Limited
(Formerly Motherson Sumi Systems Limited)


Alok Goel
Company Secretary
M. No. F4383



Correspondence Address: Motherson Corporate Office, Plot no. 1, Sector 127, Noida-201301

ANNEXURE VI: IN-PRINCIPLE APPROVAL

(A) BSE

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188



January 12, 2023

DCS/COMP/PG/IP-PPDI/564/22-23

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED

Unit 705, C Wing, ONE BKC, G Block,
Bandra Kurla Complex,
Bandra East, Mumbai - 400051

Dear Sir,

Re: Private Placement Of 50,000 Unsecured, Rated, Listed, Redeemable Non-Convertible Debentures Of The Face Value Of Rs.1 Lakh Each, For Cash, Aggregating Upto Rs.500 Crores With A Green Shoe Option Up To Rs.100 Crore Aggregating To Total Issue Size Of Rs.600 Crore ("Issue")

We acknowledge receipt of your application on the online portal on December 23, 2022 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time
6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:

<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31>

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links [Electronic Issuance - Bombay Stock Exchange Limited \(bseindia.com\)](#)

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

BSE - CONFIDENTIAL

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188



9. Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the shelf placement memorandum, whichever is applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,

For BSE Limited

Sd/-
Rupal Khandelwal
Assistant General Manager

Sd/-
Raghavendra Bhat
Deputy Manager



(B) NSE



National Stock Exchange Of India Limited

Ref. No.: NSE/LIST/5786

January 12, 2023

The Company Secretary
Samvardhana Motherson International Limited
Unit 705, C Wing, ONE BKC, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai - 400051

Kind Attn.: Mr. Alok Goel

Dear Sir,

Sub.: In-principle approval for listing of Non-Convertible Debentures on private placement basis.

This is with reference to your application dated December 28, 2022 requesting for in-principle approval for the proposed listing of unsecured, rated, redeemable, non-cumulative, taxable, non-convertible debentures of face value of Rs. 100000/- each, for base issue size of Rs. 50000 lakhs with a green shoe option of Rs. 10000 lakhs, aggregating to total issue size of Rs. 60000 lakhs, to be issued by Samvardhana Motherson International Limited on private placement basis. In this regard, the Exchange is pleased to grant in-principle approval for the said issue, subject to adequate disclosures to be made in the Offer Document in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard and provided the Company includes the following Disclaimer Clause as given below in the Offer Document after the SEBI disclaimer clause:

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). It is to be distinctly understood that the aforesaid submission or in-principle approval given by NSE vide its letter Ref.: NSE/LIST/5786 dated January 12, 2023 or hosting the same on the website of NSE in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever”



Ref. No.: NSE/LIST/5786

January 12, 2023

Please note that the approval given by the exchange should not in any way be deemed or construed that the draft Offer Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this draft offer document; nor does it warrant that the securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project.

Kindly also note that these debt instruments may be listed on the Exchange after the allotment process has been completed, provided the securities of the issuer are eligible for listing on the Exchange as per our listing criteria and the issuer fulfills the listing requirements of the Exchange. The issuer is responsible to ensure compliance with all the applicable guidelines issued by appropriate authorities from time to time including Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard.

Specific attention is drawn towards Para 1 of Chapter XV of SEBI Operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021. Accordingly, Issuers of privately placed debt securities in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of allotment of securities. The details can be uploaded using the following links:

<https://www.nse-ebp.com>

<https://www.nseebp.com/ebp/rest/reportingentity?new=true>

Kindly ensure compliance with SEBI Circular No. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/167 dated November 30, 2022 with respect to the timelines for listing of securities issued on a private placement basis.

Kindly note, this Exchange letter should not be construed as approval under any other Act/Regulation/Rule/Bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

Further, the company shall ensure submission of financial results in accordance with Regulation 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, if listed after the end of quarter but before due date for submission of said financial results

Yours faithfully,
For National Stock Exchange of India Limited

Priya Iyer
Senior Manager



ANNEXURE VII: DUE DILIGENCE CERTIFICATE

DUE DILIGENCE CERTIFICATE BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM

ATSL/DEL/2022-2023/2491

December 22, 2022

To,

National Stock Exchange
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

Dear Sir / Madam,

SUB.: ISSUE BY SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (THE "COMPANY" OR THE "ISSUER") OF 5000 PRIVATELY PLACED LISTED RATED UNSECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE COMPANY WITH A FACE VALUE OF INR 10,00,000 (INDIAN RUPEES TEN LAKHS ONLY) EACH (THE "NCDS" OR THE "DEBENTURES") AGGREGATING TO INR 500,00,00,000/- (INDIAN RUPEES FIVE HUNDRED CRORES ONLY)

We, the debenture trustee(s) to the above mentioned forthcoming issue state as follows:

- 1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
- 2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications.

WE CONFIRM that:

- a) All disclosures made in the offer document with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.
- b) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter accelerated payment clause etc.), in the offer document.
- c) Issuer has given an undertaking that debenture trust deed shall be executed before filing of listing application.

For Axis Trustee Services Limited



Authorised Signatory – CS Ganesh Tandon
Place - New Delhi

Registered Office:
Axis House, Bombay Dyeing Mills Compound, Pandhurang Budhkar Marg, Worli Mumbai - 400 025
Corporate Office: The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400028
Delhi Office, 2nd Floor, 25 - Pusa Road, Karol Bagh, New Delhi - 110005
Tel No: 011 43556440 Email - debenturetrustee@axistrustee.in Website - www.axistrustee.in
Corporate Identity Number: U74999MH2008PLC12264 | MSME Registered UAN: MH19E0033585



ANNEXURE VIII: COVENANTS OF THE ISSUE

Capitalised terms used in this Annexure, but not defined shall have the meaning assigned to such term in the Debenture Trust Deed.

1. Covenant to Pay

- 1.1 The Debentures shall constitute direct and unconditional obligations of the Company. The Company covenants with the Debenture Trustee and Debenture Holders that the Company shall, on each applicable Redemption Date, unconditionally pay or cause to be paid to, or to the order of, each Debenture Holder in INR, the aggregate of the applicable Redemption Amounts and all other amounts due in respect of the Debentures being redeemed on the applicable Redemption Date, in accordance with the Financing Documents. Any payment so made will to that extent be a good discharge to the Debenture Holders in respect of the amounts payable by the Company.
- 1.2 The Company shall, on each applicable Coupon Payment Date, unconditionally pay to, or to the order of, each Debenture Holder in INR, the accrued aggregate Coupon for the Coupon Period ending on the date immediately preceding such Coupon Payment Date.
- 1.3 The Company shall, on the relevant Redemption Date, redeem the relevant Debentures by paying or cause the payment of the Redemption Amount and all other amounts payable in respect thereof in accordance with the Financing Documents, by credit to the bank account of the Debenture Holders (as may be notified in writing by the Debenture Holders to the Company).

2. OBLIGATIONS OF THE COMPANY

2.1 AFFIRMATIVE COVENANTS

Until the occurrence of the Final Settlement Date, the Company undertakes and covenants with the Debenture Trustee, all of the following undertakings and covenants, unless any such covenant is modified or waived by the Debenture Trustee (acting in accordance with Approved Instructions), upon request being made by the Company.

2.1.1 Inspection and Compliance

- (a) The Company shall maintain its corporate existence as a public company and the right to carry on its business and operations.
- (b) The Company shall conduct its business with due diligence and efficiency, with sound engineering, technical, managerial and financial standards and business practices with qualified and experienced management personnel.
- (c) The Company shall permit officers and representatives of the Debenture Holders and the Debenture Trustee to carry out technical, legal or financial inspections and to visit and inspect during normal business hours on Business Days with prior written notice of at least 2 (two) Business Days, at the Company's cost (provided that no such prior notice will be required if an Event of Default or Potential Event of Default has occurred and is subsisting),

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its properties, facilities, offices and assets and to inspect its books of record and accounts including to the extent deemed necessary by them to prosecute or defend any third-party suit or proceeding instituted by or against the Debenture Holders and/or the Debenture Trustee or their officers and representatives etc. and relating to the Company, and the transaction contemplated under Financing Documents and be advised as to the same, by its officers. The reasonable and actual costs of any such visit shall be borne by the Company.

- (d) The Company shall comply and ensure compliance with all the Applicable Law and shall obtain Clearances which are necessary for the conduct of business and operations of the Company, and for entering into the Financing Documents and for performance of obligations by the Company under the Financing Documents or in connection with issuance of the Debentures.
- (e) Without prejudice to the generality of sub-paragraph (d) above, the Company shall comply in all respects with the Act, the Takeover Code, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the SEBI (Debenture Trustee) Regulations, 1993, the Debt Listing Regulations, the SEBI Operational Circular, the SEBI REF Circular, the EBP Guidelines, the Insider Trading Regulations and any circular, guideline, direction, notification or rule issued by any Governmental Authority with respect to the issue of Debentures.
- (f) The Company shall promptly make, or cause to be made, all required material filings with Governmental Authorities or similar authorities in India, to preserve, renew and keep in full force and effect its existence and its material rights, franchises, consents, approvals, licenses necessary for the ownership of the property and operation of the business of the Company.

2.1.2 Books of accounts

The Company shall:

- (a) keep such adequate accounting and control systems, management information systems, books of account, and other records as are required to be maintained under Applicable Law and such accounts as are adequate to reflect truly and fairly the financial condition and results of operations in conformity with Applicable Accounting Standards consistently applied and all requirements of Applicable Law;
- (b) ensure that its financial statements for each Fiscal Year give a true and fair view of the state of affairs of the Person in respect of whom such statement has been prepared in each case in accordance with Applicable Accounting Standards consistently applied; and
- (c) file all relevant Tax returns within the time permitted by the Governmental Authorities.

2.1.3 Taxes

The Company shall pay or cause to be paid:

- (a) all Taxes payable by it under Applicable Law unless such Taxes are being contested validly in a bona fide manner and in good faith and other dues which have been recognized in the books of accounts as payable in respect of which it has made adequate provisions in its

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accounts, in accordance with Applicable Accounting Standards;

- (b) such disputed Taxes upon the delivery of any judgment or order, interim or otherwise unless contested validly in a bona fide manner and in good faith;
- (c) all Taxes (including stamp taxes), duties, fees, or other charges payable on or in connection with the execution, issue, delivery, registration, or notarisation, or for the legality, validity, or enforceability of any of the Financing Documents and any other documents related thereto in full and in a prompt and timely manner and in the event of the Company failing to pay such stamp duty, other duties, Taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand; and
- (d) the Company shall make all filings required under Applicable Law (including, without limitation, the obligations to file regular tax returns with any Governmental Authority).

2.1.4 Clearances

The Company and/or its Subsidiaries and/or Affiliates (as may be applicable) shall:

- (a) obtain, renew, maintain or comply in all respects with any Clearance required for the execution, delivery, performance and enforcement of the Financing Documents, to ensure the legality validity, enforceability or admissibility in evidence in the jurisdiction of incorporation of such Financing Document and such other Clearances as may be required to ensure the smooth functioning and continuation of its businesses, and supply certified copies of each such Clearance to the Debenture Trustee; and
- (b) ensure that such Clearance is not rescinded, terminated, suspended, modified or withheld or be determined to be invalid or shall cease to be in full force and effect, and shall ensure that if proceedings shall be commenced by or before any Governmental Authority for the purpose of rescinding, terminating, suspending, modifying or withholding any such Clearance, to get a fresh Clearance at the earliest such that the effect of rescinding, termination, suspension or modification or withholding is negated,

and supply certified copies of each such Clearance to the Debenture Trustee.

2.1.5 Filing requirements

The Company shall duly and punctually comply with or procure that it complies with all filing, registration, reporting and similar requirements required in accordance with Applicable Law and regulations from time to time relating in any manner whatsoever to the Debentures or the Financing Documents.

2.1.6 Sanctions, Anti-Money Laundering Laws, Anti-Terrorism Laws and Anti-Corruption Laws

- (a) The Company shall not, directly or indirectly, use the proceeds of the Debentures, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person (i) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is, a Sanctioned Person or a Sanctioned Country, or (ii) in any other manner that would result in a violation of Sanctions by any

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Person.

- (b) The Company shall not knowingly (having undertaken relevant verifications) use any funds identified as derived from any activity or dealing with any Person or entity which is listed on a Sanctions List for the purpose of discharging amounts owing to a Debenture Holder or the Debenture Trustee, as the case may be, in respect of the Debentures to the extent such provision of funds would cause such Debenture Trustee or the Debenture Holders, as the case may be, to be in breach of Sanctions applicable to such Debenture Trustee or the Debenture Holders, as the case may be.
- (c) The Company shall immediately notify the Debenture Trustee and the Debenture Holders if it is informed of or it becomes aware of any transaction in connection with the proceeds of the Debentures that may cause the Debenture Trustee or the Debenture Holders to, whether directly or indirectly, breach Sanctions applicable to the Debenture Trustee or the Debenture Holders, as the case may be.
- (d) The Company shall not fund all or part of any payment under the Financing Document out of proceeds derived from transactions that violate the prohibitions set forth in any Sanctions, Anti-Corruption Laws or Anti-Terrorism Laws.
- (e) The Company shall not, whether by act or omission, become subject to any action, proceeding, litigation, claim or investigation with regard to any actual or alleged unlawful payment or violation of any Anti-Corruption Law.
- (f) The Company shall comply with all Anti-Money Laundering Laws, Anti-Corruption Laws, Anti-Terrorism Laws and all Sanctions.
- (g) The Company shall implement and maintain policies, procedures, systems and controls reasonably designed to:
 - (i) prevent any actions being taken contrary to any Sanctions, Anti-Money Laundering Laws, Anti-Terrorism Laws and Anti-Corruption Laws; and
 - (ii) ensure compliance with Anti-Money Laundering Laws, Anti-Terrorism Laws, Sanctions and Anti-Corruption Laws; and
 - (iii) monitor, audit, detect and prevent any direct or indirect use of the proceeds of the Debentures that does not comply with all Sanctions, Anti-Money Laundering Laws, Anti-Terrorism Laws and Anti-Corruption Laws and/or which is inconsistent with any of the representations, covenants and obligations made under the Financing Document.

2.1.7 Other covenants

- (a) The Company shall ensure that the Promoter Group shall continue, at all times, to remain the largest shareholder (legally and beneficially) of the Company and shall exercise Control at all times until the Final Settlement Date. Further, the Company shall ensure that the Sehgal Family will remain largest shareholders till the Final Settlement Date.

For the purposes of this sub- paragraph (a), “**Sehgal Family**” means shareholding of Mr.

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V.C. Sehgal and his relatives (whether held directly or indirectly through their associates, investee companies, body corporate(s), partnership firm(s), trust etc. forming part of the Promoter Group.

- (b) The Company shall ensure that the Promoter and Promoter Group shall continue to have the Management Control of the Company till the Final Settlement Date.
- (c) Notwithstanding anything contained herein but subject to sub- paragraphs (d) and (e) below, (i) no approval, authorization, no objection or consent of any nature will be required from the Debenture Holders for any Group Restructuring and any transactions contemplated under any Group Restructuring, and (ii) the Group Restructuring and the transactions contemplated under the Group Restructuring shall not result in an Event of Default or Potential Event of Default under the Financing Documents.
- (d) Further with respect to a Group Restructuring as mentioned in sub- paragraph (c) above, or any merger, demerger or similar restructuring of the Company, in the event any separate approval of the Debenture Trustee is required by any court or tribunal as per Applicable Law, then such approval of the Debenture Holders (by way of Majority Resolution) shall not be unreasonably withheld. For any Group Restructuring or such merger, demerger or similar restructuring of the Company, the Company shall provide a prior 15 (fifteen) Business Days' written notice to the Debenture Trustee intimating the Debenture Trustee of such proposal. Unless an objection / rejection in writing to the aforementioned notice is sent by the Debenture Trustee (acting on the instructions of the Debenture Holders by Majority Resolution) to the Company within this 15 (fifteen) Business Days timeline, the consent shall be deemed to have been given by and on behalf of the Debenture Holders.
- (e) Notwithstanding anything to the contrary contained herein, the Parties agree that the Company shall not require approval authorization, no objection or consent of any nature from the of the Debenture Holders and/or the Debenture Trustee for any acquisition of a business undertaking or securities of an entity effected by the Company or any of the Group Companies or Subsidiaries:
 - (i) Either on cash basis or on a share swap basis or a combination of both; or
 - (ii) any other manner including without limitation by way of effecting any merger or amalgamation;so long as:
 - A. such acquisition is effected as an Arm's Length Transaction;
 - B. the resulting entity and the issuer of the Debentures continues to be the Company;
 - C. there is no Event of Default or Potential Event of Default subsisting;
 - D. no default is committed or will be committed as a result of such acquisition in the performance or observance of any of the terms and conditions of the Financing Documents including the financial covenant under paragraph 2.1.8 below.
- (f) In terms of the SEBI Operational Circular, the Company has submitted the details of the Specified Account from which it proposes to pay the redemption and interest amount and

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hereby pre-authorises Debenture Trustee to seek debt redemption payment and interest payment related information from the Account Bank. The Company hereby further agrees and confirms that the Company shall submit a letter duly acknowledged by the Account Bank agreeing to provide debt redemption payment and interest payment related information to the Debenture Trustee.

(g) Recovery Expense Funds

- (i) Creation of Recovery Expense Fund: The Company shall create the Recovery Expense Funds in accordance with the Debt Listing Regulations and circulars issued by SEBI from time to time and in the manner as may be specified by SEBI from time to time (as presently set out in the SEBI REF Circular).
- (ii) Utilisation of Recovery Expense Fund: The Recovery Expense Fund shall be utilised in accordance with the Debt Listing Regulations and circulars issued by SEBI from time to time. The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement/ legal proceedings in relation to the Debentures in accordance with the Transaction Documents.
- (iii) Refund of Recovery Expense Fund: The balance in the Recovery Expense Fund shall be refunded /released to the Company in accordance with the regulations and circulars issued by SEBI from time to time, which presently stipulates that on repayment in respect of the Debentures to the Debenture Holders for which a 'No Objection Certificate (NOC)' shall be issued by the Debenture Trustee(s) to the Designated Stock Exchange. The Debenture Trustee(s) shall satisfy that there is no 'default' on any other listed debt securities of the Company before issuing the said 'No Objection Certificate'.

- (h) The Company shall provide to the Debenture Trustee, all relevant documents/ information, as may be applicable in respect of the Debentures, to enable the Debenture Trustee to submit the reports/ certification stipulated in the SEBI circular dated November 12, 2020 bearing number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 (including any amendments or restatements thereof) and SEBI's circular bearing reference number SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/6 dated May 19, 2022, to the Designated Stock Exchanges within the timelines mentioned therein.

(i) The Company/Issuer shall:

- (i) Within 15 (fifteen) days from the end of every half year (i.e. April 15 and October 15), submit a statement, to the Designated Stock Exchange, where Debentures are listed, as well as to the Depository containing data in the format as prescribed in the SEBI Operational Circular;
- (ii) In case there is any modification in terms or structure of the issue viz. change in terms of payment, change in interest pay-out frequency etc.as specified in the SEBI Operational Circular, the Company shall, forthwith, inform the same to the Depository;
- (iii) intimate to the Designated Stock Exchanges, Depositories and Debenture Trustee the status of payment of Debentures within one working day of payment/ redemption date;
- (iv) While intimating the status of payment to Debenture Trustee, also intimate to

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Debenture Trustee that they have informed the status of payment or otherwise to the Designated Stock Exchanges and Depositories.

- (j) The Company shall disclose in the Financing Documents all covenants of the Issue (including side letters, accelerated payment clause, etc.).
- (k) The Company shall also disclose to the Debenture Trustee at the same time as it has intimated to the Designated Stock Exchange, all material events and/or information as disclosed under Regulation 51 of the SEBI (Listing Obligations Disclosure Requirements) Regulations 2015 in so far as it relates to the interest, principal, issue and terms of Debentures, rating, creation of charge on the assets, notices, resolutions and meetings of Debenture holder.
- (l) The Company shall submit to the Designated Stock Exchange for dissemination, along with the quarterly/annual financial results, the following information (if applicable) along with such other information as specified under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015:
 - (i) Debt-equity ratio;
 - (ii) Debt service coverage ratio;
 - (iii) Interest service coverage ratio;
 - (iv) Capital redemption reserve/ Debenture redemption reserve;
 - (v) Net worth;
 - (vi) Net profit after tax;
 - (vii) Earnings per share;
 - (viii) current ratio;
 - (ix) long term debt to working capital;
 - (x) bad debts to Account receivable ratio;
 - (xi) current liability ratio;
 - (xii) total debts to total assets;
 - (xiii) debtors turnover;
 - (xiv) inventory turnover;
 - (xv) operating margin (%);
 - (xvi) net profit margin (%);
 - (xvii) A statement indicating material deviations, if any in utilisation of the proceeds of the Debentures.

Provided that if any of the information or ratio (except sub-clause (xvii) above) is not applicable to the Company, then the Company shall disclose such other ratio or equivalent financial information, as may be required to be maintained under Applicable Law, if any.

- (m) The Company is aware that in terms of Regulation 14 of the SEBI (Debenture Trustees) Regulations, 1993 as amended from time to time, the Debenture Trust Deed has to contain the matters specified in Section 71 of the Companies Act, 2013 and Form No. SH.12 specified under the Companies (Share Capital and Debentures) Rules, 2014. The Company hereby agrees to comply with all the clauses of Form No. SH.12 as specified under the Companies (Share Capital and Debentures) Rules, 2014 as if they are actually and physically incorporated in the Debenture Trust Deed.

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- (n) The Company shall provide to the Debenture Trustee relevant documents/ information, as applicable, to enable the Debenture Trustee(s) to submit the reports/ certification required under Applicable Law, including a certificate from its statutory auditor to the Debenture Trustee on a half-yearly/ quarterly basis within 75 (Seventy Five) days of the end of each half-year/ quarter, certifying compliance with the covenants of the Placement Memorandum in the manner as may be specified by SEBI from time to time. The Company shall comply with the SEBI circular dated May 19, 2022 (bearing reference number: SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2022/ 67) to enable the Debenture Trustee to submit the same to the relevant stock exchange(s) within the timelines stipulated under Applicable Law.
- (o) Register of Debenture Holders
 - (i) For so long as the Debentures are in dematerialized form, the Register of Beneficial Owners maintained by the Depository in accordance with the provisions of the Depositories Act, 1996, the regulations made thereunder and other Applicable Laws from time to time shall be used for this purpose.
 - (ii) The Company shall, at least 7 (seven) days prior to any date on which the Company has to make a payment under the Financing Document to the Debenture Holders, obtain from the Depository a list of the beneficial holders of the Debentures as at the relevant Record Date and promptly deliver such list to the Debenture Trustee.
 - (iii) All amounts in respect of a Debenture under the Financing Documents will be paid to the Person registered as the holder of that Debenture as on the relevant Record Date or, in the case of joint-holders, to the Person whose name stands first in the register of Debenture Holders as on the relevant Record Date.
 - (iv) Further the Company shall also maintain a register of Debenture Holders containing particulars regarding (A) address of each Debenture Holder, (B) record of subsequent transfers and (C) change in ownership.
- (p) Debenture Redemption Reserve
 - (i) The Company hereby agrees and undertakes that, if required in terms of Applicable Law, it shall create and maintain a debenture redemption reserve as per the Act and any other Applicable Law, and if during the currency of these presents, any guidelines are formulated (or modified or revised) by any Governmental Authority under Applicable Law in respect of creation of the debenture redemption reserve, the Company shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Trustee and shall also cause the same to be registered, where necessary.
 - (ii) As on the date hereof, the Company is a listed company within the meaning of the Act and therefore, is not required to maintain a debenture redemption reserve in terms of Applicable Law. In the event that the Company is required to maintain the debenture redemption reserve in terms of Applicable Law, the Company shall submit to the Debenture Trustee, within 60 (sixty) days from the end of the Fiscal Year or within 30 (thirty) days from the finalization of audited annual accounts for the relevant Fiscal Year, whichever is later, a certificate duly certified by an independent chartered accountant certifying that the provisions of the relevant Applicable Law have been

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complied with.

- (q) In case of initiation of forensic audit (by whatever name called) in respect of the Company, the Company shall provide following information and make requisite disclosures to the Stock Exchanges:
 - (i) the fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available; and
 - (ii) final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Company along with comments of the management, if any.
- (r) The Company shall submit such documents and information as required by the Debenture Trustee to enable the Debenture Trustee to carry out the necessary due diligence and periodical monitoring in respect of the Debentures.
- (s) The Company shall be required to provide the Debenture Trustee with such other information (which is relevant to the effective discharge of the Debenture Trustee's duties and obligations, the rights of the Debenture Holders and/or the ability of the Company to meet its obligations in respect of the Debentures) that is requested for by the Debenture Trustee (including copies of reports, balance sheets, profit and loss account) in writing within a reasonable time of such request.
- (t) The Company shall forward intimations regarding breach of covenants to the Debenture Trustee.
- (u) Any payments to be made to the Debenture Holder(s)/Beneficial Owner(s), including payment of interest, payment upon redemption of the Debentures, shall be made by the Company using the services of electronic clearing services (ECS), real time gross settlement (RTGS), direct credit or national electronic fund transfer (NEFT) or any other permitted electronic method as offered by Debenture Holder(s) / Beneficial Owner(s) into such bank account of a Debenture Holder/Beneficial Owner as set out in the beneficial owner statement received by the Company as on the Record Date.
- (v) The Company shall supply to the Debenture Trustee (i) quarterly financial results within 45 (forty five) days of the end of each quarter, and (ii) the annual audited standalone financial statements for a financial year (along with documents specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, including but not limited to statutory auditors report, directors' annual report, profit and loss accounts and a balance sheet), within such timeline as may be prescribed under Applicable Laws or this Annexure, whichever is earlier.
- (w) Further Borrowings

The Company shall not be required to procure any consents or no-objections from the Debenture Trustee and/or the Debenture Holders for the availing of any additional Financial Indebtedness, so long as (i) at the time of availing of such Financial Indebtedness no Potential Event of Default or Event of Default has occurred; and (b) the availing of such Financial Indebtedness, does not result in the occurrence of a Potential Event of Default or

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an Event of Default (including without limitation a breach of the financial covenants set out in paragraph 2.1.8 below).

- (x) The Company is a resident in India/incorporated in India. In addition the Company hereby agrees and acknowledges that the Debenture Trustee (acting on the instructions of any Debenture Holder) may require the Company to provide assistance and co-operation in relation to Foreign Account Tax Compliance Act ("FATCA") compliance (including without limitation the provisions of the Income Tax Act, 1961 and the directions of RBI, from time to time), and in this regard hereby agrees and undertakes to extend full co-operation to the Debenture Trustee including, without limitation, by furnishing such information, forms, records, reports, data which the Debenture Trustee (acting on the instruction of any Debenture Holder) may require in this regard.
- (y) The Company shall ensure that the rating letter in respect of rating of the Debentures shall not be older than 30 (thirty) days on the date of opening the issuance of Debentures and the rating rationale in relation thereto shall not be older than 180 (one hundred and eighty) days on the date of opening the issuance of Debentures.

2.1.8 Financial Covenants

- (a) For the purpose of this paragraph:

"ISCR" means Interest Service Coverage Ratio to be computed as the ratio of EBITDA to Finance Charges in respect of any Relevant Period;

"EBITDA" means, in respect of any Relevant Period, the Consolidated Operating Profit (excluding the results from discontinued operations).

Explanation: The results from discontinued operations shall be excluded from the effective date or appointed date, whichever is earlier.

"Consolidated Operating Profit" means operating profits of the Group before taxation:

- (a) **adjusted by:**

- (i) including the operating net income before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of a member of the Group (or attributable to a business or assets comprising a business) acquired during the Relevant Period for that part of the Relevant Period prior to its becoming a member of the Group or (as the case may be) prior to the acquisition of the business or assets comprising a business (as if such acquisition had occurred on the first day of such Relevant Period) (each such member of the Group, business or assets comprising a business acquired and not subsequently disposed of being an **Acquired Entity or Business**), and including an adjustment in respect of each Acquired Entity or Business acquired during such period equal to the amount of the Pro Forma Adjustment with respect to such Acquired Entity or Business for such period; and
- (ii) excluding the operating net income before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) attributable to any member of the Group (or to any business or assets comprising a business) disposed of during the Relevant Period for that part of the Relevant Period after it ceased to be a member of the Group;

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- (b) **before deducting** any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis) in respect of that Relevant Period;
- (c) **not including** any accrued interest owing to any member of the Group;
- (d) **after adding back** any amount attributable to the amortisation, depreciation or impairment of assets of members of the Group (and taking no account of the reversal of any previous impairment charge made in that Relevant Period);
- (e) before taking into account any Exceptional Items;
- (f) **minus or plus** the Group's share of the profits or losses (after finance costs and tax) respectively of non-group entities **after deducting** the amount of any profit of any non-group entity to the extent that the amount of the profit included in the financial statements of the Group exceeds the amount actually received in cash by members of the Group through distributions by the non-group entity;
- (g) **before taking into account** any unrealised gains or losses on any financial instrument (other than any derivative instrument which is accounted for on a hedge accounting basis/used to cover any foreign exchange exposure);
- (h) **before taking into account** any gain or loss arising from an upward or downward revaluation of any other asset at any time after the date of the applicable Original Financial Statements;
- (i) **excluding** the charge to profit represented by the expensing of stock options;
- (j) **Less:** Any charge pertaining to finance and operating leases forming part of depreciation and/or interest/finance charges (in case not already reduced for arriving Consolidated Operating Profit);

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation. It is clarified that there shall not be double impact of treatment of finance and operating leases i.e. it will not be treated as debt for the purpose of computing financial covenants as it is being treated as an operating expense while computing Consolidated Operating Profit.

"Finance Charges" means, for any Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of borrowings paid or payable by any member of the Group (calculated on a consolidated basis) in cash or capitalised in respect of that Relevant Period:

- (a) **including** any upfront fees or costs which are included as part of the effective interest rate adjustments;
 - (b) **including** any commission, fees, discounts and other finance payments payable by (and deducting any such amounts payable to) any member of the Group under any interest rate hedging arrangement;
 - (c) **excluding** any interest cost or expected return on plan assets in relation to any post-employment benefit schemes;
 - (d) taking no account of any unrealised gains or losses on any financial instruments other than any derivative instruments which are accounted for on a hedge accounting basis/ used to cover any foreign exchange exposure; and
 - (e) **excluding** any charge on the operating lease(s),
- so that no amount shall be added (or deducted) more than once.

"Group" means the Company and its Subsidiaries for the time being including any Included Subsidiary, provided however Group will not include any Excluded Subsidiary (until the time such Excluded Subsidiary is designated as Included Subsidiary by the Company in writing to the Debenture Trustee).

“Net Debt” means Gross Debt of the Group minus any unencumbered cash, bank balance and Liquid Marketable Debt Instruments of the Group.

“Liquid Marketable Debt Instruments” means: with respect to investments in India:

- i. fixed deposits in the interest bearing bank accounts denominated in Indian Rupees, maintain by a schedule commercial bank rated at least AA+;
- ii. liquid / money market mutual funds of top 10 mutual funds rated at least AA+ or equivalent market ratings by any of the SEBI registered credit rating agency; and/or
- iii. government securities.

With respect to investments outside India:

investments in a bank or financial institution which has a rating for its long-term unsecured and non credit-enhanced debt obligations of BBB – or higher by Standard & Poor’s Rating Services or Fitch Ratings Ltd or Baa3 or higher by Moody’s Investors Service Limited or a comparable rating from an internationally recognized credit rating agency;

“Excluded Subsidiary” subject to the provisions set out in paragraph 2.1.8(f), means any Subsidiary created/ acquired on and from November 11, 2022 or set up as joint venture on and from November 11, 2022 by the Group and designated as excluded subsidiary in writing by the Company to the Debenture Trustee on or prior to such acquisition/creation of the said excluded subsidiary, in terms of which the said excluded subsidiary will only be entitled to Committed Amount from the Group;

“Committed Amount” means a fixed sum of money which will be committed upfront by the Group to be infused in the Excluded Subsidiary either by way equity / quasi equity contribution or debt, or corporate guarantee, indemnity or similar assurance provided by the Company (directly or indirectly) or in any other form whatsoever in the Excluded Subsidiary. The Committed Amount will be communicated upfront at the time of designation of each Excluded Subsidiary by the Company to the Debenture Trustee and the Company shall not increase the Committed Amount without consent of Debenture Trustee (acting on the instructions of the Debenture Holders).

“Gross Debt” includes for the Group

- (a) any long term borrowing;
- (b) any short term borrowing (including working capital borrowing);
- (c) Preference shares redeemable during the Tenor of the Debentures;
- (d) any moneys owing in connection with the sale or discounting of receivables (except to the extent that there is no recourse);
- (e) Corporate guarantee, indemnity or similar assurance provided for any Subsidiary, SPVs, Affiliates and joint ventures (provided that there will be no double counting);
- (f) Committed Amount (whether actually made available to the Excluded Subsidiary or not), excluding any amount already contributed to the Excluded Subsidiary either by way of equity / quasi equity contribution or debt, or corporate guarantee, indemnity or similar assurance provided by the Company or any Included Subsidiary (directly or indirectly) or any part of the Committed Amount made available to any Excluded Subsidiary out of the internal accrual of monies of the Group or in any other form whatsoever.

It is hereby clarified that any capitalized value or any debt pertaining to the financial leases and/or operating leases will be not included in the Gross Debt.

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"Finance Lease(s) " means any lease or hire purchase contract, a liability under which would, in accordance with the accounting principles be treated as a balance sheet liability (other than a lease or hire purchase contract which would, in accordance with the accounting principles in force prior to January 1, 2019, have been treated as an operating lease).

"Included Subsidiary" subject to the provisions set out in paragraph 2.1.8(f), mean any Subsidiary created/acquired on and from November 11, 2022 or set up as joint venture on and from November 11, 2022 by the Group and designated as included subsidiary, in terms of which the commitment of equity/quasi equity contribution or debt or any other form of money infusion in said included subsidiary by the Group will not be limited to any fixed sum of money. It is hereby clarified that identification of an Included Subsidiary is not required to be informed in writing by the Company to the Debenture Trustee and any Subsidiary which has not been designated as an Excluded Subsidiary in writing to the Debenture Trustee will be deemed to be an Included Subsidiary;

"Relevant Period" means the trailing twelve months.

"Subsidiary" means one or more entities to be consolidated as per the Applicable Accounting Standards for the preparation of consolidated financial statements.

- (b) The Company shall ensure that at all times until the Final Settlement Date:
 - (i) the ISCR shall not be less than 3x;
 - (ii) the ratio of Net Debt to EBITDA shall not exceed 3.5x.
- (c) Except as agreed between the Parties hereof, the financial covenants specified in this paragraph 2.1.8. shall be calculated in accordance with Applicable Accounting Standards and tested semi-annually on September 30 and March 31 every year on the basis of: (i) unaudited financials of the Company to be provided within 60 (sixty) days from the end of the half-year period ending on September 30, and (ii) audited financials of the Issuer to be provided within 90 (ninety) days from the end of the Fiscal Year. The first covenant testing to be done for the period ending on 31st March 2023.
- (d) The Company shall provide to the Debenture Trustee a certificate certifying compliance with this paragraph 2.1.8. within 30 (thirty) days from the declaration of the above mentioned financials, to the satisfaction of the Debenture Trustee in a format specified in Schedule VII of the Debenture Trust Deed.
- (e) The Company shall also ensure that exclusion of the Excluded Subsidiary in calculation of Financial Covenants set out above are applicable in relation to all of its future long term borrowings (till such time interest service coverage ratio or net debt to EBITDA ratio or similar financial covenants are provided/agreed to be provided to any future long term borrowings of the Issuer). However, in the event such exclusion is not applicable in relation to any of its such future long term borrowings, then the Issuer shall ensure that such exclusion is also not applicable in respect of the Debentures issued in terms of this Deed and the Issuer shall execute all such documents as may be required to give effect to the same within a period of 15 (Fifteen) Working Days from the date of undertaking relevant future long term borrowings. Further, in the event any favorable terms are given in relation to any future long term borrowings of the Issuer with respect to interest service coverage ratio or net debt to EBITDA ratio, then such favorable terms will be made applicable in respect of the Debentures issued in terms of this Deed and the Issuer shall execute all such documents as

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may be required to give effect to the same within a period of 15 (Fifteen) Working Days from the date of such favorable terms being provided.

- (f) The Parties hereby agree and acknowledge that the following provisions will apply for designation of any Subsidiary as Included Subsidiary or Excluded Subsidiary:
- (i) if in subsequent or preceding rating release (which is commenting on any acquisition/joint venture Subsidiary) there is (1) a downward impact in the credit rating outlook of the Issuer or (2) a downward impact by at least one notch in the existing credit rating of the Issuer by the Rating Agency, (collectively “Rating Impact Event”) then the Issuer shall not designate such proposed Subsidiary as Excluded Subsidiary.
 - (ii) If a proposed Subsidiary is designated as an Included Subsidiary in respect of a similar financial covenant provided in relation to any other long term borrowing of the Company, then such Subsidiary will be designated as Included Subsidiary for testing the financial covenant set out in this Deed in relation to the Debentures.
 - (iii) in case a Subsidiary (created or acquired) is proposed to be designated as an Excluded Subsidiary but the same was treated as an Included Subsidiary (for covenant calculation) due to Rating Impact Event, the said Subsidiary can be categorized as Excluded Subsidiary by the Company with intimation to the Debenture Trustee once the rating/outlook comes back to the same level as it was when the said Subsidiary was created/acquired.
 - (iv) An Included Subsidiary cannot be designated as Excluded Subsidiary by the Company without taking consent from Debenture Trustee (acting on the instructions of the Debenture Holders) provided however; no such consent will be required for designating an Included Subsidiary as Excluded Subsidiary in accordance with subparagraph (iii) above;
 - (v) An Excluded Subsidiary can be designated as Included Subsidiary by the Company by providing an intimation in writing to the Debenture Trustee.

2.1.9 Further assurances

The Company shall execute and deliver at its own expense, such other deeds, assurances, documents, instruments, acts, matters and things, in such form and substance, as shall be necessary or advisable in the opinion of the Debenture Trustee or the Debenture Holders or that the Debenture Trustee or the Debenture Holders may request in connection with the rights and remedies of the Debenture Holders and/or the Debenture Trustee granted or provided for by the Financing Documents or under Applicable Law, and to consummate the transactions contemplated under the Financing Documents.

2.1.10 Credit rating

The Company shall ensure that the Debentures are and continue to be rated by the Rating Agency until the Final Settlement Date.

2.1.11 Information Memorandum

The Company shall comply with all the provisions of the Information Memorandum.

2.1.12 Ranking

- (a) The Company shall ensure that the payment obligations of the Company under the

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Debentures and the Financing Documents shall rank at least pari passu with the claims of all their other unsecured and unsubordinated financial creditors, except for obligations mandatorily preferred by law applying to companies generally.

- (b) Any Financial Indebtedness availed from the Promoters/Promoter Group shall on the occurrence of an Event of Default be and stand automatically subordinated to the Debentures and any payments due to the Finance Parties under the Financing Documents. It is hereby clarified that till the occurrence of an Event of Default and without prejudice to paragraph 2.2.14, the Company shall not be restricted in making payment due to the Promoters/Promoter Group in relation to such Financial Indebtedness.

2.1.13 Use of Proceeds

The Company shall utilise the proceeds of the Debentures only in accordance with the Financing Documents.

2.2 NEGATIVE COVENANTS

The Company undertakes and covenants with the Debenture Trustee that, the Company shall not undertake any of the following actions without prior written consent of the Debenture Trustee (acting in accordance with Approved Instructions).

2.2.1 Dissolution / Insolvency

- (a) The Company shall not pass any resolution, take any other action in relation to or suffer any voluntary winding-up, voluntary liquidation, insolvency, insolvency resolution or any analogous proceedings.
- (b) The Company shall not make any reference to National Company Law Tribunal or any other Governmental Authority under IBC (or any other similar law or regulation) or under the stressed assets framework or any guidelines issued or framework set up by the RBI in relation to resolution of stressed assets.
- (c) The Company shall promptly inform the Debenture Trustee of occurrence of any event or action set out in this sub paragraph.

2.2.2 Corporate restructuring

In the event any scheme or proposal for merger, demerger, amalgamation, corporate restructuring and/or corporate reorganisation of the Company has been filed by the Company or is admitted in any court of competent jurisdiction, the Company shall ensure that, during the pendency of such proceeding pertaining to such scheme in the court of competent jurisdiction, the Company shall continue to comply with the provisions of the Financing Documents.

2.2.3 Charter documents

The Company shall not amend or modify its memorandum of association and articles of association if the same would materially prejudice the rights of the Debenture Holders or result in a Material Adverse Effect.

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2.2.4 Compromises and restructurings with creditors

Except as (i) provided under the Financing Documents; or (ii) any Group Restructuring, the Company shall not:

- (a) enter into any compromise or arrangement or restructuring or settlement with any of its creditors.
- (b) make any reference to National Company Law Tribunal or any other Governmental Authority under the IBC (or any other similar law or regulation) or take any steps or actions for restructuring the Company, or its Financial Indebtedness or for rehabilitation or reconstitutions of the Company and its management.

2.2.5 Arms' length transactions

The Company shall not enter into any transaction which is not an Arm's Length Transaction (including, without limitation, transactions whereby the Company might pay more than the ordinary commercial price for any purchase or might receive less than the full commercial price (subject to normal trade discounts) for its products or services unless the provisions of the Applicable Laws are duly complied with).

2.2.6 Negative pledge

The Company shall not, without the prior written consent of the Debenture Trustee (acting in accordance with Approved Instructions), create or permit to subsist any Security Interest on its fixed assets (at a standalone level) in favour of any lender, other than: (i) Security Interest created/ to be created in favour of the relevant Existing Lenders (including without limitation any additional Security Interest or any Security Interest over any asset of the Company) pursuant to the Existing Facilities; and/or (ii) second ranking Security Interest created in favor of the working capital lenders on fixed assets and/or (iii) Security Interest created over the fixed assets acquired by the Company on account of any Group Restructuring. In case any Security Interest on fixed assets of the Company is being created in favour of any new lender, in accordance with this paragraph, the same will be offered to the Debenture Trustee on behalf of Debenture Holders, on a pari passu basis. Provided however, that nothing contained in this paragraph 2.2.6, shall restrict the Company from entering into operating or finance leases and creating Security Interest on the assets leased. It is hereby clarified that there will be no restriction on creation of Security Interest over the current assets of the Company.

2.2.7 Legal Proceedings

The Company shall not agree, authorise or otherwise consent to any proposed settlement, resolution or compromise of Legal Proceedings with any Person, if such proposed settlement, resolution or compromise could reasonably be expected to constitute a Material Adverse Effect.

2.2.8 Immunity from payments

The Company shall not claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders in connection with the Debentures.

2.2.9 Profit Sharing Arrangements

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The Company shall not enter into any partnership, profit sharing or royalty agreement or other similar arrangement whereby the Company's significant portion of income or profits or revenue are, or might be, shared with any other Person.

2.2.10 Non public information

Notwithstanding anything to the contrary stated in any Financing Document, the Company shall not provide any information which would constitute Unpublished Price Sensitive Information to the Debenture Trustee or any Debenture Holder which information has not been disclosed to the public.

2.2.11 Fiscal year

The Company shall not alter Fiscal Year so that such Fiscal Year ends on any date other than on 31 March of each year unless otherwise required under the Applicable Law.

2.2.12 Business

The Company shall ensure that, save and except as contemplated pursuant to any Group Restructuring, no substantial change is made to the general nature of its business from that carried on at the date of hereof without the prior written consent of the Debenture Trustee where such change will or is reasonably likely to, in any manner directly or indirectly, affect or impair the ability of Debenture Trustee and/or the Debenture Holders to enforce their rights under the Financing Documents in a timely manner.

2.2.13 Clear Market Conditions

The Company shall not issue any other non convertible debentures for a period of 15 (fifteen) days from the Date of Allotment. Provided that the Company shall not be restricted if another issuance with a maturity date equal to or more than that of this Debenture issue is set up on electronic book platform provided by a Stock Exchange at a coupon rate lower than the Coupon Rate of the Debentures.

2.2.14 Restricted Payments

The Company shall not, without the prior written consent of the Debenture Trustee:

- (a) declare or pay any dividends (either in cash, property or otherwise) or distributions or return of equity / quasi-equity or undertake any buy back;
 - (b) make payment of any payments, interest / repayments in connection with any Financial Indebtedness or investments or unpaid dues (including trade payables) or other liabilities or debt availed by the Company from the Promoter or Associate or any group company of the Promoter;
 - (c) grant or make available monies by way of inter-corporate deposits, loans or advances to any Person including Associate or a group company of the Company.
- (each a "**Restricted Payment**") in each case if:
- (i) if the Company fails to pay, when due, any amount payable under the Financing

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- Documents; or
- (ii) if an Event of Default has occurred and is continuing; or
 - (iii) if the Restricted Payments are not permitted under Applicable Laws; or
 - (iv) if the credit rating of the Debentures has been suspended or withdrawn by the Rating Agency.

2.3 INFORMATION COVENANTS

2.3.1 Financial Statements

The Company covenants and agrees that, until the Final Settlement Date, the Company shall provide to the Debenture Trustee:

- (a) as soon as they become available, but in any event within 60 (sixty) days from after the end of the half of a Fiscal Year, copies of the unaudited consolidated and unconsolidated, financial statements of the Company for such half of the Fiscal Year prepared in accordance with Applicable Accounting Standards and prepared on a basis consistent with the Company's audited financial statements;
- (b) as soon as they become available, but in any event within 90 (ninety) days from after the end of a Fiscal Year, the audited consolidated and unconsolidated, financial statements of the Company for such Fiscal Year prepared in accordance with Applicable Accounting Standards;

in each case, certified by a director or company secretary or chief financial officer of the Company as fairly representing its financial condition as at the date as at which those financial statements were drawn up.

2.3.2 Quarterly information

The Company covenants and agrees that, until the Final Settlement Date, the Company shall, in form and substance acceptable to the Debenture Trustee, within 21 (twenty one) days from after the end of a Fiscal Quarter or within 7 days of the relevant Board meeting whichever is earlier, submit a report to the Debenture Trustee with respect to:

- (a) updated list of names and addresses of the Debenture Holders as on the last day of such Fiscal Quarter;
- (b) details of unpaid due payments, to be made, but unpaid and reasons for non-payment thereof in the immediately concluded Fiscal Quarter; and
- (c) the number and nature of grievances received from the Debenture Holders, grievances resolved by the Company and those grievances not yet solved to the satisfaction of the Debenture Holders in the immediately concluded Fiscal Quarter.

2.3.3 Miscellaneous information

The Company covenants and agrees that, until the Final Settlement Date, the Company shall, to the extent such information does not constitute Unpublished Price Sensitive Information, provide to the Debenture Trustee:

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- (a) proceedings of shareholder meetings (or any class of them) and all documents dispatched by the Company to its creditors generally, at the same time as they are dispatched;
- (b) immediately upon becoming aware, details of any event which might have a Material Adverse Effect or may result in a Potential Event of Default or an Event of Default, specifying the nature of event and any steps the Company is taking and proposes to take to remedy the same;
- (c) immediately upon becoming aware, details of any breach or default (including any technical default or breach of any covenants) by the Company under any documents executed by it with any of its creditors including the Financing Documents;
- (d) immediately upon becoming aware, details of any one or more events, conditions or circumstances that exist or have occurred that has had or could reasonably be expected to have a Material Adverse Effect;
- (e) immediately upon receipt of any information, letter, communication or other document from any creditor or Governmental Authority relating to a delay in payments due by the Company or any member of the Promoter Group to such / any creditor;
- (f) immediately upon receipt of any information, letter, communication or any other document of which the Company becomes aware or has knowledge of in relation to initiation of a corporate insolvency process (by whatever name called) by any Person or any Governmental Authority or an application made or proposed / threatened to be made by any Person (including to any Governmental Authority (including without limitation, the RBI)) or by any Governmental Authority (including without limitation, the RBI) in relation thereto under Applicable Law;
- (g) immediately upon making any decision by the Company to initiate a corporate insolvency process (by whatever name called) or any discussions by the board of directors of the Company in relation to initiation of a corporate insolvency process (by whatever name called) of the Company under Applicable Law;
- (h) immediately upon receipt, the notice of any Legal Proceedings, suit or legal process intended to be filed, threatened in writing or initiated against the Company, which has had or, if determined adversely, could reasonably be expected to have, a Material Adverse Effect, notify the Debenture Trustee of that event specifying the nature of that litigation or those proceedings and the steps the Company is taking or proposes to take with respect thereto;
- (i) immediately upon becoming aware of them, the details of any judgment or order (other than any tax assessment) of a court, arbitral tribunal or other tribunal or any order or sanction of any governmental or other regulatory body which is made against the Company or any of its assets, which might reasonably be expected to result in Material Adverse Effect;
- (j) immediately upon receipt, any proposal by any Governmental Authority to acquire compulsorily the Company, or any part of the Company's business or assets;
- (k) immediately, information regarding any change in name or business of the Company;

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- (l) such other information as the Debenture Trustee and/or the Debenture Holders from time to time request about the Company, its businesses, financial conditions, prospects, assets and the operations;
- (m) immediately, but in no case later than 15 (fifteen) days from the date of the occurrence of the event, any decision by the Company for entering into any new business or any diversification of any existing business;
- (n) immediately, such information as the Debenture Trustee may reasonably require in connection with or pursuant to the Financing Documents;
- (o) immediately, information regarding any downgrade / upgrade in the existing credit rating given to the Debentures by any Rating Agency;
- (p) immediately, notice of any change in its authorised signatories, signed by one of its directors or its company secretary, whose specimen signature has previously been provided to the Debenture Trustee, accompanied (where relevant) by a specimen signature of each new signatory;
- (q) within 7 (seven) days of the relevant board meeting or within 45 (forty five) days of the respective Fiscal Quarter whichever is earlier, periodical status/ performance reports in accordance with Regulation 15 of SEBI (Debenture Trustee) Regulations, 1993;
- (r) immediately but no later than 3 (three) Business Days of any nationalisation or any proposal by any Governmental Authority to effect any nationalisation;
- (s) immediately inform the Debenture Trustee of any major or significant change in composition of its board;
- (t) immediately inform the Debenture Trustee of any amalgamation, merger or reconstruction scheme proposed by the Company;
- (u) immediately upon request of the Debenture Trustee, such documentation and other evidence in relation to the Company as is requested by the Debenture Trustee (including on behalf of any prospective new Debenture Holders) in order for such Debenture Holders or any prospective new Debenture Holders to conduct any “know your customer” or other similar procedures under Applicable Laws;
- (v) immediately upon the happening of any event that has a material adverse effect on the operations, sales and / or profits of the Company together the remedial steps proposed to be taken by the Company;
- (w) immediately upon making any disclosure to the Stock Exchange in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and which might result in a Material Adverse Effect;
- (x) immediately upon making any disclosure to the Stock Exchange of any information having bearing on the performance/operation of the Company or any action (excluding any Unpublished Price Sensitive Information) that might result in a Material Adverse Effect.

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In this paragraph “immediately” means, in relation to obligations of the Company to provide any information or documents, within 3 (three) Business Day of the occurrence of the relevant event.

2.3.4 Other information

- (a) The Company shall provide to the Debenture Trustee, a Compliance Certificate signed by the director or a key managerial personnel under the Act of the Company, within: (a) 45 (forty five) calendar days of the end of every Fiscal Quarter, and (b) 120 (one hundred and twenty) calendar days of the end of each Fiscal Year.
- (b) The Company shall provide to the Debenture Trustee, within 90 (ninety) days from the Date of Allotment, an end-use certificate from its Auditor with respect to the use of the proceeds of the Debentures.
- (c) The Company shall provide to the Debenture Trustee, promptly upon becoming aware but in any case no later than 3 (three) Business Day thereof, information of any of its directors or members of the Promoter Group who are declared to be a wilful defaulter or who appear in the RBI’s wilful defaulter’s list or caution list, or CIBIL’s defaulter’s list or ECGC’s caution list/specific approval list.
- (d) The Company shall inform the Debenture Trustee, within 1 (one) Business Day, of any change in the Account Bank details.
- (e) The Company shall inform the Debenture Trustee on the status of payment (whether in part or full) of the Debentures, within 1 (one) Business Day of such payment/redemption. While intimating the Debenture Trustee, the Company shall also confirm whether they have informed the status of payment or otherwise to the Designated Stock Exchange and Depository.
- (f) The Company shall provide to the Debenture Trustee, any other information, details, documents, as may be requested by the Debenture Trustee including as may be required from time to time until Final Settlement Date under Applicable Law.

2.3.5 Notification of default

- (a) The Company shall notify the Debenture Trustee of any Potential Event of Default or Event of Default (and the steps, if any, being taken to remedy it) promptly, but in any case, no later than 1 (one) Business Day upon becoming aware of its occurrence.
- (b) Within 15 (fifteen) Business Days from the end of every Fiscal Quarter, and otherwise upon a request by the Debenture Trustee, the Company shall supply to the Debenture Trustee a certificate signed by its director, company secretary or senior officers on its behalf certifying that no Potential Event of Default or Event of Default is continuing (or if a Potential Event of Default/Event of Default is continuing, specifying the Potential Event of Default/Event of Default and the steps, if any, being taken to remedy it).

2.3.6 Breach of Financial Covenants

- (a) The Company shall inform in writing to the Debenture Trustee:

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- (i) within 15 days of any change in any financial covenant in relation to any existing long term Financial Indebtedness ;
 - (ii) immediately on the breach of any financial covenant in relation to any existing long term Financial Indebtedness.
- (b) On the date of testing of financial covenant in terms of Clause 21.3 of the Debenture Trust Deed, the Company will provide a confirmation in writing to the Debenture Trustee that there is no breach in relation to any existing long term Financial Indebtedness.
- (c) For the sake of clarity, the existing long term Financial Indebtedness for the purpose of this covenant will include all outstanding debentures and any term loans as of the date of the Deemed Date of Allotment of the Debentures.

2.3.7 Information to Debenture Holders

The Debenture Trustee shall, immediately but in any event within 3 (three) Business Days upon receipt of all information and documents submitted by the Company under this paragraph 2.3 and otherwise pursuant to the terms of the Financing Documents, forward all such information and documents to each of the Debenture Holders.

3. COSTS, EXPENSES AND INDEMNITY

3.1 TRANSACTION EXPENSES

- (a) The Company shall, within 5 (five) Business Days of demand, pay the Debenture Holders or the Debenture Trustee the amount of all costs and expenses (including legal fees) incurred by them in connection with the due diligence, negotiation, preparation, printing, execution, syndication of, including but not limited to registrar and transfer agent, fees of all counsels, engineers, consultants and other experts and professionals including any auditors and chartered accountants engaged by the Debenture Holders and/or the Debenture Trustee, or enforcement/exercise of the rights of the Debenture Holders and/or the Debenture Trustee under or in relation to the Financing Documents.
- (b) The Company shall also pay the entire fees and bear all the expenses of the Debenture Trustee in accordance with the terms of the Financing Documents and shall also ensure the due and timely payment of all costs incurred/to be incurred in relation to the registration and/or filing of any Financing Document or any other document with any Governmental Authority or any other Person. For the avoidance of doubt, all transaction expenses under this paragraph 3 shall be payable by the Company within 5 (five) Business Days of demand even if closing date of issue of Debentures as set out in any Information Memorandum does not occur.

3.2 AMENDMENT COSTS

If (a) any party requests an amendment, waiver or consent; or (b) an amendment is required pursuant to Clause 28.11 (*Partial Invalidity, Further Assurances*) of the Debenture Trust Deed, the Company shall, within 5 (five) Business Days of demand, reimburse the Debenture Holders and the Debenture Trustee for the amount of all reasonable costs and expenses (including legal fees) incurred by such

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Debenture Holder and Debenture Trustee in responding to, evaluating, negotiating or complying with that request or requirement.

3.3 ENFORCEMENT COSTS

The Company shall, within 5 (five) Business Days of demand, pay to each Debenture Holder and Debenture Trustee the amount of all costs and expenses (including legal fees) incurred by that Debenture Holder and Debenture Trustee in connection with the enforcement of, or the preservation of any rights under, any Financing Document including pursuant to the right of review and inspection available with the Debenture Holders and the Debenture Trustee and the costs and expenses of any consultants, auditors, legal counsel, advisors or other persons hired by the Debenture Holders and the Debenture Trustee.

3.4 INDEMNITIES

Indemnity

The Company hereby covenants and represents that it shall be responsible to comply with the covenants and obligations contained herein. The Company shall indemnify and shall keep indemnified and hold harmless the Debenture Holders and the Debenture Trustee and their nominee(s) and any of their respective Affiliates, directors, officers, employees, advisors, and agents (such agents, duly appointed in connection with the Financing Documents), acting on behalf of them and duly authorized, or any of them (each an “**Indemnified Party**”), promptly upon demand and at any time and from time to time, against any and all actual losses, expenses, liabilities, obligations, actions, proceedings, claims, demands and judgments (including without limitation legal and other fees on a full indemnity basis) and Taxes imposed, asserted against or incurred by any Indemnified Party arising out of or in connection with:

- (c) non-performance or non-observance or inaccuracy of any of the undertakings, covenants, representations and warranties and agreements on the part of the Company or any other Person herein contained or in any other Financing Document (including but not limited to due to the information produced or approved by the Company or such Person being misleading and/or deceptive in any respect, or due to any enquiry, investigation, subpoena (or similar order) or litigation with respect to the Company or such Person or with respect to the transactions contemplated or financed under the Financing Documents, or due to a Debenture not being redeemed in accordance with the Financing Documents);
- (d) occurrence of an Event of Default;
- (e) any out of pocket expenses (including without limitation expenses incurred in connection with due diligence and fees and expenses of counsel) incurred during an Event of Default in connection with any workout or the preservation or enforcement of rights; and
- (f) any and all past or present claims, demands, imposts, withholdings, adjudications or deductions made by any Government Authority (including any tax or revenue department).

Provided that nothing contained in this paragraph 3.4 shall exempt the Debenture Trustee from or indemnify it against any liability for breach of trust nor any liability which by virtue of any rule or law would otherwise attach to it in respect of any fraud, negligence, wilful default or breach of trust which it may be guilty of in relation to its duties under the Financing Documents as maybe finally

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and conclusively determined by a court of competent jurisdiction. All sums necessary to effect or discharge the indemnity contained under this paragraph 3.4 shall form part of the Debt and shall be secured by the Financing Documents.

4. NO SET-OFF BY THE COMPANY

All payments to be made by the Company under the Financing Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

5. TAX DEDUCTION AND INDEMNITY

- (a) All payments to be made by the Company to a Debenture Holder pursuant to the Financing Documents, shall be made free and clear of and without any deduction or withholding for or on account of Tax unless the Company is required to make a deduction for Taxes by Applicable Law.
- (b) If the Company is required to make a deduction for Taxes, the Company shall, make that deduction for Taxes and pay the Tax so deducted as required by Applicable Law and deliver to the Debenture Trustee, for the Debenture Holders entitled to the payment, evidence (in the form of a tax deduction certificate) reasonably satisfactory to the Debenture Trustee that the deduction for Taxes has been made or (as applicable) any appropriate payment paid to the relevant Taxing authority.
- (c) If the Company wherever required, fails to deposit required Tax withheld or fails to deliver the certificate evidencing the deposit of the withheld amounts on account of Taxes within the timelines prescribed under Applicable Laws to the Debenture Trustee or the relevant Debenture Holder or makes a short deduction of Taxes and the Debenture Holders or the Debenture Trustee suffers an actual loss or Tax liability as a result of any of the aforesaid acts of the Company, the Company shall, within 2 (two) Business Days of demand from the Debenture Trustee or a Debenture Holder, promptly indemnify the Debenture Trustee and such Debenture Holder against such payment or liability, together with any interest, penalties, costs and expenses payable or incurred or to be incurred by the Debenture Trustee or a Debenture Holder in connection therewith.

ANNEXURE IX: EVENTS OF DEFAULT

Capitalised terms used in this Annexure, but not defined shall have the meaning assigned to such term in the Debenture Trust Deed.

1. **Payment Default**

The Company fails to pay on the relevant due date any amount payable pursuant to any Financing Document (including, without limitation a failure by the Company to redeem the Debentures on any applicable Redemption Date). It is clarified that there shall be no cure period for any payment default.

2. **Breach of Financial Covenants**

Any default committed in the performance or observance of any financial covenant under paragraph 2.1.8 of Annexure VIII.

3. **Other obligations**

- (a) The Company does not comply with any of its other obligations under any Financing Documents (other than those referred to in paragraph 1 (*Payment default*), paragraph 2 (*Breach of Financial Covenant*)).
- (b) No Event of Default under this paragraph 3 (*Other obligations*) shall occur in relation to the obligations of the Company if the failure to comply is capable of remedy and is remedied within 15 (Fifteen) Business Days of failure by the Company to comply with such obligations. It is clarified that the benefit of the cure period set out in this sub paragraph (b) shall not extend to any other Events of Default set out in this schedule or to any Events of Default for which a cure period is otherwise specifically provided or specifically denied under the Financing Documents.

4. **Misrepresentation**

Any representation or statement made by the Company under any of the Financing Documents, or any certificate or statement delivered by it pursuant thereto, having been incorrect or misleading in any material respect or any material information is suppressed or withheld by the Company.

5. **Utilization**

The proceeds from the issue of the Debentures are not utilized in the manner set out in the Financing Documents.

6. **Cross Default**

- (a) Any Financial Indebtedness of the Company or any of its Subsidiaries (excluding Excluded Subsidiary), and including any corporate guarantee, indemnity or similar assurance given by the Company or any Included Subsidiary, is not paid when due nor within any expressly stated grace period in the governing documents for such Financial Indebtedness. Notwithstanding anything contained in herein, it is clarified that there shall be no cure

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period for an Event of Default under this sub- paragraph (a).

- (b) Any Financial Indebtedness of the Company or any of its Subsidiaries (excluding Excluded Subsidiary) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of any actual or potential default, event of default, credit review event, or any similar event (however described). Notwithstanding anything contained herein, it is clarified that there shall be no cure period for an Event of Default under this sub- paragraph (b).
- (c) Any commitment for any Financial Indebtedness of the Company or any of its Subsidiaries (excluding Excluded Subsidiary) is cancelled or suspended by a creditor of the Company or any of its Subsidiaries (excluding Excluded Subsidiary) as a result of any actual or potential default, event of default, or any similar event (however described).
- (d) There is an event of default or potential event of default (howsoever described) or other similar condition or event which with the lapse of time or giving of notice may become an event of default under one or more agreements or instruments relating to any Financial Indebtedness granted by lenders to the Company or any of its Subsidiaries (excluding Excluded Subsidiary).
- (e) Any creditor of the Company or any of its Subsidiaries (excluding Excluded Subsidiary) becomes entitled to declare any Financial Indebtedness of the Company or any of its Subsidiaries (excluding Excluded Subsidiary) due and payable prior to its specified maturity.

Provided no Event of Default under this paragraph shall occur if the aggregate Financial Indebtedness of the Company and its Subsidiaries (excluding Excluded Subsidiary) referred to above in this paragraph does not exceed USD 25,000,000 (United States Dollar Twenty Million) (or its equivalent in any currency) at a consolidated level and/or USD 15,000,000 (United States Dollar Ten Million) (or its equivalent in any currency) at a standalone level.

7. Insolvency and winding up

- (a) The Company is unable to, is presumed or deemed by law or court to be insolvent or bankrupt or unable to (in the opinion of the Debenture Trustee) or admits in writing, its inability to, pay a material part of its debts as they fall due, suspends making payments on all or a material part of (or of a particular type of) debts (or of any part which it will or might otherwise be unable to pay when due) or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling or restructuring of all or a material part of (or all of a particular type of) its debts (or of any part which it will or might otherwise be unable to pay when due) or proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Company.
- (b) The value of the assets of the Company is less than its liabilities (taking into account contingent and prospective liabilities).
- (c) The Company commits any act of bankruptcy, insolvency, suspends payment to any of its

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creditors.

- (d) A moratorium is declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Company.
- (e) An order is made, or an effective resolution passed for the winding-up or dissolution, judicial management or administration of the Company, or the Company ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganization, merger or consolidation on terms approved by Extraordinary Resolution.
- (f) Any holder of Security Interest takes possession or an administrative or other receiver or an administrator is appointed in respect of the whole or (in the opinion of the Debenture Trustee) any substantial part of the property, assets or revenues of the Company (as the case may be);

8. Insolvency proceedings

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (a) The suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, provisional supervision or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise (other than as contemplated under any Group Restructuring)) of the Company;
- (b) A scheme of compromise or arrangement with any creditor of the Company (other than as contemplated under any Group Restructuring), or an assignment for the benefit of creditors generally of Company or a class of such creditors;
- (c) The appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager, interim resolution professional, resolution professional, provisional supervisor, insolvency professional or other similar officer in respect of the Company or a whole or substantial part of its assets or revenues;
- (d) Attachment, enforcement or distress of any Security Interest over any assets of the Company over which Security Interest has been created for any Financial Indebtedness;
- (e) The Company has voluntarily become the subject of proceedings under any bankruptcy or insolvency law (including by way of filing of any application for initiation of corporate insolvency resolution process under the IBC) or consented to the entry of an order for relief in any such an involuntary proceeding or the Company consents to the appointment or taking possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its property or has taken any action for its reorganisation, liquidation or dissolution;
- (f) Any Person takes any action or commencing any legal proceedings or filing any petition or application, for winding-up, initiation of corporate insolvency resolution process, liquidation or dissolution of the Company (under IBC) or any Applicable Law unless such proceeding is withdrawn within 7 (seven) days from filing of such petition or application;

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(g) Any analogous procedure or step is taken in any jurisdiction.

9. Creditor's process

Any expropriation, attachment, sequestration, distress, execution or any other similar legal process is levied or enforced which affects all or any material part of the properties, assets or revenues of the Company.

10. Judgments

- (a) Any judgment or decree, likely to have a Material Adverse Effect, in the opinion of the Debenture Trustee, is passed against the Company.
- (b) Failure by the Company to pay one or more amounts due under any final non-appealable judgments or decrees within a period as may be specified in the said judgement or decree from the date of such judgement which shall have been entered against the Company.

11. Moratorium

The Government of India or any other relevant Governmental Authority declares a general moratorium or “standstill” (or makes or passes any order or regulation having a similar effect) in respect of the payment or repayment of any Financial Indebtedness (whether in the nature of principal, interest or otherwise) (or any indebtedness which includes Financial Indebtedness pursuant to the Financing Documents) owed by the Company (and whether or not such declaration, order or regulation is of general application, applies to a class of persons which includes the Company, or Company alone).

12. Cessation of Business

If the Company ceases or threatens to cease to carry on all or substantially all of the businesses it carries on or proposes to carry on as at the date hereof or gives notice of its intention to do so save and except for (i) any Group Restructuring or (ii) for the purpose of and followed by a reconstruction, any other amalgamation, reorganization, merger or consolidation on terms approved by the Debenture Trustee (acting in accordance with Approved Instructions) in the manner as set out in paragraph 2.2.2 (*Corporate Restructuring*) of Annexure VIII.

13. Unlawfulness or unenforceability

It is or becomes unlawful for the Company to perform its obligations under any Financing Document or its obligations under any Financing Document becomes unenforceable.

14. Repudiation

The Company repudiates a Financing Document or evidences an intention to repudiate any Financing Document.

15. Material Adverse Effect

The Debenture Trustee determines that a Material Adverse Effect has occurred or could be expected to occur (including, but not limited to, due to change in Applicable Law) provided that no Event of

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Default under this paragraph 15 (*Material Adverse Effect*) shall occur in relation to any event which is capable of remedy and is remedied to the satisfaction of the Debenture Trustee within 10 (ten) days of the occurrence of such event.

16. Legal Proceedings

Any Legal Proceeding is current, pending or threatened which the Debenture Trustee otherwise determines has or if, adversely determined, could reasonably be expected to have a Material Adverse Effect.

17. Withdrawal of Clearances

- (a) Any withdrawal, revocation, failure to renew or failure to obtain any Clearances from a Governmental Authority, or imposition of more onerous terms for such renewal of a Clearance, in relation to the Debentures within the timelines as set out in the Financing Documents or otherwise as agreed to by the Debenture Trustee in writing.
- (b) Any withdrawal, revocation, failure to renew or failure to obtain any Clearances from a Governmental Authority, or imposition of more onerous terms for such renewal of any Clearances, in relation to the business or any assets of the Company.

18. Fraud, misappropriation etc.

Any act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the funds or revenues of the Company or any other act having a similar effect being committed by any officer (as defined under Section 2(59) of the Companies Act, 2013) of the Company.

19. Seizure

Any step is taken by Governmental Authority or agency or any other competent authority, with a view of seizure, compulsory acquisition, expropriation or nationalization of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company on standalone basis which are material to the Company or any material part of the assets of the Company are seized, nationalised, expropriated, attached or compulsorily acquired by or under the authority of any Governmental Authority.

20. Audit qualification

Any audit letter/report relating to any financial statements of the Company contains reservations by the Auditor.

21. Suspension of credit rating

The credit rating of the Debentures is suspended or withdrawn by the Rating Agency.

22. Other defaults

- (a) The Company, or any of the directors of the Company being declared as a fugitive economic offender as defined under the Fugitive Economic Offenders Act, 2018 or appearing on the RBI's list of defaulters, CIBIL's defaulter list or ECGC's caution list or being cautioned by

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the RBI under the Reserve Bank of India (Prevention of Market Abuse) Directions 2019.

- (b) The Company or its key managerial personnel are declared as a 'wilful defaulter'. Provided, in the event a key managerial personnel is declared a 'wilful defaulter', the same shall not constitute an Event of Default, if such key managerial personnel is removed by the Company or such classification of as a 'wilful defaulter' is rectified, within 30 (thirty) days from the date of classification of such key managerial personnel as a 'wilful defaulter', by any Governmental Authority under Applicable Law.
- (c) Any of the directors or the promoters of the Company, being barred from accessing the capital markets by the SEBI.

23. End use

All or any part of the proceeds of the Issue is not being utilized for the end use as per the Financing Documents.

24. Any event, which under the laws of any relevant jurisdiction, has an analogous effect to any of the events referred to in any of the abovementioned paragraphs.

ANNEXURE X: BALANCE SHEET

A. CONSOLIDATED BALANCE SHEET

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (formerly Motherson Sumi Systems Limited) BALANCE SHEET				
(All amounts in INR Million, unless otherwise stated)				
	As At 30-Sep-22 (Unaudited)	As At 31-Mar-22	As At 31-Mar-21	As At 31-Mar-20
ASSETS				
Non-current assets				
Property, plant and equipment	1,43,333	1,45,252	1,43,738	1,47,138
Right-of-use assets	16,872	16,031	14,383	15,596
Capital work in progress	10,576	12,488	8,383	8,154
Investment property	5,092	5,241	1,281	1,197
Goodwill	34,598	33,743	24,718	24,060
Other Intangible assets	13,766	13,845	16,871	19,510
Intangible assets under development	497	609	386	364
Investments accounted for using the equity method	61,721	62,647	7,166	6,341
Financial assets				
i. Investments	1,874	1,958	1,287	1,614
ii. Loans	42	36	445	177
iii. Trade receivables	13,813	14,516	14,946	13,998
iv. Other financial assets	3,904	2,413	1,069	1,228
Deferred tax assets (net)	12,752	11,486	10,224	5,030
Other non-current assets	13,323	13,767	13,835	12,165
Non-current tax assets (net)	2,417	2,507	1,843	3,732
Total non-current assets	3,34,578	3,36,539	2,60,575	2,60,304
Current assets				

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Inventories	73,077	64,417	49,956	51,566
Financial assets				
i. Investments	16	12	12	6
ii. Trade receivables	73,649	65,731	56,931	51,784
iii. Cash and cash equivalents	39,617	48,775	58,994	48,688
iv. Bank balances other than (iii) above	1,965	1,219	68	101
v. Loans	330	289	272	313
vi. Other financial assets	34,847	31,278	24,200	30,882
Other current assets	14,047	14,441	12,052	11,314
Total current assets	2,37,547	2,26,162	2,02,485	1,94,654
Assets classified as held for distribution		-	17,790	
Total assets	5,72,124	5,62,701	4,80,850	4,54,958
EQUITY AND LIABILITIES				
Equity				
Equity share capital	4,518	4,518	3,158	3,158
Other equity				
Reserves and surplus	1,95,927	1,94,511	1,14,419	1,03,958
Other reserves	6,552	6,854	8,029	5,493
Total equity	2,06,996	2,05,883	1,25,606	1,12,609
Non controlling interest	17,604	17,763	40,233	35,650
Total equity	2,24,600	2,23,646	1,65,839	1,48,259
Liabilities				
Non current liabilities				
Financial Liabilities				
i. Borrowings*	51,495	85,007	74,687	82,612
ii. Lease liabilities	10,437	10,070	9,422	10,300
iii. Other financial liabilities	6,055	4,811	6,076	3,794
Provisions	1,200	1,348	1,482	835
Employee benefit obligations	5,256	5,466	4,914	4,719

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Deferred tax liabilities (net)	5,381	5,445	3,363	4,627
Government grants	2,170	2,392	2,142	2,433
Other non-current liabilities	1,544	1,663	1,629	1,671
Total non-current liabilities	83,537	1,16,202	1,03,715	1,10,991
Current liabilities				
Financial Liabilities				
i. Borrowings**	75,219	42,602	31,945	35,089
ii Lease liabilities	3,828	3,618	3,242	3,363
iii. Trade payables	1,19,587	1,13,603	1,11,406	1,03,091
iv. Other financial liabilities	34,029	33,179	30,826	32,072
Provisions	4,460	4,815	4,968	2,077
Employee benefit obligations	2,203	2,280	2,014	2,258
Government grants	422	475	455	357
Current tax liabilities (net)	4,525	3,901	3,342	3,623
Other current liabilities	19,714	18,380	14,745	13,778
Total current liabilities	2,63,987	2,22,853	2,02,943	1,95,708
Liabilities directly associated with the assets held for distribution		-	8,353	-
Total liabilities	3,47,524	3,39,055	3,15,011	3,06,699
Total equity and liabilities	5,72,124	5,62,701	4,80,850	4,54,958

B. STANDALONE BALANCE SHEET

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (formerly Motherson Sumi Systems Limited) BALANCE SHEET (All amounts in INR Million, unless otherwise stated)				
	As At 30-Sep-22 (Unaudited)	As At 31-Mar-22	As At 31-Mar-21	As At 31-Mar-20
ASSETS				
Non-current assets				
Property, plant and equipment	11,454	11,123	14,304	15,819
Right-of-use assets	1,754	1,793	2,455	2,716
Capital work in progress	641	538	281	903
Investment property	4,653	4,748	835	747
Intangible assets	25	14	0	0
Investment in subsidiaries, joint ventures and associate	3,06,671	3,03,854	55,663	46,632
Financial assets				
i. Investments	3	3	186	186
ii. Loans	37	21,176	23,752	176
iii. Other financial assets	2,652	1,429	664	138
Deferred tax assets (net)	-	114	401	450
Other non-current assets	896	430	182	387
Non-current tax assets (net)	653	485	104	594
Total non-current assets	3,29,437	3,45,707	98,827	68,748
Current assets				
Inventories	7,938	6,877	5,544	9,931
Financial assets				
i. Investments	16	12	12	6
ii. Trade receivables	14,026	11,215	5,185	8,675

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iii. Cash and cash equivalents	943	6,246	2,495	2,300
iv. Bank balances other than (iii) above	326	71	61	66
v. Loans	23,684	3,611	3,056	89
vi. Other financial assets	2,161	1,923	1,461	1,050
Other current assets	1,415	1,885	916	1,164
Total current assets	50,507	31,840	18,730	23,281
Assets classified as held for distribution	-	-	17,872	-
Total assets	3,79,944	3,77,547	1,35,429	92,029
EQUITY AND LIABILITIES				
Equity				
Equity share capital	4,518	4,518	3,158	3,158
Other equity				
Reserves and surplus	3,05,174	3,04,714	64,393	59,153
Other reserves	425	78	(121)	133
Total equity	3,10,117	3,09,310	67,430	62,444
Liabilities				
Non current liabilities				
Financial Liabilities				
i. Borrowings	17,966	45,213	34,265	11,915
ii. Lease liabilities	396	480	600	791
iii. Other financial liabilities	464	437	178	226
Deferred tax liabilities	123	-	-	-
Employee benefit obligations	416	480	277	485
Government grants	180	181	25	275
Other non-current liabilities	12	15	-	-
Total non-current liabilities	19,558	46,806	35,345	13,692
Current liabilities				
Financial Liabilities				

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i. Borrowings	36,562	8,239	13,535	2,279
ii Lease liabilities	280	231	122	137
iii. Trade payables	8,783	7,838	6,239	9,057
iv. Other financial liabilities	2,833	2,729	3,493	2,584
Provisions	10	36	18	11
Employee benefit obligations	383	331	210	579
Government grants	9	18	1	34
Current tax liabilities (net)	-	-	-	-
Other current liabilities	1,410	2,009	572	1,213
Total current liabilities	50,269	21,431	24,190	15,893
Liabilities directly associated with the assets held for distribution		-	8,464	-
Total liabilities	69,828	68,237	67,999	29,585
Total equity and liabilities	3,79,944	3,77,547	1,35,429	92,029

ANNEXURE XI: STATEMENT OF PROFIT AND LOSS

A. CONSOLIDATED STATEMENT OF PROFIT AND LOSS

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (formerly Motherson Sumi Systems Limited) Statement of profit and loss (All amounts in INR Million, unless otherwise stated)				
	For the half year ended September 30, 2022 (Unaudited)	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Continuing Operations:				
Revenue				
Revenue from contract with customers	3,55,387	6,28,317	5,69,513	6,02,783
Other operating revenue	3,368	7,043	4,186	4,506
Total revenue from operations	3,58,755	6,35,360	5,73,699	6,07,289
Other income	1,919	4,957	2,293	2,246
Total income	3,60,674	6,40,317	5,75,992	6,09,535
Expenses				
Cost of materials consumed	2,10,962	3,68,049	3,26,758	3,42,850
Purchase of stock-in-trade	2,097	1,828	1,033	7,100
Changes in inventory of finished goods, work-in-progress and stock in trade	(2,337)	(2,514)	(1,812)	(262)
Employee benefit expense	83,727	1,53,746	1,40,996	1,43,726
Depreciation and amortization expense	14,811	29,582	29,260	27,210
Finance costs	3,531	5,426	5,115	5,928
Other expenses	39,506	69,637	63,135	67,335
Total expenses	3,52,298	6,25,754	5,64,485	5,93,887
Profit before exceptional items, share of net profit of investments accounted for using equity method and tax	8,376	14,563	11,507	15,648

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Group's share in net profit / (loss) of associates and joint ventures accounted for using the equity method	(53)	160	849	575
Exceptional items (income)/ expense	984	481	623	-
Profit before tax	7,339	14,242	11,733	16,223
Tax expenses				
-Current tax	4,131	7,315	6,066	7,755
-Deferred tax expense/ (credit)	(1,490)	(1,246)	(6,760)	(874)
Total tax expense	2,641	6,069	(694)	6,881
Profit for the year from continuing operations	4,697	8,173	12,427	9,342
Discontinued operations:				
Revenue from operation	-	39,735	41,382	39,439
Other income	-	207	275	64
Total expenses	-	35,096	37,261	34,597
Profit before tax from discontinued operations	-	4,846	4,396	4,906
Tax expense/ (credit) of discontinued operations	-	1,204	1,129	1,303
Profit for the year from discontinued operations	-	3,642	3,267	3,603
Profit for the year from continuing and discontinued operations	4,697	11,815	15,694	12,945
Other comprehensive income from continuing operations				
Items to be reclassified to profit or loss				
Exchange gain/(losses) on translation of foreign operations	253	1,407	2,104	5,940
Deferred gain / (losses) on cash flow hedges	451	703	1,669	(2,707)
	705	2,110	3,773	3,233
Income tax on items that may be reclassified to profit or loss	(955)	(180)	(69)	353
	(250)	1,930	3,704	3,586
Items not to be reclassified to profit or loss				
Changes in fair value of FVOCI equity instruments	(78)	14	(437)	(834)
Remeasurements of post-employment benefit obligations	88	300	(51)	(99)

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Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(4)	0	2	(5)
	6	314	(486)	(938)
Income tax relating to items that will not be reclassified to profit or loss	(26)	(26)	9	42
	(20)	288	(477)	(896)
Other comprehensive income from discontinued operations				
Items not to be reclassified to profit or loss				
Remeasurements of post-employment benefit obligations	-	(29)	(11)	(86)
Income tax relating to items that will not be reclassified to profit or loss	-	7	3	22
	-	(22)	(8)	(64)
Total other comprehensive income from continuing and discontinued operations for the year, net of tax	(270)	2,196	3,219	2,625
Total comprehensive income from continuing and discontinued operations for the year, net of tax	4,427	14,011	18,913	15,571
Profit attributable to:				
Owners	3,877	8,738	10,392	11,701
Non-controlling interest	821	3,077	5,302	1,244
	4,698	11,815	15,694	12,945
Other comprehensive income attributable to:				
Owners	(261)	349	2,484	1,803
Non-controlling interest	(9)	1,847	735	822
	(270)	2,196	3,219	2,625
Total comprehensive income attributable to:				
Owners	3,616	9,087	12,876	13,504
Non-controlling interest	812	4,924	6,037	2,066
	4,428	14,011	18,913	15,570
Earnings per share				

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Nominal value per share: INR 1/- (Previous year : INR 1/-)				
Earnings per share for continuing operations*				
Basic and Diluted	0.57	0.97	1.50	1.71
Earnings per share for discontinued operations				
Basic and Diluted	-	0.70	0.69	0.76
Earnings per share for continuing and discontinued operations				
Basic and Diluted	0.57	1.67	2.19	2.47

**The shareholders of the Company approved the issue of bonus shares on September 23, 2022 in proportion of 1 equity share for every 2 equity shares held. These bonus shares have been allotted on October 6, 2022. Accordingly, the basic and diluted earnings per share have been adjusted for all the periods presented for the bonus shares allotted in accordance with Ind AS-33 "Earnings per share" as notified by the Ministry of Corporate Affairs.*

B. STANDALONE STATEMENT OF PROFIT AND LOSS

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (formerly Motherson Sumi Systems Limited) Statement of profit and loss (All amounts in INR Million, unless otherwise stated)				
	For the half year ended September 30, 2022 (Unaudited)	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Continuing Operations:				
Revenue				
Revenue from contract with customers	34,061	52,970	36,353	39,411
Other operating revenue	229	478	339	439
Total revenue from operations	34,290	53,448	36,692	39,850
Other income	2,314	7,114	1,104	3,723
Total income	36,604	60,562	37,796	43,573
Expenses				
Cost of materials consumed	22,027	33,835	21,793	22,255
Purchase of stock-in-trade	688	920	701	985
Changes in inventory of finished goods, work-in-progress and stock in trade	(216)	(828)	(649)	78
Employee benefit expense	3,748	6,077	5,025	5,134
Depreciation and amortization expense	1,120	2,042	1,983	2,313
Finance costs	515	1,411	897	248
Other expenses	4,538	7,426	5,415	5,852
Total expenses	32,419	50,883	35,165	36,865
Profit before exceptional items and tax from continuing operations	4,185	9,679	2,631	6,708
Exceptional (income) / expenses	-	481	199	-
Profit before tax from continuing operations	4,185	9,198	2,432	6,708

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Tax expenses				
-Current tax	745	970	609	1,453
-Deferred tax expense/ (credit)	101	232	(118)	(130)
Total tax expense	846	1,202	491	1,323
Profit for the year from continuing operations	3,339	7,996	1,941	5,385
Discontinued operations:				
Revenue from operations	-	39,735	41,382	39,439
Other income	-	207	275	64
Total expenses	-	35,096	37,261	34,597
Profit before tax from discontinued operations	-	4,846	4,396	4,906
Tax expense/ (credit) of discontinued operations	-	1,204	1,129	1,303
Profit for the year from discontinued operations	-	3,642	3,267	3,603
Profit for the year from continuing and discontinued operations	3,339	11,638	5,207	8,988
Other comprehensive income from continuing operations				
Items to be reclassified to profit or loss				
Deferred gain / (losses) on cash flow hedges	461	312	(346)	-
Deferred tax on cash flow hedges	(116)	(78)	87	-
Items not to be reclassified to profit or loss				
Changes in fair valuation of FVOCI equity investment	3	(39)	6	(4)
Deferred tax on fair valuation of FVOCI equity investment	(1)	40	(1)	1
Remeasurements of employment benefit obligations	77	66	36	(60)
Deferred tax on remeasurements of employment benefit obligations	(19)	(17)	(9)	15
Other comprehensive income from discontinued operations				
Items not to be reclassified to profit or loss				

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Remeasurements of employment benefit obligations	-	(29)	(11)	(86)
Deferred tax on remeasurements of employment benefit obligations	-	7	3	22
Total other comprehensive income from continuing and discontinued operations	404	262	(235)	(112)
Total comprehensive income for the year, net of tax	3,743	11,900	4,972	8,876
Earnings per share				
Nominal value per share: INR 1/- (Previous year : INR 1/-)				
Earnings per share for continuing operations*				
Basic and Diluted	0.49	1.53	0.41	1.14
Earnings per share for discontinued operations				
Basic and Diluted	-	0.70	0.69	0.76
Earnings per share for continuing and discontinued operations				
Basic and Diluted	0.49	2.22	1.10	1.90

**The shareholders of the Company approved the issue of bonus shares on September 23, 2022 in proportion of 1 equity share for every 2 equity shares held. These bonus shares have been allotted on October 6, 2022. Accordingly, the basic and diluted earnings per share have been adjusted for all the periods presented for the bonus shares allotted in accordance with Ind AS-33 "Earnings per share" as notified by the Ministry of Corporate Affairs.*

ANNEXURE XII: CASH FLOW STATEMENT

A. CONSOLIDATED CASH FLOW STATEMENT

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (formerly Motherson Sumi Systems Limited) Consolidated Cash Flow Statement (All amounts in INR Million, unless otherwise stated)				
	For the half year Ended 30-Sep-22 (Unaudited)	For the year Ended 31-Mar-22	For the year Ended 31-Mar-21	For the year Ended 31-Mar-20
A. Cash flow from operating activities:				
Profit before tax from continuing operation	7,339	14,242	11,733	16,223
Profit before tax from discontinued operation	-	4,846	4,396	4,906
Adjustments to reconcile profit before tax:				
Share of (profit)/loss in associates and joint ventures accounted for using the equity method	53	(160)	(849)	(575)
Depreciation and amortisation expense	14,810	29,963	29,764	27,780
Finance cost	3,531	5,519	5,202	5,986
Interest income	(271)	(1,173)	(658)	(361)
Dividend income	-	(6)	(0)	(6)
Loss/ (gain) on disposal of property, plant & equipment	(143)	148	106	(41)
Gain on sale of Investments	-	(12)	(0)	(0)
Provision for diminution in the value of investment	1	-	-	-
Bad debts / advances written off	3	97	214	67
Provision for doubtful debts / advances	108	112	387	42
Liability no longer required written back	(293)	(360)	(347)	(497)
Unrealised foreign currency loss/(gain)	(3,624)	520	(267)	4,571

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Operating profit before working capital changes	21,514	53,736	49,681	58,095
Changes in working capital:				
Increase/(decrease) in trade and other payables	6,346	5,518	19,184	(1,511)
Increase/(decrease) in other financial liabilities	1,216	338	2,725	2,724
(Increase)/decrease in trade receivables	(6,629)	(6,456)	(13,464)	8,146
(Increase)/decrease in inventories	(7,929)	(13,542)	(6,377)	(4,360)
(Increase)/decrease in other receivables	236	(648)	(2,653)	307
(Increase)/decrease in other financial assets	(3,259)	(5,995)	7,017	10,895
Cash generated from operations	11,495	32,951	56,113	74,296
Taxes (paid) / received	(3,412)	(8,324)	(5,600)	(10,776)
Net cash generated from operations before exceptional items	8,083	24,627	50,513	63,520
Exceptional Item (expense)/ income	-	-	-	-
Net cash generated from operating activities	8,083	24,627	50,513	63,520
B. Cash flow from Investing activities:				
Payments for purchase of property, plant & equipment and other intangible assets (including capital work-in-progress and intangible assets under development)	(8,533)	(25,081)	(19,700)	(22,741)
Proceeds from sale of property, plant & equipment and other intangible assets	220	718	375	799
Proceeds from sale / (payment for purchase) of investments and investment property	24	135	(73)	33
Loan (to)/repaid by related parties (net)	(24)	498	(349)	(199)
Interest received	277	1,157	635	387
Dividend received	-	6	0	6
Dividend received from associates & joint venture entities	1,349	787	150	559
(Investment)/Proceeds from maturity of deposits with remaining maturity for more than 12 months	(494)	(258)	27	(15)
Acquisition of non-controlling interests	-	-	-	-

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Consideration paid on acquisition of subsidiaries (net of cash balance acquired)	(1,482)	(1,081)	-	(1,228)
Consideration paid on acquisition of associates	-	-	-	-
Net cash (used) in investing activities	(8,663)	(23,119)	(18,935)	(22,399)
C. Cash flow from financing activities:				
Proceeds from minority shareholders	-	-	37	-
Dividend paid	(2,679)	(4,724)	(5)	(9,457)
Dividend distribution tax	-	-	-	(1,370)
Dividend paid to minority share holders	(244)	(1,733)	(1,607)	(1,967)
Interest paid	(4,331)	(5,528)	(4,141)	(5,667)
Consideration paid for buy out of minority shareholders of PKC Group Plc.	-	-	-	-
Proceeds from long term borrowings	89	11,646	41,116	355
Proceeds from short term borrowings	20,452	41,284	26,828	33,869
Proceeds of loans from other related parties	-	-	4,396	4,182
Repayment of long term borrowings	(538)	(20,089)	(29,745)	(5,809)
Repayment of short term borrowings	(19,371)	(30,385)	(47,489)	(30,871)
Repayment of loans to other related parties	-	-	(6,431)	(7,940)
Payment of lease liability	(1,954)	(2,645)	(3,934)	(3,354)
Net cash (used) in financing activities	(8,576)	(12,174)	(20,975)	(28,029)
Net Increase/(Decrease) in Cash & Cash Equivalents	(9,156)	(10,667)	10,603	13,091
Net foreign exchange differences on balance with banks in foreign currency	(2)	75	75	197
Net Cash and Cash equivalents at the beginning of the year	48,775	59,366	48,688	35,399
Cash and cash equivalents as at year end	39,617	48,775	59,366	48,688
Cash and cash equivalents comprise				
Cash and cash equivalent - discontinued operations	-	-	372	-

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Cash on hand	16	17	15	37
Cheques / drafts on hand	74	129	41	11
Balance with Banks	39,527	48,629	58,938	48,640
Cash and cash equivalents as per Balance Sheet (restated)	39,617	48,775	59,366	48,688

B. STANDALONE CASH FLOW STATEMENT

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (formerly Motherson Sumi Systems Limited) Cash Flow Statement (All amounts in INR Million, unless otherwise stated)				
	For the half year Ended 30-Sep-22 (Unaudited)	For the year Ended 31-Mar-22	For the year Ended 31-Mar-21	For the year Ended 31-Mar-20
Cash flow from operating activities:				
Profit before tax from continuing operation	4,185	9,198	2,432	6,708
Profit before tax from discontinued operation	-	4,846	4,396	4,906
Adjustments to reconcile profit before tax:				
Depreciation and amortisation expense	1,120	2,424	2,485	2,883
Amortisation of government grant	(9)	(85)	(32)	(53)
Gain on disposal of property, plant and equipment (net)	(16)	(28)	(13)	(39)
Liabilities written back to the extent no longer required	(5)	(35)	(17)	(36)
Bad debts/ advances written off	-	16	0	1
Provision for doubtful debts/ advances	2	-	0	4
Gain on sale of Investments	-	-	-	-
Provision for diminution in the value of investment	-	70	-	-
Interest income	(513)	(1,240)	(621)	(23)
Dividend income	(1,294)	(4,549)	(0)	(3,095)
Finance cost	515	1,504	984	306
Unrealised foreign exchange loss (net)	(12)	(87)	(41)	(76)
Operating profit before working capital changes	3,973	12,034	9,573	11,486
Change in working Capital:				
Increase/ (decrease) in Trade Payables	942	1,216	2,576	10
Increase/ (decrease) in Other Payables	246	1,808	(24)	(332)

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Increase/ (decrease) in Other financial liabilities	179	561	17	150
(Increase)/ decrease in Trade Receivables	(2,807)	(4,534)	(3,518)	(397)
(Increase)/ decrease in Inventories	(1,061)	(3,135)	(3,600)	621
(Increase)/ decrease in other financial assets	(255)	(435)	(168)	770
(Increase)/ decrease in Other Receivables	(552)	(1,313)	(192)	636
Cash generated from operations	665	6,202	4,664	12,944
- Income taxes paid (net of refund)	(783)	(2,519)	(1,262)	(2,582)
Net cash flows from operating activities	(118)	3,683	3,401	10,362
Cash flow from Investing activities:				
Payments for property, plant and equipment and investment property (including capital work in progress)	(1,917)	(2,888)	(1,927)	(3,519)
Proceeds from sale of property, plant and equipment	27	306	23	49
Proceeds from sale / (payment for purchase) of investments (net)	(3,759)	-	(8,636)	-
Loan (to)/repaid by related parties (net)	1,075	5,500	(26,725)	(112)
Interest received	738	1,403	251	18
Dividend received from subsidiaries	27	4,547	-	2,963
Dividend received from others	1,138	2	0	104
(Investment)/ proceeds from maturity of deposits with remaining maturity for more than 12 months	2	3	0	0
Net cash used in investing activities	(2,669)	8,873	(37,014)	(497)
Cash flow from financing activities:				
Dividend paid to equity share holders	(2,680)	(4,731)	(5)	(9,457)
Dividend distribution tax	-	-	-	(1,340)
Interest paid	(785)	(2,654)	(299)	(371)
Proceeds from long term borrowings	-	11,474	34,690	111
Proceeds from other short term borrowings	2,300	14,210	1,200	4,779

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Repayment of long term borrowings	(500)	(11,841)	(0)	(17)
Repayment of other short term borrowings	(750)	(15,660)	(1,279)	(2,502)
Payment of lease liabilities	(106)	(191)	(177)	(129)
Net cash used in financing activities	(2,521)	(9,393)	34,130	(8,926)
Net increase/(decrease) in Cash and Cash Equivalents	(5,308)	3,163	517	939
Net Cash and Cash equivalents at the beginning of the year	6,246	2,867	2,300	1,333
Net foreign exchange difference	5	71	50	28
Cash and cash equivalents - addition on amalgamation	-	145	-	-
Cash and cash equivalents as at current year end	943	6,246	2,867	2,300
Cash and cash equivalents comprise of the following				
Cash and cash equivalent - discontinued operations	-	-	372	-
Cash on hand	2	3	2	10
Cheques / drafts on hand	58	17	41	5
Balances with banks	883	6,226	2,452	2,285
Cash and cash equivalents as per Balance Sheet	943	6,246	2,867	2,300

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ANNEXURE XIII: DETAILS OF THE PROMOTERS

Name of Promoter	Date of Birth	Age	Address	Educational qualifications	Experience	Post held in past	Directorships held	Other Ventures	Special Achievements	Business and Financial Activities	Photograph	PAN
Renu Sehgal Trust represented by Ms. Renu Alka Sehgal as Trustee	18/07/2017	N.A.	N-99 Panchsheel Park, New Delhi	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Private Trust	N.A.	AADTR1988B
Sumitomo Wiring Systems Ltd.	22/12/1917	N.A.	1-14 Nishisuehiro-cho Yokkaichi Mie - 5108503	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Sumitomo Wiring Systems Limited manufactures and sells wiring harnesses, related parts and more.	N.A.	AAJCS2027H
Mr. Vivek Chaand Sehgal	28/09/1956	65	Villa No. 40, Dubai Creek Villas Dubai Creek Golf and Yacht Club, Port Saeed	B.Com (H) and Master of Computer Applications	Mr. V. C. Sehgal, Chairman of Motherson Group, established	N.A.	As per table below	Mr. V.C. Sehgal established the Company in 1975	Among the many accolades he has received, some of them include 'Man of	Mr. V. C. Sehgal, Chairman of Motherson Group, established		AFDPS4265B



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Name of Promoter	Date of Birth	Age	Address	Educational qualifications	Experience	Post held in past	Directorships held	Other Ventures	Special Achievements	Business and Financial Activities	Photograph	PAN
			Deira Dubai, UAE		Motherson in 1975 along with his mother. In 1977 he entered the field of manufacturing with a cable and wire manufacturing unit. Under the leadership of Mr. Sehgal, Motherson has evolved as a leading full system solutions provider to the			and has been associated with the Company since its incorporation.	the Year 2010' by Auto Car Professional Magazine, Ernst & Young's 'Entrepreneur of the Year Award for Manufacturing' in 2012, 'Best CEO, 2013 for Auto Ancillaries' by Business Today Magazine in India and 'CEO of the Year 2015' by Business Standard. He has also received the 'Best	Motherson in 1975 along with his mother. In 1977 he entered the field of manufacturing with a cable and wire manufacturing unit. Today Motherson is a USD 10.0 billion Group present in 41 countries with over 270 facilities across the globe.		



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Name of Promoter	Date of Birth	Age	Address	Educational qualifications	Experience	Post held in past	Directorships held	Other Ventures	Special Achievements	Business and Financial Activities	Photograph	PAN
					global automotive industry.				CEO Award' in the 2016 and 2018 All Asia Executive Team Rankings for Autos and Auto Parts sector by Institutional Investor Magazine and 'Entrepreneur of the Year 2016, India' by Ernst & Young. Recently, Mr. Sehgal was also declared ETAuto Global Indian of the			


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Name of Promoter	Date of Birth	Age	Address	Educational qualifications	Experience	Post held in past	Directorships held	Other Ventures	Special Achievements	Business and Financial Activities	Photograph	PAN
									Year Award at the ETAuto Global Auto Business Summit 2018 and Entrepreneur of the year 2018 by Forbes India.			
Ms. Vidhi Sehgal	26/10/1980	42	115 Legend Way, Wale WI 53183	Graduate	Graduate	None	As per table below	None	None.	She does not carry out any other business or financial activity		AOAPS3642C
Mrs. Geeta Soni	27/07/1953	68	B-46 Greater Kailash Part -1 Archana Arcade, South Delhi New Delhi-110048	Graduate	She has more than 31 years of experience in automobile sector	None	As per table below	None	None	She has more than 31 years of experience in automobile sector		AAQPS8392F

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Name of Promoter	Date of Birth	Age	Address	Educational qualifications	Experience	Post held in past	Directorships held	Other Ventures	Special Achievements	Business and Financial Activities	Photograph	PAN
Mrs. Nilu Mehra	19/08/1950	71	B-415 1 st Floor New Friends Colony, South Delhi, Delhi-110025	Graduate	She has more than 28 years of experience in automobile sector	None	As per table below	None	None	She does not carry out any other business or financial activity		AKVPM4396C
Mrs. Renu Sehgal	04/03/1961	60	B-300 New Friends Colony, New Delhi-110017	Graduate	She has over 30 years of rich and varied experience in the field of managing business and Management domain.	None	- As per table below	None	She is one of the architect of the dealership verticals of Samvardhana Mother's Group.	She has over 30 years of rich and varied experience in the field of managing business and Management domain		ACHPS0380A

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Name of Promoter	Date of Birth	Age	Address	Educational qualifications	Experience	Post held in past	Directorships held	Other Ventures	Special Achievements	Business and Financial Activities	Photograph	PAN
Mr. L.V. Sehgal	29/11/1982	39	48, Queens Grove, London, NW86HH, GB	Masters of Business Administration	He has a rich experience of working with the major companies of the Motherson Group. He has also spent 3 years working with the group's collaborators in Germany and Japan. Post-acquisition of Visiocorp (now known as Samvardhana Motherson	None	As per table below	He is closely involved in all the new ventures and a key member of the core strategic team, which is responsible for the overall management of the Motherson group	He is the director on board for Motherson Innovations, the cross divisional team for support, development and production of the enhanced solutions for the future requirement of the transport industry.	He has a rich experience of working with the major companies of the Motherson Group. He has also spent 3 years working with the group's collaborators in Germany and Japan. Post-acquisition of Visiocorp (now known as Samvardhana Motherson		AOAPS1364K

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Name of Promoter	Date of Birth	Age	Address	Educational qualifications	Experience	Post held in past	Directorships held	Other Ventures	Special Achievements	Business and Financial Activities	Photograph	PAN
					<p>Reflected - SMR) he lead the company as the CEO and was instrumental in turnaround of the company .</p> <p>He has now moved to strategic management at group level. He is closely involved in all the new ventures and a key member of the core strategic team, which is responsible</p>					<p>Reflected - SMR) he lead the company as the CEO and was instrumental in turnaround of the company. He has now moved to strategic management at group level. He is closely involved in all the new ventures and a key member of the core strategic team, which is responsible</p>		

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Name of Promoter	Date of Birth	Age	Address	Educational qualifications	Experience	Post held in past	Directorships held	Other Ventures	Special Achievements	Business and Financial Activities	Photograph	PAN
					ble for the overall management of the group.					le for the overall management of the group.		
H. K. Wiring Systems Ltd.	23/08/1985	N. A.	FT 1701-06 17/F Chinachem Tsuen Wan Plz 455 Castle Peak Rd Tsuen Wan N T Hong Kong	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	The Company's line of business includes the wholesale distribution of electrical apparatus and equipment wiring supplies.	N.A.	AACCH8513N
Radha Rani Holdings Pte. Ltd.	17/02/1996	N. A.	178 Paya Lebar Road No 04-09 Singapore 409030	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	It is a part of a promoter group company.	N.A.	AACCR1689K
Sehgal Family Trust (which is	21/03/2014	N. A.	N 99 Panchsheel Park	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Private Trust.	N.A.	AAUCS3994E

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Name of Promoter	Date of Birth	Age	Address	Educational qualifications	Experience	Post held in past	Directorships held	Other Ventures	Special Achievements	Business and Financial Activities	Photograph	PAN
represented by Shri Sehgal's Trustee Company Private Limited)												
Mothers on Engineering Research and Integrated Technologies Limited	22/02/1999	N. A.	2nd Floor, F-7, Block B-1, Mohan Cooperative Industrial Estate, Mathura Road Delhi 110044 India	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	It is a part of a promoter group company.	N.A.	AACCM2051J
Advance Technologies And Automotive Resources Pte	27.05.2000	N. A.	Paya Lebar 178, 178 Paya Lebar Road, #04-09, Postal 409030	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	It is a part of promoter group company.	N.A.	AAKCA4508Q

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Directorships held by the Promoters as on September 30, 2022

Sl.No.	Name of Director	Directorship
1.	Mr. Vivek Chaand Sehgal	<ul style="list-style-type: none"> - Motherson Techno Tools Limited - Motherson Auto Limited - Marelli Motherson Automotive Lighting India Pvt. Ltd. - Motherson Sumi Wiring India Limited - Hero Fincorp Limited - Kyungshin Industrial Motherson Private Limited - Renu Farms Private Limited - Fritzmeier Motherson Cabin Engineering Private Limited - Shri Sehgal's Trustee Company Private Limited - ATAR Mauritius Pvt. Ltd. - MSSL Mauritius Holdings Limited - Samvardhana Motherson Holding (M) Private Ltd. - Motherson Electrical Wires Lanka Pvt. Ltd. - A Basic Concepts Designs Pty. Ltd. - MSSL Mideast (FZE) - MSSL (S) Pte. Ltd - MSSL (GB) Ltd. - Global Environment Management (FZE) - Motherson Techno Tools Mideast (FZE) - Motherson Wiring System (FZE) - Samvardhana Motherson Finance Services Cyprus Ltd. - Samvardhana Motherson Global Holdings Limited - SMR Automotive Technology Holding Cyprus Limited - SMR Automotive Holding Hong Kong Limited - SMR Automotive Mirror Parts and Holdings UK Ltd. - Samvardhana Motherson Reflectec Group Holdings Limited - MSSL Japan Limited - SCCL Global Project (FZE) - SMR Automotives Systems Macedonia Dooel Skopje - SCCL Infra Projects Limited - Mothersonsumi Infotech and Designs SG Pte. Ltd - Mothersonsumi Infotech & Designs KK - MSSL Consolidated Inc., USA

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		<ul style="list-style-type: none"> - Samvardhana Motherson Global (FZE) - MSSL Estonia WH OU - PKC Group Ltd., Finland - Samvardhana Motherson Employees Benefit Limited, Mauritius - SMRC Automotive Holdings B.V. - SMP Deutschland GmbH - Samvardhana Motherson Automotive Systems Group B.V. - Motherson PKC Harness Systems FZ-LLC
2.	Ms. Vidhi Sehgal	<ul style="list-style-type: none"> - Sisbro Motor and Workshop Private Limited
3.	Mrs. Geeta Soni	<ul style="list-style-type: none"> - Sisbro Motor and Workshop Private Limited - Systematic Conscom Limited - Motherson Engineering Research & Integrated Technologies Limited - Moon Meadows Private Limited
4.	Ms. Nilu Mehra	Nil
5.	Mrs. Renu Sehgal	<ul style="list-style-type: none"> - Sisbro Motor and Workshop Private Limited; - Spirited Auto Cars (I) Limited; - Motherson Lease Solution Limited; - Motherson Engineering Research & Integrated Technologies Limited; - Motherson Auto Limited; - Moon Meadows Private Limited; - Motherson Spirited Auto Retails India Limited; - Spirited Motor Vehicles Limited
6.	Mr. Laksh Vaaman Sehgal	<ul style="list-style-type: none"> - Motherson Auto Limited - Motherson Air Travel Agencies Ltd - Motherson Auto Solutions Limited - Samvardhana Motherson Adsys Tech Limited - Advantedge Technology Partners Pvt. Ltd. - Motherson Sumi Wiring India Limited - Global Environment Management (FZE) - Samvardhana Motherson Employees Benefit Limited

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	<ul style="list-style-type: none"> - MSSL Mauritius Holdings Limited - Samvardhana Motherson Holding (M) Private Limited - SMR Automotive Holding Hong Kong Ltd. - SMR Automotive Mirrors Stuttgart GmbH - SMR Automotive Beteiligungen Deutschland GmbH - SMR Automotive Mirror Systems Holding Deutschland GmbH - SMR Automotive Mirrors UK Ltd. - SMR Automotive Mirror Part and Holdings UK Limited - SMR Mirror UK Limited - SMR Hyosang Automotive Limited - SMR Automotive Modules Korea Ltd. - (formerly SMR Poong Jeong Automotive Mirrors Korea Ltd.) - MSSL Consolidated Inc., USA - Samvardhana Motherson Automotive Systems Group B.V. - SMR Automotive Technology Holdings Cyprus Limited - Samvardhana Motherson Reflectec Group Holdings Ltd. - Motherson Innovations Company Limited, U.K. - Motherson Innovations Deutschland GmbH - MSSL Estonia WH OÜ - Renu Farms Private Limited - Motherson Ossia Innovations LLC - Motherson Innovations LLC - Shri Sehgal's Trustee Company Private Limited - SMP Deutschland GmbH - ATAR Mauritius Pvt. Ltd. - JSRR Holdings (M) Pvt. Ltd. - Radha Rani Holdings Pte. Ltd. - Advance Technologies and Automotive Resources Pte. Ltd. - Yujin SMRC Automotive Techno Corp. - Samvardhana Motherson Corp. Management Shanghai Co. Ltd. - MothersonSumi Infotech & Designs Ltd. - Son Grows Systems Limited
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ANNEXURE XIV: PRIVATE PLACEMENT OFFER LETTER

Addressed to:

Serial No: _____

January 18, 2023

PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER PURSUANT TO SECTION
42 OF THE COMPANIES ACT, 2013

PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER FOR PRIVATE PLACEMENT OF UPTO ISSUE OF UPTO 50,000 (FIFTY THOUSAND) UNSECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR. 1,00,000/- (RUPEES ONE LAKH ONLY) EACH, FOR CASH, AGGREGATING UPTO INR. 500,00,00,000/- (RUPEES FIVE HUNDRED CRORES ONLY) ("DEBENTURES"), FOR CASH, AT PAR, ON A PRIVATE PLACEMENT BASIS ("ISSUE") WITH A GREEN SHOE OPTION UP TO RS. 100,00,00,000/- (RUPEES ONE HUNDRED CRORES) IN THE FORM OF UNSECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR. 1,00,000/- (RUPEES ONE LAKH ONLY) EACH WITH BOTH AGGREGATING UPTO INR. 600,00,00,000/- (RUPEES SIX HUNDRED CRORES ONLY).

1.1. General Information:

A. Name, address, website and other contact details of the Company, indicating both registered office and the Corporate office:

Issuer / Company:	Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited)
CIN	L34300MH1986PLC284510
Registered Office:	Unit 705, C Wing, ONE BKC, G Block Bandra Kurla Complex, Bandra East Mumbai- 400051
Corporate Office:	11th Floor, Plot No. 1, Sector – 127, Noida- Greater Noida Expressway, Noida - 201301
Telephone No.:	022-61354800
Website:	www.motherson.com
Fax:	N.A.
Contact Person:	Mr. Alok Goel
Email:	alok.goel@motherson.com

B. Date of Incorporation of the Company:

December 19, 1986

C. Business carried on by the Company and its subsidiaries with the details of branches or units, if any:

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Please refer to paragraph 4.5 of Section 4: Regulatory Disclosures of this Private Placement Memorandum.

Please refer to **Annexure XVII** of this Disclosure Document for a list of subsidiaries of the Issuer.

D. Corporate Reorganization

Type of Event	Date of Announcement	Date of Completion	Details
Composite Scheme of Amalgamation and Arrangement (“Scheme”) among Motherson Sumi Systems Limited (“Company”), Samvardhana Motherson International Limited and Motherson Sumi Wiring India Limited (“MSWIL”) and their respective shareholders and creditors	July 2, 2020	January 21, 2022	<p>The Board of Directors of Company at its meeting held on July 2, 2020, approved the composite Scheme of Amalgamation and Arrangement amongst the Company (“the Amalgamated Company”), Samvardhana Motherson International Limited (“the Amalgamating Company”) (“erstwhile SAMIL”) and Motherson Sumi Wiring India Limited (“the Resulting Company”) (“MSWIL”) and their respective shareholders and creditors (“the Scheme”).</p> <p>The Scheme, inter-alia, had provided to (A) demerge the Domestic Wiring Harness Undertaking or DWH Undertaking (as defined in the Scheme) into the Resulting Company and (B) amalgamate the Amalgamating Company with the Company, by absorption, subsequent to the completion of the demerger referred to in (A).</p> <p>The Scheme was approved by the Hon’ble NCLT by way of its order dated December 22, 2021. Pursuant to the Scheme, the Domestic Wiring Harness Undertaking or DWH Undertaking (as defined in</p>

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			<p>the Scheme) of the Company has been demerged into MSWIL with effect from January 5, 2022 and erstwhile SAMIL has merged with and into the Company with effect from January 21, 2022.</p> <p>Accordingly, the Equity Shareholders of the Company were issued and allotted 1 (one) Equity Share of face value of Re. 1 (Indian Rupee One) each of MSWIL for every 1 (one) Equity Share of face value of Re. 1 (Indian Rupee One) each of the Company as a consideration for demerger.</p> <p>Further, in consideration of the amalgamation of erstwhile SAMIL into and with the Company, the Company issued and allotted 51 (Fifty One) equity shares of the Company of Re. 1 each (Rupee One only) for every 10 (Ten) equity shares of erstwhile SAMIL of face value of Rs. 10 each (Rupees Ten only) to the shareholders of erstwhile SAMIL.</p>
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E. Brief particulars of the management of the Company:

Our Company has been promoted by Mr. Vivek Chaand Sehgal. Presently, the Board comprises of 10 Directors. Brief particulars of Management are as under:

Mr. Vivek Chaand Sehgal, established SMG in 1975 and has been associated with the Company since its incorporation. Currently, he is the Chairman and Non-Executive Director of the Company. He is instrumental in the overall functioning and operation of SMG. He has over 46 years of experience in the automotive industry.

Mr. Norikatsu Ishida, has been associated with the Company from beginning of 2022 and is a Non-Executive Director on the Board of the Company. He is a Bachelor of Economics from Chuo University. He has Expertise in accountancy and is qualified through broad and deep range of experience on accounting / tax area more than 30 years, since he joined Sumitomo Wiring Systems Ltd. (SWS). He was deployed for SWS's group companies in Indonesia, Thailand and the United Kingdom for more than 10 years in total, then acquired

knowledge of international business and multi-cultural communication, in addition to accounting expertise.

Mr. Gautam Mukherjee, has been associated with the Company since 2012 and is a Non-Executive and Independent Director on the Board of the Company. He holds a bachelor's degree in arts. He joined State Bank of India as Probationary Officer in 1983 and worked in the field of financial due diligence and appraisal of a number of large projects till 1990. Thereafter, Mr. Mukherjee worked with The Economic Times, as Financial Editor from 1990-96 during which he wrote extensively on Indian Economy, financial sector reforms, steel, labour and corporate sector. Mr. Mukherjee has also served ICICI Bank as Vice President and its North India Head for Corporate Banking from 1996-2002 and afterwards ING Vysya Bank.

Mr. Naveen Ganzu, has been associated with the Company since 2015 and is a Non-Executive and Independent Director on the Board of the Company. He is a Post Graduate Diploma in Management from IMI Delhi, India and an MBA from University of St. Gallen, Switzerland. Mr. Ganzu has 32 years of professional experience in managing multinational Joint Venture Partnerships & Brownfield acquisitions, setting up Greenfield projects, creating orbit shifts in organisations, spearheading strategic M&A. Mr. Ganzu has been associated with MWV India Paperboard Packaging Pvt. Ltd as the Managing Director & Country Lead and with Weir Group plc, a global engineering company, headquartered in Glasgow, Scotland as Managing Director & Country Head. Mr. Naveen Ganzu has also been associated with Samvardhana Motherson Group from November 1984 to January 2001 and his last position was President and Whole-time Director of Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited).

Ms. Rekha Sethi, has been associated with the Company since August 10, 2021 and is a Non-Executive and Independent Director on the Board of the Company. Ms. Rekha Sethi is the Director General of the All India Management Association (AIMA), the apex body for management in India and took charge of AIMA in June 2008. Ms. Rekha Sethi is also on the Boards of some leading Indian companies as an Independent Director including Ms. Rekha Sethi represents AIMA on Governing Council of National Productivity Council, which is chaired by the Minister of Commerce and Industry and is an autonomous organisation of the Department for Promotion of Industry and Internal Trade. She is also a Member of the Governing Council of the India Habitat Centre. Prior to joining AIMA, Ms. Rekha Sethi worked with India's premier industry organisation, the Confederation of Indian Industry (CII) for over 18 years. There she led the initiative to create high-profile international events to promote India's economic interests. She started her career with the Center for Development of Telematics (C-DoT). Ms. Rekha Sethi is an alumnus of St Stephens College, Delhi University.

Mr. Veli Matti Ruotsala, is an industry veteran with vast experience from several corporations. His educational qualification includes an M.Sc. Engineering Degree (Industrial Engineering/tuotantotalous) in 1981 from Helsinki University of Technology (today Aalto University). This was followed by a Core executive MBA degree in 1995 from Helsinki University of Technology (today Aalto University). He started his career (1982-2005) with the Konecranes plc, a material handling (Cranes) industry. His last stint here was as a Chief Operating Officer and Deputy to CEO from 2001 to 2005. After that, he joined AGCO Corporation, a farming machinery industry as Corporate Vice President AGCO and Managing Director of Valtra for two years i.e., 2005-2007. In 2007 he joined Fortum Corporation where he remained till 2017, donning several senior positions in the interim period. From here he retired as Deputy CEO in November 2017. He continues to hold several positions of trust in multiple companies across various industries.

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Mr. Robert Joseph Remenar, is known for optimizing organisations, bringing governance and creating value. He has a track record of turning distressed and developing businesses into profitable, successful, global enterprises through customer diversity, lean manufacturing, portfolio and footprint optimisation and competitive cost structures. He has extensive experience and relationships with automotive OEMs, suppliers, unions, capital markets, private equity and M&A. He is a Master of Business and Professional Accountancy with degrees from Walsh College (1987) and an undergraduate degree in Finance from Central Michigan University - magna cum laude (1978). He is currently a Member of the Board of Directors, PKC Group, Helsinki, Finland since April 2012 (Vice Chairman 2013-2017), a member of Motherson Group since 2017. He is also a Member of the Board of Directors, CooperStandard Automotive (Ticker CPS), Novi, MI since May 2015; Chairman of the Compensation Committee since May 2017, Member of the Audit Committee since May 2020 and Member of the Board of Directors, Stanadyne Corporation, Windsor, CT since January 2021.

Mr. Laksh Vaaman Sehgal, has been associated with our Company since 2009 and is a Non-Executive Director on the Board of the Company. He has a MBA degree from Columbia Business School (USA) and also holds a degree from Keio University, Tokyo. He has over 15 years of experience in the automotive industry.

Mr. Shunichiro Nishimura, has been associated with the Company since 2018 and is a Non-Executive Director on the Board of the Company. He is a Bachelor of Economics from Kobe University, Japan and holds a license of Certified Real Estate Broker. He has an experience of more than 20 years on accounting and tax area, since he joined Sumitomo Electric Industries, Ltd. ("SEI"), a holding company of Sumitomo Wiring Systems Limited, Japan. He has also worked for SEI's group companies in Singapore and Indonesia as managing director from the year 2009 to 2016 and acquired knowledge of international business and multi-cultural communication, in addition to accounting expertise.

Mr. Pankaj Mital, has been associated with the Company since 1990 and is a Whole-time Director on the Board of the Company. He holds an LL.B. degree in Law from Meerut University and holds a diploma in Business Management from Centre for Management Development, Uttar Pradesh. He has over 31 years of experience in the automotive industry.

F. Name, address, DIN and occupations of the directors:

Sr. No.	Name of the Directors	DIN	Occupation	Age (Years)	Designation	Address
1	Mr. Vivek Chaand Sehgal	00291126	Business	64	Chairman	Villa No. 40, Dubai Creek Villas Dubai Creek Golf and Yacht Club, Port Saeed Deira Dubai.
2	Mr. Norikatsu Ishida	09443998	Management	61	Director	1-509 Hoshimigaoka, Kuwana - 5110912, Japan
3	Mr. Gautam Mukherjee	02590120	Professional	64	Independent Director	P-62, Sector –XI, Noida – 201301 (U.P.)

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4	Mr. Naveen Ganzu	00094595	Professional	58	Independent Director	104, Four Seasons Apartments, 16, Brunton Road, Bangalore-560025
5	Ms. Rekha Sethi	06809515	Professional	58	Independent Director	32 Uday Park, Second Floor, New Delhi, India
6	Mr. Veli Matti Ruotsala	09469379	Business	66	Independent Director	1219 Treasure CT., Marco Island, Florida - 34145, United State of America
7	Mr. Robert Joseph Remenar	09462008	Independent Board Director/Investor	67	Independent Director	Juusjarventie 153, Lapinkyla, Finland - 02520
8	Mr. Laksh Vaaman Sehgal	00048584	Business	38	Director	48, Queens Grove, London, NW86HH, GB
9	Mr. Shunichiro Nishimura	08138608	Service	55	Director	7-C-503 Kamiyamada, Suita, Osaka-pref., 5650872, Japan
10	Mr. Pankaj Mital	00194931	Service	54	Whole-time Director and Chief Operating Officer	C-9, Sector – 50, Noida – 201 303 (U.P.)

G. Management's perception of Risk Factors:

Please refer to SECTION 3: of this Information Memorandum.

H. Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:

Statutory Dues: NIL

Debenture and interest thereon: NIL

Deposits and interest thereon: NIL

Loans from banks and financial institutions and interest thereon: NIL

I. Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue:

Name: Mr. Alok Goel

Designation: Company Secretary

Address: 11th Floor, Plot No. 1, Sector – 127, Noida-Greater Noida Expressway, Noida - 201301

Phone No.: 022-61354800

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E mail id: alok.goel@motherson.com

J. Any Default in Annual filing of the Company under the Companies Act, 2013 or the rules made there under:

Not applicable

1.2. Particulars of the Offer:

Financial position of the Company for the last 3 (three) financial years	As per Annexure X
Date of passing of Board Resolution	Board Resolution: August 08, 2022 A copy of the said board resolution is annexed herewith and marked as Annexure V .
Date of passing of resolution in general meeting, authorizing the offer of securities	Not applicable. The issuance of the Debentures by the Company along with its aggregate outstanding liabilities does not exceed the limits specified by the Company's shareholders' resolution under Section 180(1)(c) of the Act.
Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	Private placement of upto 50,000 (fifty thousand) unsecured, rated, listed, redeemable non-convertible Debentures of the face value of INR. 1,00,000/- (Rupees One Lakh only) each, for cash, aggregating upto INR. 500,00,00,000/- (Rupees Five Hundred Crores only), for cash, at par, with a green shoe option up to Rs. 100,00,00,000/- (Rupees one hundred crores) in the form of unsecured, rated, listed, redeemable non-convertible Debentures of the face value of INR. 1,00,000/- (Rupees One Lakh only) each both aggregating upto Rs. 600,00,00,000/- (Rupees Six Hundred Crore only).
Price at which the security is being offered, including premium if any, along with justification of the price	The Debentures are being offered at face value of Rs. 1,00,000/- (Rupees One Lakh Only) per Debenture at Par
Name and address of the valuer who performed valuation of the security offered and basis on which the price has been arrived at along with report of the registered valuer	Not applicable as the Debentures are being issued at par
Relevant date with reference to which the price has been arrived at	Not Applicable
The class or classes of persons to whom the allotment is proposed to be made	Foreign portfolio investors Companies and bodies corporate including public sector undertakings;

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	Financial institutions, including provident funds and mutual funds; Insurance companies; Foreign institutional investors; and Any other investor authorized to invest in the Debentures, in each case, as may be permitted under applicable law.								
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer)	Not applicable								
Proposed time within which the allotment shall be completed	<table border="1"> <tr> <td>Issue Opening Date</td><td>January 20, 2023</td></tr> <tr> <td>Issue Closing Date</td><td>January 20, 2023</td></tr> <tr> <td>Deemed Date of Allotment</td><td>January 23, 2023</td></tr> <tr> <td>Pay- In Date</td><td>January 23, 2023</td></tr> </table>	Issue Opening Date	January 20, 2023	Issue Closing Date	January 20, 2023	Deemed Date of Allotment	January 23, 2023	Pay- In Date	January 23, 2023
Issue Opening Date	January 20, 2023								
Issue Closing Date	January 20, 2023								
Deemed Date of Allotment	January 23, 2023								
Pay- In Date	January 23, 2023								
The names of the proposed allottees and the percentage of post private placement capital that may be held by them	Not applicable								
The change in control, if any, in the Company that would occur consequent to the private placement	No change in control would occur consequent to the private placement.								
The number of persons to whom allotment on preferential basis/ private placement/ rights issue has already been made during the year, in terms of number of securities as well as price.	Nil								
The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	Not applicable								
Amount, which the Company intends to raise by way of proposed offer of securities	Up to INR 500,00,00,000/- (Rupees Five Hundred Crore) with green shoe option to retain oversubscription of an amount of up to Rs. 100,00,00,000/- (Rupees One Hundred Crore only) aggregating up to Rs. 600,00,00,000/- (Rupees Six Hundred Crores only).								
Terms of raising of securities:	<table border="1"> <tr> <td>Duration, if applicable:</td><td>36 months</td></tr> <tr> <td>Rate of Dividend / Rate of Interest</td><td>8.15% per annum</td></tr> <tr> <td>Mode of Payment</td><td>RTGS / NEFT</td></tr> <tr> <td>Mode of Repayment</td><td>RTGS / NEFT</td></tr> </table>	Duration, if applicable:	36 months	Rate of Dividend / Rate of Interest	8.15% per annum	Mode of Payment	RTGS / NEFT	Mode of Repayment	RTGS / NEFT
Duration, if applicable:	36 months								
Rate of Dividend / Rate of Interest	8.15% per annum								
Mode of Payment	RTGS / NEFT								
Mode of Repayment	RTGS / NEFT								

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Proposed time schedule for which the Issue is valid			The Issue to open and close on January 20, 2023 and is valid only for one day.		
Purpose and objects of the Issue			Refer to Clause 4.22 K		
Contribution being made by the Promoters or directors either as part of the offer or separately in furtherance of the object			Not Applicable		
Principal terms of assets charged as security, if applicable			Not applicable, Debentures being unsecured.		
The details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Company and its future operations			None		
The pre-issue and post-issue shareholding pattern of the Company in the following format (as on September 30, 2022)					
Sl. No.	Category	Pre-issue		Post-issue	
		No. of Shares of Re. 1/- each	%age	No. of Shares of Re. 1/- each	%age
	Preference shareholding				
	NIL				
	Equity shareholding				
a)	Promoter Holdings				
1.	Ms. Renu Alka Sehgal (Trustee of Renu Sehgal Trust)	560108958	12.40	560108958	12.40
2.	Sumitomo Wiring Systems Ltd.	792637291	17.55	792637291	17.55
3.	Mr. Vivek Chaand Sehgal	585855096	12.97	585855096	12.97
4.	Ms. Vidhi Sehgal	24331875	0.54	24331875	0.54
5.	Mrs. Geeta Soni	16190764	0.36	16190764	0.36
6.	Mrs. Nilu Mehra	10312590	0.23	10312590	0.23

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7.	Mrs. Renu Sehgal	150085	0.00	150085	0.00
8.	Mr. L.V. Sehgal	1143	0.00	1143	0.00
9.	Motherson Engineering Research and Integrated Technologies Limited	74180520	1.64	74180520	1.64
10.	Shri Sehgal's Trustee Company Private Limited (Trustee of Sehgal Family Trust)	620113431	13.73	620113431	13.73
11.	H. K. Wiring Systems Ltd.	7660351	0.17	7660351	0.17
12.	Radha Rani Holdings Pte. Ltd.	344020623	7.62	344020623	7.62
13.	Advance Technologies And Automotive Resources Pte	43576475	0.96	43576475	0.96
	Sub-total	3079139202	68.16	3079139202	68.16
b)	Public Holdings				
14.	Mutual Funds	353002892	7.81	353002892	7.81
15.	Alternate Investment Funds	1802323	0.04	1802323	0.04
16.	Financial Institutions/Banks	22340	0.00	22340	0.00
17.	Insurance Companies	118090538	2.61	118090538	2.61
18.	Provident Funds/ pension Funds	1120253	0.02	1120253	0.02
19.	Sovereign Wealth Funds	2777600	0.06	2777600	0.06
20.	Foreign Portfolio Investors Category I	395229454	8.75	395229454	8.75
21.	Directors and their relatives (excluding independent directors and nominee directors)	532819	0.01	532819	0.01
22.	Key Managerial Personnel	284655	0.01	284655	0.01
23.	Bodies Corporate	21259689	0.47	21259689	0.47
24.	Foreign Companies	160012718	3.54	160012718	3.54
25.	Individuals	342134387	7.57	342134387	7.57
26.	NBFCs registered with RBI	2592	0.00	2592	0.00

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27.	Non Resident Indians	17224937	0.38	17224937	0.38
28.	Foreign Nationals	525	0.00	525	0.00
29.	Trusts	14125824	0.31	14125824	0.31
30.	IEPF	700076	0.02	700076	0.02
31.	Others (FIIs, Banks, Clearing Members, HUF)	10151420	0.23	10151420	0.23
	Sub-total	1438475042	31.84	1438475042	31.84
	TOTAL	4517614244	100	4517614244	100

1.3. Mode of Payment for subscription:

RTGS / NEFT

1.4. Disclosure with regard to interest of directors, litigation, etc:

Any financial or other material interest of the directors, promoters or key managerial personnel in the Issue and the effect of such interest in so far as it is different from the interests of other persons	Nil
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any Promoter of the Company during the last 3 (three) years immediately preceding the year of the circulation of this Disclosure Document and any direction issued by such Ministry or Department or	Nil

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statutory authority upon conclusion of such litigation or legal action shall be disclosed				
Remuneration of directors (during last 3 (three) financial years).	Directors	Remuneration (In Rs.)		
		31 March 2020	31 March 2021	31 March 2022
	Mr. V.C. Sehgal	Nil	Nil	Nil
	Mr. Norikatsu Ishida	Nil	Nil	Nil
	Mr. Gautam Mukherjee	36,90,000	50,70,000	54,00,000
	Mr. Naveen Ganzu	33,30,000	45,80,000	52,60,000
	Ms. Rekha Sethi	N.A.	N.A.	38,85,000
	Mr. Veli Matti Ruotsala	N.A.	N.A.	13,25,000
	Mr. Robert Joseph Remenar	N.A.	N.A.	12,25,000
	Mr. L.V. Sehgal	Nil	Nil	Nil
	Mr. Shunichiro Nishimura	Nil	Nil	Nil
	Mr. Pankaj Mital	2,82,99,942	2,93,22,961	3,29,63,780
Related party transactions entered during the last 3 (three) financial years immediately preceding the year of circulation of this Disclosure Document including with regard to loans made or, guarantees given or securities provided	Related party transactions entered into by the Company during the financial years 2019-20 and 2020-21, 2021-2022 are annexed at Annexure XV of this Disclosure Document.			
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of circulation of this Disclosure Document and of their impact on the financial statements and	NIL			

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financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	
Details of any inquiry, inspections or investigations initiated or conducted under the Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of private placement offer cum application letter in the case of the Company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this Disclosure Document and if so, section-wise details thereof for the Company and all of its subsidiaries	None
Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company	None

1.5. Financial Position of the Company:

The capital structure of the company in the following manner in a tabular form:

The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	Share Capital	Rs.
	Authorised Equity Share Capital	Rs. 1230,00,00,000/- (One Thousand Two Hundred Thirty Crore Only) divided into 1230,00,00,000 shares of Re. 1 each.
	Preference Share Capital	NIL

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	<p>Issued, Subscribed and Fully Paid- up Equity Share Capital</p> <p>Rs. 451,76,14,244 (Rupees Four Hundred Fifty One Crores Seventy Six Lakhs Fourteen Thousand Two Hundred Forty Four only) divided into 451,76,14,244 shares of Re. 1 each.</p> <p><i>(Note: Issued, Subscribed and Paid-up Share Capital of the Company has increased to Rs. 6,776,421,366 divided into 6,776,421,366 equity shares of Re. 1/- each allotted by the Board of Directors on October 6, 2022 as bonus shares.)</i></p>	
	<p>Preference Share Capital</p> <p>NIL</p>	
Size of the Present Issue	<p>Private placement of upto 50,000 (fifty thousand) unsecured, rated, listed, redeemable non-convertible Debentures of the face value of INR. 1,00,000/- (Rupees One Lakh only) each, for cash, aggregating upto INR. 500,00,00,000/- (Rupees Five Hundred Crores only), for cash, at par, with a green shoe option up to Rs. 100,00,00,000/- (Rupees one hundred crores) in the form of unsecured, rated, listed, redeemable non-convertible Debentures of the face value of INR. 1,00,000/- (Rupees One Lakh only) each both aggregating upto INR. 600,00,00,000/- (Rupees Six Hundred Crore only).</p>	
<p>Paid-up Capital: After the offer:</p> <p>After the conversion of Convertible Instruments (if applicable)</p>	<p>The paid-up share capital of the Company shall not be altered on account of issuance of the Debentures.</p>	
<p>Share Premium Account: Before the offer:</p> <p>After the offer:</p>	<p>The balances in the share premium account shall not be altered on account of the issuance of Debentures.</p>	
Details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the	As set out in Annexure XVI	

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price and the form of consideration. Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case																									
Details of allotments made by the Company in the last 1 (One) year preceding the date of the offer letter for Consideration other than cash	Not Applicable																								
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this Disclosure Document	<p>All amounts are in Rs. million, unless otherwise stated)</p> <p>Profit Summary- Standalone</p> <table><tr><td></td><td>2021-22</td><td>2020-21</td><td>2019-20</td></tr><tr><td>PBT*</td><td>14,044</td><td>6,828</td><td>11,614</td></tr><tr><td>PAT</td><td>11,638</td><td>5,207</td><td>8,988</td></tr></table> <p>Profit Summary- Consolidated</p> <table><tr><td></td><td>2021-22</td><td>2020-21</td><td>2019-20</td></tr><tr><td>PBT*</td><td>19,088</td><td>16,129</td><td>21,129</td></tr><tr><td>PAT**</td><td>11,815</td><td>15,694</td><td>12,945</td></tr></table> <p>*Profit before tax of continuing and discontinued operations **Before allocation of Non-controlling interest</p>		2021-22	2020-21	2019-20	PBT*	14,044	6,828	11,614	PAT	11,638	5,207	8,988		2021-22	2020-21	2019-20	PBT*	19,088	16,129	21,129	PAT**	11,815	15,694	12,945
	2021-22	2020-21	2019-20																						
PBT*	14,044	6,828	11,614																						
PAT	11,638	5,207	8,988																						
	2021-22	2020-21	2019-20																						
PBT*	19,088	16,129	21,129																						
PAT**	11,815	15,694	12,945																						

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Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	(All amounts are in Rs. million, unless otherwise stated)			
		2021-22	2020-21	2019-20
	Dividend ¹	4,737	-	9,474
	Interest Coverage ratio (Standalone) ²	15.15	14.05	53.40
	Interest Coverage Ratio (Consolidated) ²	20.00	13.69	12.43
	¹ FY 2018-19 and FY 2020-21 dividend was paid in subsequent financial year. FY 2019-20 dividend was paid as interim dividend in same financial year.			
	² Interest service coverage ratio (in times) = (Earnings before interest depreciation, tax and exceptional items) / (Interest expense on short term and long term borrowings for the period)			
A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Disclosure Document	Annexed at Annexure X of this Disclosure Document			
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Disclosure Document	Annexed at Annexure XII of this Disclosure Document			
Any change in accounting policies during the last 3 (three) years and their effect on the profits	There has been no change in the accounting policies during the last 3 years. However changes have been made as amended under Indian Accounting Standard.			

APPLICANT'S DETAILS

Name:

Father's Name:

Complete address including flat/ house number/
street, locality, pin code:

Phone number, if any:

Email id, if any:

PAN:

Bank Name and Branch:

Account Number:

IFSC Code -

SWIFT Code -

Reference

Signature of the Applicant

Signature/ Initial of the officer of the company designated to keep the records

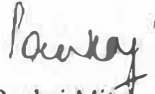
DECLARATION BY DIRECTOR

The Company and each of the directors of the Company hereby declare and confirm that:

- a. the Company has complied with the provisions of the Companies Act 2013 and the rules made thereunder;
- b. the compliance with the said Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the private placement offer cum application letter;

I am authorised by the Board of Directors of the company vide resolution number 10(i) dated August 08, 2022 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.



Name	:	Pankaj Mital
Designation	:	Whole-time Director & Chief Operating Officer
Date	:	January 18, 2023
Place	:	Noida

ANNEXURE XV: DETAILS OF RELATED PARTY TRANSACTIONS

SAMIL STANDALONE

(a) Key management personnel compensation

	March 31, 2022	March 31, 2021	March 31, 2020
Short-term employee benefits	72	63	61
Directors commission/sitting fees	17	29	18
Post-employment benefits payable	68	50	46
Long-term employee benefits payable	24	16	16

(b) Transactions with related parties

S. No.	Particulars	Subsidiaries			Joint ventures			Key Management personnel			Joint control over the entity			Other related parties		
		March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020
1	Sale of products	6,349	5,125	5,908	8,775	1,439	1,679	-	-	-	0	1	1	210	231	315
2	Sales of services	1,082	834	963	738	434	480	-	-	-	-	-	0	26	7	8
3	Rent income	21	-	-	25	25	23	-	-	-	-	-	-	6	36	34
4	Sale of property, plant and equipment	12	1	-	-	-	-	-	-	-	-	0	0	-	0	-
5	Purchase of goods	1,569	907	1,230	230	2	4	-	-	-	4,900	5,758	5,761	425	1,634	1,605
6	Purchase of property, plant and equipment & Right-of-use assets	34	4	30	-	-	-	-	-	-	49	34	84	764	483	1,713
7	Purchase of services	535	338	291	117	0	1	-	-	-	118	290	31	720	924	1,140
8	Rent expense	37	-	-	-	-	-	6 *	5 *	5 *	20	26	30	365	143	324
9	Payment of lease liability	-	-	-	-	-	-	-	-	-	-	-	-	137	183	169
10	Payment of interest on lease liabilities	-	-	-	-	-	0	-	-	0	-	-	17	54	77	30
11	Reimbursement made	139	108	-	2	0	0	-	-	-	2	7	1	66	23	5
12	Reimbursement received	126	73	116	2,123	0	-	-	-	-	1	5	-	9	6	-
13	Royalty	-	-	-	-	-	-	-	-	-	-	-	310	-	-	-
14	Dividend paid	-	-	-	-	-	-	-	-	-	-	-	5,545	-	-	10
15	Dividend received	4,547	-	2,991	-	-	-	-	-	-	-	-	-	-	-	2
16	Investment made	-	8,636	3	-	-	-	-	-	270 **	267	277	-	-	-	-
17	Interest income	188	88	-	-	-	101	135**	0 **	-	2,757	-	-	5	-	-
18	Guarantee given during the year	-	3,301	411	-	-	-	-	-	-	-	-	-	-	-	-
19	Guarantee released during the year	-	3,301	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Guarantee & Letter of comfort during the year on account of merger	8,376	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* Rent of INR 6 million (March 31, 2021: INR 5 million, March 31, 2020: INR 5 million) paid to Mr. V.C Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, and Ms. Vidhi Sehgal.

**Dividend of INR 135 million (March 31, 2021 : Nil, March 31, 2020 : INR 270 million) paid to Mr. V. C. Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, Ms. Neelu Mehra, Ms. Geeta Soni, Mr. Pankaj Mital, Mr. G.N. Gauba, Ms. Geeta Mathur, Mr Naveen Ganzu, Arjun Puri, Alok Goel and Mr. Gautam Mukherjee.

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

S. No.	Particulars	Subsidiaries			Joint ventures			Associate Companies			Joint control over the entity			Other related parties		
		March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020
1	Trade Payable	637	444	295	41	0	0	-	-	-	158	2,028	2,044	82	651	611
2	Trade Receivable & other financial assets	2,359	1,668	2,494	4,591	364	146	-	-	-	-	1	1	1	87	83
3	Advances recoverable	182	166	3	1	-	-	-	-	-	-	-	-	3	77	134
4	Advances from customer	2	24	37	24	3	-	-	-	-	0	1	1	0	-	0
5	Investments	2,51,501	52,948	44,320	52,352	486	486	-	11	11	-	-	-	3	14	14
6	Capital advance given	-	-	-	-	-	-	-	-	-	-	-	-	31	31	-
7	Guarantees given	21,568	13,497	13,127	-	-	-	-	-	-	-	-	-	-	-	-

(d) Loans & advances to / from related parties

S. No.	Particulars	Subsidiaries			Joint ventures			Other related parties		
		March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020
i.	Security deposits given:									
	Beginning of the year	-	-	-	-	-	-	184	488	464
	Addition due to business combination	-	-	-	-	-	-	48	-	-
	Security deposit given	-	-	-	-	-	-	71	68	75
	Security deposits received back	-	-	-	-	-	-	(107)	(141)	(51)
	End of the year	-	-	-	-	-	-	196	415	488
ii.	Security Deposit Received	-	-	-	-	-	-	-	-	-
	Beginning of the year	-	-	-	34	35	35	17	14	14
	Security deposits received	-	-	-	290	-	-	-	3	-
	Addition due to business combination	15	-	-	-	-	-	(15)	-	-
	Security deposits repaid	-	-	-	-	(1)	-	(2)	-	-
	End of the year	15	-	-	324	34	35	-	17	14
iii.	Loans given									
	Beginning of the year	26,656	1	14	-	-	-	457	131	-
	Loans given	27	26,424	-	-	-	-	75	300	125
	Loan on account of merger	3,479	-	-	22	-	-	-	-	-
	interest on account of merger	158	-	-	0	-	-	-	-	-
	Interest charged	741	345	1	0	-	-	46	31	6
	Interest received	(753)	-	-	(1)	-	-	(78)	(5)	-
	TDS	(7)	(0)	-	(0)	-	-	-	-	-
	Loans received back	(5,100)	-	(13)	(2)	-	-	(500)	-	-
	Exchange gain / (loss) on translation	(72)	(114)	-	-	-	-	-	-	-
	End of the year	25,129	26,656	1	19	-	-	0	457	131

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SAMIL CONSOLIDATED

(a) Key management personnel compensation

	March 31, 2022	March 31, 2021	March 31, 2020
Short-term employee benefits	318	292	250
Directors commission/sitting fees	28	40	26
Post-employment benefits payable	67	50	46
Long-term employee benefits payable	21	16	16

(b) Transactions with related parties

S. No.	Particulars	Associate companies			Joint Ventures			Key management personnel			Joint control over the entity			Other related parties		
		March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020
1	Sale of products	69	-	-	12,754	5,799	5,697	5	-	-	0	1	1	252	286	383
2	Sales of services	5	-	-	887	488	617	1	16	41	7	39	4	50	135	74
3	Rent income	-	-	-	30	25	23	-	-	-	-	-	-	74	45	56
4	Sale of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	0	0	-	0	-
5	Purchase of goods	0	-	-	4,629	5,134	2,844	-	-	-	5,320	5,803	5,819	10,985	10,189	1,900
6	Purchase of property, plant and equipment & Right-of-use assets	-	-	-	158	-	-	-	-	-	49	34	84	1,021	529	1,883
7	Purchase of services	-	-	-	117	0	7	-	2	-	259	356	44	2,874	3,183	3,515
8	Rent expense	-	-	-	-	-	-	6*	5 *	5 *	20	40	45	312	169	315
9	Payment of lease liability	-	-	-	-	-	-	-	-	-	-	-	-	137	192	180
	Payment of interest on lease liabilities	-	-	-	-	-	-	-	-	-	-	-	-	34	80	70
9	Reimbursement made	-	-	-	6	0	0	0	-	0	4	7	17	72	88	80
10	Reimbursement received	-	0	1	2,125	0	0	-	-	-	1	5	1	28	12	8
12	Shares issued during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Investments redeemed/ sale of shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Royalty	-	-	-	-	-	-	-	-	-	273	279	312	-	-	-
15	Dividend paid	-	-	-	-	-	-	135**	0 **	270 **	2,757	-	5,545	5	48	10
16	Dividend received	-	-	-	-	-	101	-	-	-	-	-	-	-	-	2
17	Capital received from minority	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* Rent of INR 6 million (March 31, 2021: INR 5 million, March 31, 2020: INR 5 million) paid to Mr. V.C Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, and Ms. Vidhi Sehgal.

**Dividend of INR 135 million (March 31, 2021 : Nil, March 31, 2020 : INR 270 million) paid to Mr. V. C. Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, Ms. Neelu Mehra, Ms. Geeta Soni, Mr. Pankaj Mital, Mr. G.N. Gauba, Ms. Geeta Mathur, Mr Naveen Ganzu, Arjun Puri, Alok Goel and Mr. Gautam Mukherjee.

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

S. No.	Particulars	Associate companies			Joint Venture			Key management personnel			Joint control over the entity			Other related parties		
		March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020
1	Trade Payable	2	-	-	494	756	538	10	0	-	195	2,045	2,070	675	949	1,018
2	Trade Receivable	-	-	-	5,632	1,168	853	-	-	-	-	10	2	1	128	175
3	Capital advances	-	-	-	-	-	-	-	-	-	-	-	-	-	31	1
4	Advances recoverable	-	-	-	1	-	-	-	-	-	-	-	-	56	95	152
5	Investments*	-	-	-	-	-	-	-	-	-	-	-	-	-	14	14
6	Advances from customer	-	-	-	26	3	-	-	-	-	0	1	1	0	-	0

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(d) Loans & advances to / from related parties

S. No.	Particulars	Associate companies			Joint Venture			Key management personnel			Joint control over the entity			Other related parties		
		March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021	March 31, 2020
1	Trade Payable	2	-	-	494	756	538	10	0	-	195	2,045	2,070	675	949	1,018
2	Trade Receivable	-	-	-	5,632	1,168	853	-	-	-	-	10	2	1	128	175
3	Capital advances	-	-	-	-	-	-	-	-	-	-	-	-	-	31	1
4	Advances recoverable	-	-	-	1	-	-	-	-	-	-	-	-	56	95	152
5	Investments*	-	-	-	-	-	-	-	-	-	-	-	-	-	14	14
6	Advances from customer	-	-	-	26	3	-	-	-	-	0	1	1	0	-	0

ANNEXURE XVI: SHARE CAPITAL OF THE ISSUER

Details of equity share capital history of the Issuer since incorporation, as at September 30, 2022 being the last quarter end:

Date of allotment	No. of Equity Shares allotted	Reason for allotment	Face value (Rs.)	Issue price per Equity Share (Rs.)	Cumulative No. of Equity Shares	Cumulative paid up share capital (Rs.)	Consideration (Rs.)
December 20, 1986	200	Subscription to Memorandum of Association ³	10	10	200	2000	Cash
December 31, 1986	609,000	Equity shares issued pursuant to sale agreement between our Company and Motherson Auto Private Limited ⁴	10	10	609,200	6,092,000	Other than cash
April 29, 1987	590,800	Equity shares issued pursuant to collaboration agreement between Motherson Auto Private Limited, SWS, and Nissho Iwai Corporation Limited ⁵ Further Issue ⁶	10	10	1,200,000	12,000,000	Cash

³ Subscribed by Ms. S.L. Sehgal (100 equity shares) and Mr. Vivek Chaand Sehgal (100 equity shares).

⁴ Pursuant to sales agreement between our Company and Motherson Auto Private Limited, assets and liabilities of Motherson Auto Private Limited were transferred to the Company and allotment was made to Motherson Auto Private Limited (609,000 equity shares).

⁵ Pursuant to collaboration agreement between Motherson Auto Private Limited, SWS, and Nissho Iwai Corporation Limited, allotment to SWS (288,000 equity shares) and Nissho Iwai Corporation Limited (180,000 equity shares).

⁶ Allotment to Mr. K.L. Sehgal (17,500 equity shares), Mr. Vivek Chaand Sehgal (28,800 equity shares), Ms. Renu Sehgal (5,000 equity shares), Ms. S.L. Sehgal (7,000 equity shares), Ms. Vidhi Sehgal (2,500 equity shares), Mr. Laksh Vaaman Sehgal (5,000 equity shares), Ms. Neelu Mehra (2,500 equity shares), Ms. Geeta Soni (2,500 equity shares), Mr. R.P. Aggarwal (16,500 equity shares), Mr. R.K. Aggarwal (16,500 equity shares), Mr. K.S. Sindhu (5,000 equity shares), Mr. Ved Prakash (1,000 equity shares), Mr. Bipin Gujral (2,500 equity shares) and M/s Motherson (10,700 equity shares).

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Date of allotment	No. of Equity Shares allotted	Reason for allotment	Face value (Rs.)	Issue price per Equity Share (Rs.)	Cumulative No. of Equity Shares	Cumulative paid up share capital (Rs.)	Consideration (Rs.)
July 11, 1989	300,000	Rights Issue ⁷	10	10	1,500,000	15,000,000	Cash
December 24, 1991	500,000	Further Issue ⁸	10	10	2,000,000	20,000,000	Cash
June 17, 1992	500,000	Further Issue	10	10	2,500,000	25,000,000	Cash
April 30, 1993	3,300,000	Public Issue	10	25.00	5,800,000	58,000,000	Cash
February 9, 1996	1,159,680	Right Issue	10	90.00	6,959,680	69,596,800	Cash
January 17, 1998	3,479,840	Bonus Issue ⁹	10	N.A.	10,439,520	104,395,200	N.A.
December 9, 2000	5,219,760	Bonus Issue ¹⁰	10	N.A.	15,659,280	156,592,800	N.A.
On October 31, 2002, the face value of the equity shares of our Company was split into ` 5 each and consequently, the issued paid up equity share capital was split from ` 156,592,800 divided into 15,659,280 equity shares of ` 10 each to Rs. 156,592,800 divided into 31,318,560 equity shares of ` 5 each.							
On February 23, 2004, the face value of the equity shares of our Company was split into ` 1 each and consequently, the issued paid up equity share capital was split from ` 156,592,800 divided into 31,318,560 equity shares of ` 5 each to 156,592,800 divided into 156,592,800 equity shares of ` 1 each.							

⁷ Allotment to SWS (72,000 equity shares), Nissho Iwai Corporation Limited (45,000 equity shares), Mr. K.L. Sehgal (29,375 equity shares), Mr. Vivek Chaand Sehgal (10,600 equity shares), Ms. S.L. Sehgal (1,750 equity shares), Ms. Renu Sehgal (1,250 equity shares), Ms. Vidhi Sehgal (1,625 equity shares), Mr. Laksh Vamaan Sehgal (4,250 equity shares), Ms. Neelu Mehra (625 equity shares), Mr. K.S. Sindhu (1,250 equity shares), Ms. Geeta Soni (625 equity shares), Mr. R.L. Agarwalla (10,000 equity shares), Mr. R.P. Agarwalla (10,000 equity shares), Mr. Ved Prakash (250 equity shares), Mr. Bipin Gujral (625 equity shares), M/s Motherson (34,875 equity shares), Mr. Brahm Arenja (75,000 equity shares), Mr. Ravi Mathur (500 equity shares), Mr. V.N. Agarwal (200 equity shares) and Mr. V.K. Bhatti (200 equity shares).

⁸ Allotment to SWS (120,000 equity shares), Nissho Iwai Corporation Limited (75,000 equity shares), Motherson Sehgal Cables (167,000 equity shares), Vaaman Auto Industry (50,000 equity shares), Mr. K.L. Sehgal (15,625 equity shares), Mr. Vivek Chaand Sehgal (14,185 equity shares), Ms. S.L. Sehgal (2,917 equity shares), Ms. Renu Sehgal (2,083 equity shares), Mr. Laksh Vaaman Sehgal (3,083 equity shares), Ms. Vidhi Sehgal (1,375 equity shares), Mr. Brahm Arenja (25,000 equity shares), Mr. Neelu Mehra (1,045 equity shares), Ms. Geetu Soni (1,045 equity shares), Mr. R.L. Agarwalla (5,000 equity shares), Mr. R.P. Agarwalla (5,000 equity shares), Mr. Vipin Gujral (1,042 equity shares), Mr. J.S. Bindra (1,100 equity shares), Mr. S.C. Sharma (1,000 equity shares), Mr. Vivek Avasthi (1,000 equity shares), Mr. A.R. Dabas (1,000 equity shares), Ms. Madhu Nanda (1,500 equity shares), Mr. Ravi Mathur (500 equity shares), Mr. S.R. Bansal (500 equity shares), Mr. V.N. Agarwal (500 equity shares), Mr. Rakesh Satwah (500 equity shares), Mr. V.K. Bhatli (500 equity shares), Mr. R.K. Gupta (500 equity shares), Mr. Biju Doral (400 equity shares), Mr. Naveen Ganzu (200 equity shares), Mr. Rajeev Sikand (200 equity shares), Mr. S.K. Chauhan (200 equity shares), Mr. I.M. Sharma (200 equity shares), Mr. K.R. Bhatia (200 equity shares), Mr. Indra Bhatia (200 equity shares), Mr. R.K. Batra (200 equity shares), Mr. R.K. Tyagi (100 equity shares) and Mr. Sanjiv Ahuja (100 equity shares).

⁹ Bonus issue in the ratio 1:2 authorised by our shareholders through a resolution dated September 19, 1997.

¹⁰ Bonus issue in the ratio 1:2 authorised by our shareholders through a resolution dated August 30, 2000.

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Date of allotment	No. of Equity Shares allotted	Reason for allotment	Face value (Rs.)	Issue price per Equity Share (Rs.)	Cumulative No. of Equity Shares	Cumulative paid up share capital (Rs.)	Consideration (Rs.)
March 3, 2005	78,296,400	Bonus Issue ¹¹	1	N.A.	234,889,200	234,889,200	N.A.
September 10, 2007	117,444,600	Bonus Issue ¹²	1	N.A.	352,333,800	352,333,800	N.A.
October 18, 2007	1,050,000	Conversion of FCCBs ¹³	1	74.30	353,383,800	353,383,800	Cash
December 22, 2007	2,100,000	Conversion of FCCBs ¹⁴	1	74.30	355,483,800	355,483,800	Cash
January 14, 2008	70,000	Conversion of FCCBs ¹⁵	1	74.30	355,553,800	355,553,800	Cash
January 7, 2010	1,400,000	Conversion of FCCBs ¹⁶	1	74.30	356,953,800	356,953,800	Cash
January 11, 2010	700,000	Conversion of FCCBs ¹⁷	1	74.30	357,653,800	357,653,800	Cash
January 16, 2010	2,030,000	Conversion of FCCBs ¹⁸	1	74.30	359,683,800	359,683,800	Cash
January 28, 2010	1,120,000	Conversion of FCCBs ¹⁹	1	74.30	360,803,800	360,803,800	Cash
January 30, 2010	1,400,000	Conversion of FCCBs ²⁰	1	74.30	362,203,800	362,203,800	Cash
February 6, 2010	210,000	Conversion of FCCBs ²¹	1	74.30	362,413,800	362,413,800	Cash
February 20, 2010	210,000	Conversion of FCCBs ²²	1	74.30	362,623,800	362,623,800	Cash

¹¹ Bonus issue in the ratio 1:2 authorised by our shareholders through a resolution dated February 10, 2005.

¹² Bonus issue in the ratio 1:2 authorised by our shareholders through a resolution dated July 30, 2007 .

¹³ Allotment pursuant to conversion of FCCBs to Swiss Finance Corp. Mauritius Limited (1,050,000 Equity Shares).

¹⁴ Allotment pursuant to conversion of FCCBs to Merrill Lynch Capital Markets Espana S.A. S.V (2,100,000 Equity Shares).

¹⁵ Allotment pursuant to conversion of FCCBs to Nomura International Plc (70,000 Equity Shares).

¹⁶ Allotment pursuant to conversion of FCCBs to Swiss Finance Corp. Mauritius Limited (1,400,000 Equity Shares).

¹⁷ Allotment pursuant to conversion of FCCBs to Swiss Finance Corp. Mauritius Limited (700,000 Equity Shares).

¹⁸ Allotment pursuant to conversion of FCCBs to Nomura International Plc (280,000 Equity Shares), Deutshce Bank AG London (1,050,000 Equity Shares) and Swiss Finance Corp. Mauritius Limited (700,000 Equity Shares).

¹⁹ Allotment pursuant to conversion of FCCBs to Deutshce Bank AG London (1,050,000 Equity Shares) and Swiss Finance Corp. Mauritius Limited (70,000 Equity Shares).

²⁰ Allotment pursuant to conversion of FCCBs to Swiss Finance Corp. Mauritius Limited (1,400,000 Equity Shares).

²¹ Allotment pursuant to conversion of FCCBs to Nomura International Plc (210,000 Equity Shares).

²² Allotment pursuant to conversion of FCCBs to Swiss Finance Corp. Mauritius Limited (105,000 Equity Shares) and Credit Suisse (Singapore) Limited (105,000 Equity Shares).

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Date of allotment	No. of Equity Shares allotted	Reason for allotment	Face value (Rs.)	Issue price per Equity Share (Rs.)	Cumulative No. of Equity Shares	Cumulative paid up share capital (Rs.)	Consideration (Rs.)
March 6, 2010	2,135,000	Conversion of FCCBs ²³	1	74.30	364,758,800	364,758,800	Cash
March 18, 2010	5,985,000	Conversion of FCCBs ²⁴	1	74.30	370,743,800	370,743,800	Cash
March 31, 2010	3,850,000	Conversion of FCCBs ²⁵	1	74.30	374,593,800	374,593,800	Cash
April 14, 2010	2,100,000	Conversion of FCCBs ²⁶	1	74.30	376,693,800	376,693,800	Cash
April 26, 2010	4,200,000	Conversion of FCCBs ²⁷	1	74.30	380,893,800	380,893,800	Cash
May 18, 2010	4,200,000	Conversion of FCCBs ²⁸	1	74.30	385,093,800	385,093,800	Cash
June 23, 2010	1,050,000	Conversion of FCCBs ²⁹	1	74.30	386,143,800	386,143,800	Cash
June 30, 2010	1,400,000	Conversion of FCCBs ³⁰	1	74.30	387,543,800	387,543,800	Cash
April 23, 2012	4,420,360	Allotment to the erstwhile shareholders of Sumi Motherson Innovation Engineering Ltd. consequent upon merger ³¹	1	N.A.	391,964,160	391,964,160	Other than cash
October 5, 2012	195,982,080	Bonus Issue ³²	1	N.A.	587,946,240	587,946,240	N.A.

²³ Allotment pursuant to conversion of FCCBs to Nomura International Plc (210,000 Equity Shares), Swiss Finance Corp. Mauritius Limited (1,400,000 Equity Shares), Credit Industriel et Commercial (350,000 Equity Shares) and VCM Limited, Mauritius (175,000 Equity Shares).

²⁴ Allotment pursuant to conversion of FCCBs to Deutshce Bank AG London (2,485,000 Equity Shares), Credit Industriel et Commercial (1,050,000 Equity Shares) and Brookdale India Value Fund Limited (2,450,000 Equity Shares).

²⁵ Allotment pursuant to conversion of FCCBs to Goldman Sachs Investments (Mauritius) I Limited (1,400,000 Equity Shares) Deutshce Bank AG London (1,050,000 Equity Shares), Swiss Finance Corp. Mauritius Limited (700,000 Equity Shares) and Brookdale India Value Fund Limited (700,000 Equity Shares).

²⁶ Allotment pursuant to conversion of FCCBs to Swiss Finance Corp. Mauritius Limited (700,000 Equity Shares), Deutshce Bank AG London (700,000 Equity Shares) and Nomura International Plc (700,000 Equity Shares).

²⁷ Allotment pursuant to conversion of FCCBs to Swiss Finance Corp. Mauritius Limited (875,000 Equity Shares), Deutshce Bank AG London (1,225,000 Equity Shares) and Brookdale India Value Fund Limited (2,100,000 Equity Shares).

²⁸ Allotment pursuant to conversion of FCCBs to Nomura International Plc (700,000 Equity Shares), Swiss Finance Corp. Mauritius Limited (2,100,000 Equity Shares) and Credit Industriel et Commercial (1,400,000 Equity Shares).

²⁹ Allotment pursuant to conversion of FCCBs to Nomura International Plc (350,000 Equity Shares) and VCM Limited, Mauritius (700,000 Equity Shares).

³⁰ Allotment pursuant to conversion of FCCBs to Copthall Mauritius Investment Limited (1,400,000 Equity Shares).

³¹ The High Court of Delhi pursuant to order dated January 30, 2012 approved the scheme of arrangement and amalgamation under Sections 391-394 of the Companies Act, 1956 between Sumi Motherson Engineering Limited, MSSSL Global Wiring Limited and India Nails Manufacturing Limited with our Company.

³² Bonus issue in the ratio 1:2 authorised by our shareholders through a resolution dated September 10, 2012.

FOR PRIVATE CIRCULATION ONLY AND CONFIDENTIAL (For the Addressee only)

Date of allotment	No. of Equity Shares allotted	Reason for allotment	Face value (Rs.)	Issue price per Equity Share (Rs.)	Cumulative No. of Equity Shares	Cumulative paid up share capital (Rs.)	Consideration (Rs.)
December 24, 2013	293,973,120	Bonus Issue ³³	1	N.A.	881,919,360	881,919,360	N.A.
July 28, 2015	440,959,680	Bonus Issue ³⁴	1	N.A.	1,322,879,040	1,322,879,040	N.A.
September 12, 2016	1,77,62,460	Preferential Allotment to SWS ³⁵	1	317	134,06,41,500	134,06,41,500	Cash
September 16, 2016	6,28,84,827	QIP ³⁶	1	317	140,35,26,327	140,35,26,327	Cash
July 08, 2017	70,17,63,164	Bonus Issue ³⁷	1	N.A.	210,52,89,491	210,52,89,491	N.A.
November 1, 2018	105,26,44,746	Bonus Issue ³⁸	1	N.A.	315,79,34,237	315,79,34,237	N.A.
January 28, 2022	105,57,50,653	Cancellation of existing shareholding of erstwhile Samvardhana Motherson International Limited pursuant to the Composite Scheme of Arrangement and Amalgamation	1	N.A.	210,21,83,584	210,21,83,584	N.A.
January 28, 2022	241,54,30,660	Allotment of shareholders of erstwhile Samvardhana Motherson International	1	N.A.	451,76,14,244	451,76,14,244	Other than cash

³³ Bonus issue in the ratio 1:2 authorised by our shareholders through a resolution dated December 11, 2013.

³⁴ Bonus issue in the ratio 1:2 authorised by our shareholders through a resolution dated July 15, 2015.

³⁵ Preferential issue to SWS (17,762,460 Equity Shares).

³⁶ 6,28,84,827 Equity Shares face value of Re. 1/- (Rupee One) each and premium of Rs. 316 each, were allotted to QIBs through QIPs. Therefore, the Paid Share Capital of the Company stands increase from Rs. 134,06,41,500/- to Rs. 140,35,26,327/-

³⁷ Bonus issue in the ratio 1:2 authorised by our shareholders through a resolution dated June 27, 2017.

³⁸ Bonus issue in the ratio 1:2 authorised by our shareholders through a resolution dated October 18, 2018.

FOR PRIVATE CIRCULATION ONLY AND CONFIDENTIAL (For the Addressee only)

Date of allotment	No. of Equity Shares allotted	Reason for allotment	Face value (Rs.)	Issue price per Equity Share (Rs.)	Cumulative No. of Equity Shares	Cumulative paid up share capital (Rs.)	Consideration (Rs.)
		Limited pursuant to the Composite Scheme of Arrangement and Amalgamation					

Note: 225,86,70,310 equity shares of Re. 1/- each were allotted by the Board of Directors on October 6, 2022 as Bonus Shares.

ANNEXURE XVII: LIST OF SUBSIDIARIES AS ON SEPTEMBER 30, 2022

i. Wholly Owned Subsidiaries:

Sl. No.	Name of the Company	Nature of interest
1.	MSSL Mauritius Holdings Limited	Subsidiary Company
2.	Motherson Electrical Wires Lanka Pvt. Ltd.	Subsidiary Company
3.	MSSL Mideast (FZE)	Subsidiary Company
4.	MSSL (S) Pte Ltd.	Subsidiary Company
5.	Motherson Innovations Tech Limited	Subsidiary Company
6.	Samvardhana Motherson Polymers Ltd.	Subsidiary Company
7.	MSSL (GB) Limited	Subsidiary Company
8.	Motherson Wiring System (FZE)	Subsidiary Company
9.	MSSL GmbH	Subsidiary Company
10.	MSSL Tooling (FZE)	Subsidiary Company
11.	Samvardhana Motherson Invest Deutschland GmbH	Subsidiary Company
12.	MSSL Advanced Polymers s.r.o	Subsidiary Company
13.	Motherson Techno Precision GmbH	Subsidiary Company
14.	MSSL s.r.l Unipersonale	Subsidiary Company
15.	Motherson Techno Precision México, S.A. de C.V#	Subsidiary Company
16.	MSSL Ireland Pvt. Ltd.	Subsidiary Company
17.	Global Environment Management (FZE)	Subsidiary Company
18.	MSSL Global RSA Module Engineering Limited	Subsidiary Company
19.	MSSL Japan Limited	Subsidiary Company
20.	MSSL México, S.A. De C.V.#	Subsidiary Company
21.	MSSL WH System (Thailand) Co., Ltd #	Subsidiary Company
22.	MSSL Korea WH Limited	Subsidiary Company
23.	MSSL Consolidated Inc., USA	Subsidiary Company

FOR PRIVATE CIRCULATION ONLY AND CONFIDENTIAL (For the Addressee only)

24.	MSSL Wiring System Inc., USA	Subsidiary Company
25.	Alphabet de Mexico, S.A. de C.V. #	Subsidiary Company
26.	Alphabet de Mexico de Monclova, S.A. de C.V. #	Subsidiary Company
27.	Alphabet de Saltillo, S.A. de C.V. #	Subsidiary Company
28.	MSSL Wirings Juarez S.A. de C.V.#	Subsidiary Company
29.	MSSL Manufacturing Hungary Kft	Subsidiary Company
30.	Motheron Air Travel Pvt. Ltd.	Subsidiary Company
31.	MSSL Estonia WH OÜ	Subsidiary Company
32.	Samvardhana Motheron Global Holdings Ltd.	Subsidiary Company
33.	Samvardhana Motheron Automotive Systems Group B.V.	Subsidiary Company
34.	Samvardhana Motheron Peguform GmbH	Subsidiary Company
35.	SMP Automotive Interiors (Beijing) Co. Ltd	Subsidiary Company
36.	SMP Deutschland GmbH	Subsidiary Company
37.	SMP Logistik Service GmbH	Subsidiary Company
38.	SMP Automotive Solutions Slovakia s.r.o	Subsidiary Company
39.	SMP Automotive Technology Iberica S.L	Subsidiary Company
40.	Samvardhana Motheron Peguform Barcelona S.L.U	Subsidiary Company
41.	SMP Automotive Technologies Teruel Sociedad Limitada	Subsidiary Company
42.	Samvardhana Motheron Peguform Automotive Technology Portugal S.A	Subsidiary Company
43.	SMP Automotive Systems Mexico S.A. de C.V.#	Subsidiary Company
44.	SMP Automotive Produtos Automotivos do Brasil Ltda.#	Subsidiary Company
45.	SMP Automotive Exterior GmbH	Subsidiary Company
46.	Samvardhana Motheron Innovative Autosystems B.V. & Co. KG	Subsidiary Company
47.	Samvardhana Motheron Innovative Autosystems Holding Company BV	Subsidiary Company
48.	SM Real Estate GmbH	Subsidiary Company
49.	Samvardhana Motheron Innovative Autosystems de México, S.A. de C.V	Subsidiary Company
50.	SMP Automotive Systems Alabama Inc.	Subsidiary Company
51.	Motheron Innovations Company Limited, U.K.	Subsidiary Company

FOR PRIVATE CIRCULATION ONLY AND CONFIDENTIAL (For the Addressee only)

52.	Mother'son Innovations Deutschland GmbH	Subsidiary Company
53.	Mother'son Innovations Lights GmbH & Co KG	Subsidiary Company
54.	Mother'son Innovations Lights Verwaltungs GmbH	Subsidiary Company
55.	PKC Group Oy	Subsidiary Company
56.	PKC Wiring Systems Oy	Subsidiary Company
57.	PKC Group Poland Sp. z o.o.	Subsidiary Company
58.	PKC Wiring Systems LLC	Subsidiary Company
59.	PKC Group APAC Limited	Subsidiary Company
60.	PKC Group Canada Inc.	Subsidiary Company
61.	PKC Group USA Inc.	Subsidiary Company
62.	PKC Group Mexico S.A. de C.V.	Subsidiary Company
63.	Project del Holding S.a.r.l.	Subsidiary Company
64.	PK Cables do Brasil Ltda	Subsidiary Company
65.	PKC Eesti AS	Subsidiary Company
66.	TKV-sarjat Oy	Subsidiary Company
67.	PKC SEGU Systemelektrik GmbH	Subsidiary Company
68.	Groclin Luxembourg S.à r.l.	Subsidiary Company
69.	PKC Vehicle Technology (Suzhou) Co., Ltd.	Subsidiary Company
70.	AEES Inc.	Subsidiary Company
71.	PKC Group Lithuania UAB	Subsidiary Company
72.	PKC Group Poland Holding Sp. z o.o.	Subsidiary Company
73.	OOO AEK	Subsidiary Company
74.	Kabel-Technik-Polska Sp. z o.o.	Subsidiary Company
75.	AEES Power Systems Limited partnership	Subsidiary Company
76.	T.I.C.S. Corporation	Subsidiary Company
77.	Fortitude Industries Inc.	Subsidiary Company
78.	AEES Manufactura, S. De R.L de C.V.	Subsidiary Company
79.	Cableodos del Norte II, S. de R.L de C.V.	Subsidiary Company

FOR PRIVATE CIRCULATION ONLY AND CONFIDENTIAL (For the Addressee only)

80.	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.	Subsidiary Company
81.	Arneses y Accesorios de México, S. de R.L de C.V.	Subsidiary Company
82.	Asesoría Mexicana Empresarial, S. de R.L de C.V.	Subsidiary Company
83.	Arneses de Ciudad Juarez, S. de R.L de C.V.	Subsidiary Company
84.	PKC Group de Piedras Negras, S. de R.L. de C.V.	Subsidiary Company
85.	PKC Group AEES Commercial S. de R.L de C.V	Subsidiary Company
86.	SMRC Automotive Holdings B.V. <i>(merged with SMRC Automotive Holdings Netherlands B.V. from April 1st, 2022)</i>	Subsidiary Company
87.	SMRC Automotive Holdings Netherlands B.V.	Subsidiary Company
88.	SMRC Automotives Techno Minority Holdings B.V.	Subsidiary Company
89.	SMRC Automotive Modules France SAS	Subsidiary Company
90.	Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.	Subsidiary Company
91.	SMRC Automotive Interiors Spain S.L.U.	Subsidiary Company
92.	SMRC Automotive Interior Modules Croatia d.o.o	Subsidiary Company
93.	Samvardhana Motherson Reydel Autotecc Morocco SAS	Subsidiary Company
94.	SMRC Automotive Technology RU LLC	Subsidiary Company
95.	SMRC Smart Interior Systems Germany GmbH	Subsidiary Company
96.	SMRC Automotive Interiors Products Poland SA (dormant)	Subsidiary Company
97.	SMRC Automotive Solutions Slovakia s.r.o.	Subsidiary Company
98.	SMRC Automotive Holding South America B.V.	Subsidiary Company
99.	SMRC Automotive Modules South America Minority Holdings B.V.	Subsidiary Company
100.	SMRC Automotive Tech Argentina S.A.	Subsidiary Company
101.	SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltda	Subsidiary Company
102.	SMRC Automotive Products India Limited	Subsidiary Company
103.	SMRC Automotive Smart Interior Tech (Thailand) Ltd.	Subsidiary Company
104.	SMRC Automotive Interiors Japan Ltd.	Subsidiary Company
105.	Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd.	Subsidiary Company

FOR PRIVATE CIRCULATION ONLY AND CONFIDENTIAL (For the Addressee only)

106.	PT SMRC Automotive Technology Indonesia	Subsidiary Company
107.	Motherson Rolling Stock Systems GB Ltd. (under liquidation)	Subsidiary Company
108.	Motherson PKC Harness Systems FZ-LLC	Subsidiary Company
109.	Wisetime Oy	Subsidiary Company
110.	SMP Automotive Interior Modules d.o.o. Čuprija, Serbia	Subsidiary Company
111.	Motherson Rolling Stocks S. de R.L. de C.V.	Subsidiary Company
112.	Motherson Consultancies Service Limited	Subsidiary Company
113.	Samvardhana Motherson Finance Service Cyprus Limited	Subsidiary Company
114.	Samvardhana Motherson Holding (M) Private Limited	Subsidiary Company
115.	Samvardhana Motherson Auto Component Private Limited	Subsidiary Company
116.	MS Global India Automotive Private Limited	Subsidiary Company
117.	Samvardhana Motherson Maadhyam International Limited	Subsidiary Company
118.	Samvardhana Motherson Global Carriers Limited (SMGCL)	Subsidiary Company
119.	Samvardhana Motherson Hamakyorex Engineered Logistics Limited (Subsidiary through SMGCL)	Subsidiary Company
120.	Samvardhana Motherson Innovative Solutions Limited (SMISL)	Subsidiary Company
121.	Samvardhana Motherson Refrigeration Product Limited (Subsidiary through SMISL)	Subsidiary Company
122.	Motherson Machinery and Automations Limited (Subsidiary through SMISL)	Subsidiary Company
123.	Samvardhana Motherson Auto System Private Limited (Subsidiary through SMISL)	Subsidiary Company
124.	Motherson Sintermetal Technology B.V. (Subsidiary through SMISL)	Subsidiary Company
125.	Motherson Invenzen XLab Private Limited	Subsidiary Company
126.	Motherson Air Travel Agency GmbH	Subsidiary Company
127.	Jilin Huakai PKC Wire Harness Co. Ltd.	Subsidiary Company

Wholly Owned Subsidiary (except one share held by another shareholder).

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ii. Subsidiaries (i.e. Non-Wholly Owned Subsidiaries):

Sl. No.	Name of the Company	Nature of interest
1.	MSSL Australia Pty Ltd	Subsidiary Company
2.	Vacuform 2000 (Proprietary) Limited.	Subsidiary Company
3.	Samvardhana Motherson Reflectec Group Holdings Limited	Subsidiary Company
4.	SMR Automotive Technology Holding Cyprus Ltd.	Subsidiary Company
5.	SMR Automotive Mirror Parts and Holdings UK Ltd.	Subsidiary Company
6.	SMR Automotive Holding Hong Kong Limited	Subsidiary Company
7.	SMR Automotive Systems India Limited	Subsidiary Company
8.	SMR Automotive Systems France S. A.	Subsidiary Company
9.	SMR Automotive Mirror Technology Holding Hungary Kft	Subsidiary Company
10.	SMR Patents S.aR.L.	Subsidiary Company
11.	SMR Automotive Technology Valencia S.A.U.	Subsidiary Company
12.	SMR Automotive Mirrors UK Limited	Subsidiary Company
13.	SMR Automotive Mirror International USA Inc.	Subsidiary Company
14.	SMR Automotive Systems USA Inc.	Subsidiary Company
15.	SMR Automotive Beijing Co. Limited	Subsidiary Company
16.	SMR Automotive Yancheng Co. Limited	Subsidiary Company
17.	SMR Automotive Mirror Systems Holding Deutschland GmbH	Subsidiary Company
18.	SMR Holding Australia Pty Limited	Subsidiary Company
19.	SMR Automotive Australia Pty Limited	Subsidiary Company
20.	SMR Automotive Mirror Technology Hungary Bt	Subsidiary Company
21.	SMR Automotive Modules Korea Ltd	Subsidiary Company
22.	SMR Automotive Beteiligungen Deutschland GmbH	Subsidiary Company
23.	SMR Hyosang Automotive Ltd.	Subsidiary Company
24.	SMR Automotive Mirrors Stuttgart GmbH	Subsidiary Company
25.	SMR Automotive Systems Spain S.A.U.	Subsidiary Company
26.	SMR Automotive Vision Systems Mexico S.A. de C.V.	Subsidiary Company

FOR PRIVATE CIRCULATION ONLY AND CONFIDENTIAL (For the Addressee only)

27.	SMR Grundbesitz GmbH & Co. KG	Subsidiary Company
28.	SMR Automotive Brasil LTDA	Subsidiary Company
29.	SMR Automotive System (Thailand) Limited	Subsidiary Company
30.	SMR Automotives Systems Macedonia Dooel Skopje	Subsidiary Company
31.	SMR Automotive Operations Japan K.K.	Subsidiary Company
32.	SMR Automotive (Langfang) Co. Ltd.	Subsidiary Company
33.	SMR Automotive Vision System Operations USA INC	Subsidiary Company
34.	SMR Mirror UK Limited	Subsidiary Company
35.	Changchun Peguform Automotive Plastics Technology Co. Ltd	Subsidiary Company
36.	Foshan Peguform Automotive Plastics Technology Co. Ltd.	Subsidiary Company
37.	Celulosa Fabril (Cefa) S.A.	Subsidiary Company
38.	Modulos Ribera Alta S.L.	Subsidiary Company
39.	Shenyang SMP Automotive Component Co. Ltd.	Subsidiary Company
40.	Tianjin SMP Automotive Component Company Limited	Subsidiary Company
41.	Yujin SMRC Automotive Techno Corp.	Subsidiary Company
42.	SMRC Automotives Technology Phil Inc.	Subsidiary Company
43.	Motherson Elastomers Pty Limited	Subsidiary Company
44.	Motherson Investments Pty Limited	Subsidiary Company
45.	Samvardhana Motherson Global (FZE)	Subsidiary Company
46.	SMR Automotive Industries RUS Limited Liability Company	Subsidiary Company
47.	Jiangsu Huakai-PKC Wire Harness Co., Ltd.	Subsidiary Company
48.	Shanjdong Huakai-PKC Wireharness Co. Ltd.	Subsidiary Company
49.	Fuyang PKC Vehicle Technology Co., Ltd.	Subsidiary Company
50.	PKC Vechicle Technology (Hefei) Co, Ltd.	Subsidiary Company
51.	Motherson Innovations LLC, USA	Subsidiary Company
52.	Motherson Ossia Innovations LLC, USA	Subsidiary Company
53.	Samvardhana Motherson Corp Management Shanghai Co Ltd.	Subsidiary Company
54.	Re-time Pty Limited	Subsidiary Company

FOR PRIVATE CIRCULATION ONLY AND CONFIDENTIAL (For the Addressee only)

55.	Shenyang SMP Automotive Trim Co., Ltd., China	Subsidiary Company
56.	Motherson Business Service Hungary Kft.	Subsidiary Company
57.	SMR Plast Met Molds & Tools Turkey	Subsidiary Company
58.	SMR Plast Met Automtoive Tec Turkey	Subsidiary Company
59.	Motherson Molds and Diecasting Limited	Subsidiary Company
60.	Motherson Technology Services Limited (formerly MothersonSumi Infotech & Designs Limited) (MTSL)	Subsidiary Company
61.	Samvardhana Motherson Virtual Analysis Limited (Subsidiary through MTSL)	Subsidiary Company
62.	MSID US Inc (Subsidiary through MTSL)	Subsidiary Company
63.	MothersonSumi INFotekk and Designs GmbH (Subsidiary through MTSL)	Subsidiary Company
64.	MothersonSumi Infotech & Designs KK (Subsidiary through MTSL)	Subsidiary Company
65.	MothersonSumi Infotech and Designs S.G. Pte. Limited (Subsidiary through MTSL)	Subsidiary Company
66.	Motherson Auto Engineering Service Limited (Subsidiary through MTSL)	Subsidiary Company
67.	Samvardhana Motherson Health Solutions Limited (Subsidiary through MTSL)	Subsidiary Company
68.	SMI Consulting Technologies Inc. (Subsidiary through MTSL)	Subsidiary Company
69.	SAKS Ancillaries Limited (Subsidiary through SMISL)	Subsidiary Company
70.	Motherson Techno Tools Limited (Subsidiary through SMISL)	Subsidiary Company
71.	Motherson Techno Tools Mideast FZE (Subsidiary through SMISL)	Subsidiary Company
72.	Motherson Infotek Designs Mid East FZ-LLC (Subsidiary through MTSL)	Subsidiary Company
73.	Motherson Infotech and Solutions UK Ltd (Subsidiary through MTSL)	Subsidiary Company
74.	Motherson Information Technologies Spain S.L.U. (Subsidiary through MTSL)	Subsidiary Company
75.	Motherson Air Travel Agencies Limited	Subsidiary Company
76.	Motherson Auto Solutions Limited (through SMISL)	Subsidiary Company
77.	CIM Tools Private Limited	Subsidiary Company
78.	Aero Treatments Private Limited	Subsidiary Company

FOR PRIVATE CIRCULATION ONLY AND CONFIDENTIAL (For the Addressee only)

**ANNEXURE XVIII: TERMS AND CONDITIONS OF APPOINTMENT OF DEBNTURE
TRUSTEE**

[attached separately]



Samvardhana Mother's International Limited

(formerly Mother's Sumi Systems Limited)

Head Office: C-14 A & B, Sector 1, Noida – 201301 Distt. Gautam Budh Nagar, U.P. India

Tel: +91-120-6752100, 6752278, Fax: +91-120-2521866, 2521966, Website: www.mother's.com

November 10, 2022

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No.C/1, G-Block
Bandra-Kurla Complex
Bandra (E)
MUMBAI – 400051, India

BSE Limited
1st Floor, New Trading Ring
Rotunda Building
P.J. Towers, Dalal Street
Fort
MUMBAI – 400001, India

Scrip Code : MOTHERSON

Scrip Code : 517334

Ref. : Unaudited Financial Results for the quarter and half year ended September 30, 2022

Dear Sir(s) / Madam(s),

The Board of Directors of the Company in their meeting held on **Thursday, November 10, 2022**, *inter-alia*, have discussed and approved unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2022.

Pursuant to Regulation 33 and Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the following:

1. Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2022;
2. Limited Review Reports on the Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2022;
3. Presentation on the performance for the quarter and half year ended September 30, 2022; and
4. Copy of the Press Release issued by the Company.

The Board Meeting of the Company commenced at 1300 hours and concluded at 1445 hours.

The results will be uploaded on Company's website at www.mother's.com in compliance with Regulation 46(2)(I)(ii) and will be published in the newspapers in terms of Regulation 47(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The above is for your information and records.

Thanking you,

Yours truly,
For Samvardhana Mother's International Limited
(formerly Mother's Sumi Systems Limited)

ALOK
GOEL
Digitally signed
by ALOK GOEL
Date:
2022.11.10
15:04:30 +05'30'

Alok Goel
Company Secretary

Encl(s). : As above

Regd Office:
Unit – 705, C Wing, ONE BKC, G Block Bandra
Kurla Complex, Bandra East
Mumbai – 400051, Maharashtra (India)
Tel: 022-61354800, Fax: 022-61354801
CIN No.: L34300MH1986PLC284510
Email: investorrelations@mother's.com

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report To****The Board of Directors****Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited)**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited) (the "Company") for the quarter ended September 30, 2022 and year to date from April 01, 2022 to September 30, 2022 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005**PANKAJ
CHADHA**Digitally signed by PANKAJ CHADHA
DN: cn=PANKAJ CHADHA, c=IN,
o=Personal,
email=pankaj.chadha@srb.in
Reason: I am approving this document
Date: 2022.11.10 14:39:13 +05'30'**per Pankaj Chadha**

Partner

Membership No.: 091813

UDIN: **22091813BCSGJB4193**

Place: Gurugram

Date: November 10, 2022

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED
(formerly MOTHERSON SUMI SYSTEMS LIMITED)

CIN - L34300MH1986PLC284510

Regd. Office: Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

		Three months ended			Half year ended		(INR in Crores)
	Particulars	30/09/2022 Unaudited	30/06/2022 Unaudited	30/09/2021 Unaudited	30/09/2022 Unaudited	30/09/2021 Unaudited	Year ended 31/03/2022 Audited
1	Continuing Operations:						
(a)	Revenue from Operations						
	Revenue from contract with customers	1,797.42	1,608.70	1,267.88	3,406.12	2,374.67	5,297.00
	Sales of products	1,697.20	1,525.15	1,217.80	3,222.35	2,279.31	5,054.91
	- Within India	1,308.35	1,201.00	927.82	2,509.35	1,723.47	3,881.60
	- Outside India	388.85	324.15	289.68	713.00	555.84	1,173.31
	Sales of services	100.22	83.55	50.38	183.77	95.36	242.09
(b)	Other operating revenue	13.32	9.53	11.01	22.85	18.09	47.75
	Total revenue from operations	1,810.74	1,618.23	1,278.89	3,428.97	2,392.76	5,344.75
2	Other income	144.77	86.67	222.53	231.44	290.98	711.41
	Total Income	1,955.51	1,704.90	1,501.42	3,660.41	2,683.74	6,056.16
3	Expenses						
(a)	Cost of materials consumed	1,154.48	1,048.19	854.11	2,202.67	1,613.36	3,383.47
(b)	Purchase of stock-in-trade	35.60	33.19	20.64	68.79	22.91	92.03
(c)	Change in inventory of finished goods, work in progress and stock-in-trade	(14.67)	(6.95)	(47.48)	(21.62)	(124.79)	(82.79)
(d)	Employee benefits expense	194.79	180.02	151.94	374.81	298.07	607.65
(e)	Depreciation and amortisation expense	56.21	55.74	49.86	111.95	99.43	204.24
(f)	Finance costs	21.76	29.78	27.36	51.54	51.62	141.08
(g)	Other expenses	234.02	219.75	170.89	453.77	329.09	742.58
	Total expenses	1,682.19	1,559.72	1,227.32	3,241.91	2,289.69	5,088.26
4	Profit / (loss) before tax and exceptional items	273.32	145.18	274.10	418.50	394.05	967.90
5	Exceptional income / (expenses) (refer note 5 below)	-	-	-	-	(0.49)	(48.05)
6	Profit / (loss) before tax	273.32	145.18	274.10	418.50	393.56	919.85
7	Tax expense						
	- Current tax	59.42	15.04	40.73	74.46	62.28	97.06
	- Deferred tax expense/ (credit)	(0.01)	10.14	(10.82)	10.13	(14.62)	23.17
	Total tax expense/ (credit)	59.41	25.18	29.91	84.59	47.66	120.23
8	Profit / (loss) for the period from continuing operations	213.91	120.00	244.19	333.91	345.90	799.62
9	Discontinued operations (refer note 5 below)						
(a)	Revenue from operations	-	-	1,399.96	-	2,513.83	3,973.46
(b)	Other income	-	-	8.29	-	12.85	20.73
(c)	Total expenses	-	-	1,229.77	-	2,242.34	3,509.60
(d)	Profit before tax	-	-	178.48	-	284.34	484.59
(e)	Tax expense/ (credit)	-	-	44.97	-	72.00	120.35
(f)	Profit for the period from discontinued operations	-	-	133.51	-	212.34	364.24
10	Profit for the period from continuing and discontinued operations	213.91	120.00	377.70	333.91	558.24	1,163.86
11	Other comprehensive income from continuing operations						
A	Items not to be reclassified to profit / (loss)	0.56	7.40	(1.37)	7.96	(1.62)	2.72
	Income tax relating to items not to be reclassified to profit / (loss)	(0.14)	(1.86)	0.35	(2.00)	0.41	2.32
B	Items to be reclassified to profit / (loss)	6.75	39.30	9.55	46.05	33.28	31.22
	Income tax relating to items to be reclassified to profit / (loss)	(1.70)	(9.89)	(2.40)	(11.59)	(8.38)	(7.86)
12	Other comprehensive income from discontinued operations						
	Items not to be reclassified to profit / (loss)	-	-	(0.86)	-	(1.36)	(2.94)
	Income tax relating to items not to be reclassified to profit / (loss)	-	-	0.21	-	0.34	0.74
13	Total other comprehensive income from continuing and discontinued operations	5.47	34.95	5.48	40.42	22.67	26.20
14	Total comprehensive income for the period	219.38	154.95	383.18	374.33	580.91	1,190.06
15	Earnings per share (EPS) (of INR 1/-) for continuing operations (not annualised) (refer note 5 & 7 below)						
	- Basic	0.31	0.18	0.53	0.49	0.73	1.53
	- Diluted	0.31	0.18	0.53	0.49	0.73	1.53
16	Earnings per share (EPS) (of INR 1/-) for discontinued operations (not annualised) (refer note 5 & 7 below)						
	- Basic	-	-	0.28	-	0.45	0.70
	- Diluted	-	-	0.28	-	0.45	0.70
17	Earnings per share (EPS) (of INR 1/-) for continuing and discontinued operations (not annualised) (refer note 5 & 7 below)						
	- Basic	0.31	0.18	0.80	0.49	1.18	2.22
	- Diluted	0.31	0.18	0.80	0.49	1.18	2.22

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED
(formerly MOTHERSON SUMI SYSTEMS LIMITED)

CIN - L34300MH1986PLC284510

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UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022
SEGMENT REPORTING

(INR in Crores)

	Particulars	Three months ended			Half year ended		Year ended
		30/09/2022 Unaudited	30/06/2022 Unaudited	30/09/2021 Unaudited	30/09/2022 Unaudited	30/09/2021 Unaudited	31/03/2022 Audited
1	Segment revenue						
(a)	Wiring harness	929.89	861.02	659.09	1,790.91	1,254.88	2,781.23
(b)	Modules and polymer products	742.80	639.32	539.02	1,382.12	988.69	2,209.42
(c)	Emerging businesses	148.30	128.19	85.22	276.49	155.47	383.63
	Total	1,820.99	1,628.53	1,283.33	3,449.52	2,399.04	5,374.28
	Add: Segment revenue from discontinued operations (Wiring Harness segment) *	-	-	1,399.96	-	2,513.83	3,973.46
	Less: Inter segment*	10.25	10.30	442.39	20.55	837.09	1,323.63
	Total Revenue from operations	1,810.74	1,618.23	2,240.90	3,428.97	4,075.78	8,024.11
2	Segment results						
(a)	Wiring harness	151.99	133.06	85.42	285.05	210.87	518.38
(b)	Modules and polymer products	65.44	36.98	43.67	102.42	62.71	181.27
(c)	Emerging businesses	27.48	21.61	15.50	49.09	29.84	84.88
	Total	244.91	191.65	144.59	436.56	303.42	784.53
	Add: Profit / (loss) of discontinued operations (Wiring Harness segment)	-	-	194.19	-	315.86	531.95
	(refer note 5 below)*	-	-	194.19	-	315.86	531.95
	Less: Inter segment*	(0.09)	(0.78)	(4.23)	(0.87)	(2.48)	3.49
	Add: Unallocated income / (expenses)	(13.49)	(22.69)	(11.35)	(36.18)	(24.88)	(68.83)
	Total EBITDA	231.51	169.74	331.66	401.25	596.88	1,244.16
	Less: Depreciation and amortisation*	56.21	55.74	62.90	111.95	125.29	242.40
	Less : Finance costs*	21.76	29.78	30.19	51.54	56.97	150.41
	Add: Interest income*	25.33	26.00	25.20	51.33	52.26	123.96
	Add : Other income*	94.45	34.96	188.81	129.41	211.51	477.18
	Less: Exceptional expenses	-	-	-	-	0.49	48.05
	Total profit / (loss) before tax	273.32	145.18	452.58	418.50	677.90	1,404.44
3	Segment assets						
(a)	Wiring harness	2,419.18	2,565.33	2,163.26	2,419.18	2,163.26	2,822.15
(b)	Modules and polymer products	1,676.89	1,588.39	1,428.35	1,676.89	1,428.35	1,578.81
(c)	Emerging businesses	414.20	396.74	469.46	414.20	469.46	540.32
	Total	4,510.27	4,550.46	4,061.07	4,510.27	4,061.07	4,941.28
	Add: Discontinued operations (Wiring Harness segment)*	-	-	1,772.86	-	1,772.86	-
	Less: Inter segment*	5.31	159.96	512.95	5.31	512.95	314.32
	Total	4,504.96	4,390.50	5,320.98	4,504.96	5,320.98	4,626.96
	Add: Other unallocated assets	33,489.48	33,472.90	8,470.94	33,489.48	8,470.94	33,127.73
	Total segment assets	37,994.44	37,863.40	13,791.92	37,994.44	13,791.92	37,754.69
4	Segment liabilities						
(a)	Wiring harness	463.99	621.35	445.34	463.99	445.34	560.99
(b)	Modules and polymer products	696.92	595.65	512.91	696.92	512.91	663.39
(c)	Emerging businesses	143.26	336.66	244.12	143.26	244.12	310.31
	Total	1,304.17	1,553.66	1,202.37	1,304.17	1,202.37	1,534.69
	Add: Discontinued operations (Wiring Harness segment)*	-	-	971.41	-	971.41	-
	Less: Inter segment*	5.31	159.96	512.95	5.31	512.95	314.32
	Total	1,298.86	1,393.70	1,660.83	1,298.86	1,660.83	1,220.37
	Add: Other unallocated liabilities	5,683.91	5,383.78	5,280.97	5,683.91	5,280.97	5,603.29
	Total segment liabilities	6,982.77	6,777.48	6,941.80	6,982.77	6,941.80	6,823.66

* includes amount of operations classified and reported as discontinued in standalone financial results for quarter and half year ended September 30, 2021 and year ended March 31, 2022 (refer note 5).

Wiring harness represents operations of Samvardhana Motherson International Limited "SAMIL" (formerly Motherson Sumi Systems Limited "formerly MSSL") engaged mainly in the business of manufacturing and trading of wiring harness, its components and rendering of support service function exclusively to wiring harness operations. (refer note 4)

Modules and polymer products represents operations of Samvardhana Motherson International Limited "SAMIL" (formerly Motherson Sumi Systems Limited "formerly MSSL"), engaged in manufacturing and supplies of plastic parts and system modules for vehicle interiors and exteriors. It also includes rendering of support service function exclusively to modules and polymer products.(refer note 4)

Emerging businesses comprise "Elastomers", "Precision Metals & Modules" and "Services" operations of the Company. These operations of the Company are below the thresholds for separate reporting as operating segments.(refer note 4)

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED
(formerly **MOTHERSON SUMI SYSTEMS LIMITED**)

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UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2022

(INR in Crores)

Particulars	As at 30/09/2022 Unaudited	As at 31/03/2022 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	1,145.42	1,112.26
Right-of-use assets	175.35	179.34
Capital work in progress	64.14	53.81
Investment properties	465.29	474.76
Intangible assets	2.51	1.37
Investment in subsidiaries, joint ventures and associate	30,667.11	30,385.39
Financial assets		
i. Investments	0.25	0.25
ii. Loans	3.65	2,117.63
iii. Other financial assets	265.15	142.94
Deferred tax assets (net)		11.41
Other non-current assets	89.55	42.99
Non-current tax assets (net)	65.30	48.53
Total non-current assets	32,943.72	34,570.68
Current assets		
Inventories	793.80	687.74
Financial assets		
i. Investments	1.55	1.25
ii. Trade receivables	1,402.56	1,121.51
iii. Cash and cash equivalents	94.29	624.57
iv. Bank balances other than (iii) above	32.57	7.08
v. Loans	2,368.35	361.13
vi. Other financial assets	216.06	192.25
Other current assets	141.54	188.48
Total current assets	5,050.72	3,184.01
Total assets	37,994.44	37,754.69
EQUITY AND LIABILITIES		
Equity		
Equity share capital	451.76	451.76
Other equity		
Reserves and surplus	30,517.39	30,471.43
Other reserves	42.52	7.84
Reserves of a disposal group classified as held for distribution		-
Total equity	31,011.67	30,931.03
Liabilities		
Non current liabilities		
Financial Liabilities		
i. Borrowings	1,796.64	4,521.29
i.(a) Lease liabilities	39.62	48.03
ii. Other financial liabilities	46.44	43.73
Deferred tax liabilities	12.30	-
Employee benefit obligations	41.56	48.02
Government grants	18.04	18.08
Other non current liabilities	1.24	1.47
Total non-current liabilities	1,955.84	4,680.62
Current liabilities		
Financial Liabilities		
i. Borrowings	3,656.21	823.90
i.(a) Lease liabilities	27.97	23.08
ii. Trade payables		
Total outstanding dues of micro and small enterprises	53.94	60.13
Total outstanding dues of creditors other than micro and small enterprises	824.33	723.74
iii. Other financial liabilities	283.30	272.87
Provisions	1.00	3.59
Employee benefit obligations	38.32	33.12
Government grants	0.90	1.76
Other current liabilities	140.96	200.85
Total current liabilities	5,026.93	2,143.04
Total liabilities	6,982.77	6,823.66
Total equity and liabilities	37,994.44	37,754.69

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UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED SEPTEMBER 30, 2022

(INR in Crores)

	Particulars	Half year ended	
		30/09/2022 Unaudited	30/09/2021 Unaudited
A	Cash flow from operating activities:		
	Profit before tax from continuing operations	418.50	393.56
	Profit before tax from discontinued operations	-	284.34
	Adjustments for:		
	Depreciation & amortisation expense	111.95	125.29
	Amortisation of government grant	(0.90)	(1.59)
	Gain on disposal of property, plant and equipment (net)	(1.64)	(0.83)
	Liabilities written back to the extent no longer required	(0.51)	(0.15)
	Bad debts / advances written off	-	1.55
	Provision for doubtful debts/ advances	0.21	-
	Interest income	(51.33)	(52.26)
	Dividend income	(129.41)	(190.78)
	Finance costs	51.54	56.97
	Unrealised foreign exchange gain (net)	(1.21)	(24.29)
	Operating profit before working capital changes	397.20	591.81
	Change in working capital:		
	Increase/(decrease) in trade payables	94.21	(224.82)
	Increase/(decrease) in other payables	24.56	49.28
	Increase/(decrease) in other financial liabilities	17.88	83.57
	(Increase)/decrease in trade receivables	(280.65)	125.72
	(Increase)/decrease in inventories	(106.06)	(397.05)
	(Increase)/decrease in other financial assets	(25.46)	(1.18)
	(Increase)/decrease in other receivables	(55.22)	(42.98)
	Cash generated from operations	66.46	184.35
	Income taxes paid (net of refund)	(78.29)	(125.36)
	Net cash generated from operating activities	(11.83)	58.99
B	Cash flow from Investing activities:		
	Payments for property, plant & equipment & investment property (including capital work in progress)	(191.65)	(137.04)
	Proceeds from sale of property, plant and equipment and Right-of-use assets	2.65	27.54
	Proceeds from sale / (payment for purchase) of investments	(375.89)	-
	Loan (to)/repaid by related parties	107.46	(7.55)
	Interest received	73.81	54.15
	Dividend received from subsidiaries	2.66	190.78
	Dividend received from others	113.81	0.01
	(Investment)/ proceeds from maturity of deposits with remaining maturity for more than 3 months	0.20	0.18
	Net cash from /(used) in investing activities	(266.95)	128.07
C	Cash flow from financing activities:		
	Dividend paid to equity share holders	(267.96)	(472.35)
	Interest paid	(78.47)	(85.53)
	Proceeds from long term borrowings	-	150.00
	Proceeds from short term borrowings	230.00	265.00
	Repayment of long term borrowings	(50.00)	(50.00)
	Repayment of short term borrowings	(75.00)	(80.04)
	Payment of lease liabilities	(10.55)	(9.41)
	Net cash generated from /(used in) financing activities	(251.98)	(282.33)
	Net increase/(decrease) in cash & cash equivalents	(530.76)	(95.27)
	Net foreign exchange differences on balance with banks in foreign currency	0.48	3.86
	Cash and cash equivalents at the beginning of the year	624.57	286.70
	Cash and cash equivalents as at the end of year	94.29	195.29
	Cash and cash equivalents comprise of the following:		
	Cash and cash equivalent - discontinued operations (refer note 5 & 6 below)	-	18.25
	Cash on hand	0.20	0.19
	Cheques / drafts on hand	5.78	2.09
	Balances with banks	88.31	174.76
	Cash and cash equivalents as at the end of year	94.29	195.29

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

Notes:

- These standalone financial results of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 read with rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 (as amended) and in terms of regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI Circular No. CIR/CFD/CDM1/44/2019 dated March 29, 2019 and other accounting principles generally accepted in India.
- The above standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on November 09, 2022 and November 10, 2022 respectively.
- Finance cost includes mark to market loss/(gain) on hedging contracts and foreign currency exchange loss/(gain) incurred on reinstatement of the underlying asset/liabilities which is as follows:

Particulars	Three months ended			Half year ended		Year ended
	30/09/2022	30/06/2022	30/09/2021	30/09/2022	30/09/2021	31/03/2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Amount (INR in Crore)	(35.37)	(24.92)	1.98	(60.29)	2.83	6.20

Exchange gain on assets and liabilities other than above is reported under other income.

- Subsequent to the completion of group re-organisation as mentioned in note 5, the Chief Operating Decision Maker "CODM" reviews the operations of the Company in the following operating segments i.e. 'Wiring Harness', 'Modules and polymer products', 'Elastomers', 'Precision Metals & Modules' and 'Services', therefore disclosures on segment reporting in these standalone financial results have been made in accordance therewith.
- The Hon'ble National Company Law Tribunal, Mumbai Bench ("Hon'ble NCLT") vide its order dated December 22, 2021 approved the Composite Scheme of Amalgamation and Arrangement ("the Scheme") between the Company, Motherson Sumi Wiring India Limited ("MSWIL"), erstwhile Samvardhana Motherson International Limited (erstwhile SAMIL) and their respective shareholders. The Scheme among other things, included demerger of Domestic Wiring Harness ("DWH") business from the Company into a new company, viz., MSWIL and subsequent merger of erstwhile SAMIL into the Company.
Post receipt of all necessary and substantive approvals, the Company had given effect to the merger and demerger accounting in the quarter ended December 31, 2021 in accordance with the accounting treatment prescribed in the Scheme and relevant accounting principles.
Accordingly, till the date the Scheme was accounted for, results of DWH Business were reflected as Discontinued Operations presented in the standalone financial results for the respective periods presented.
Also, in accordance with the Scheme, 1,359,680,007 net equity shares having face value of INR 1/- each have been allotted by the Company in the ratio of 5:1 equity shares of the Company of face value INR 1/- each for every 10 equity shares of erstwhile SAMIL of face value INR 10/- each to the shareholders of erstwhile SAMIL. Hence, for the purpose of earning per share (EPS), these allotted shares have been considered from the accounting date of the Scheme (i.e. December 31, 2021), while calculating weighted average number of shares for the relevant comparatives presented in these standalone financial results.
Considering the impact of scheme accounting in the comparative periods, the results for the current quarter are not fully comparable with those for the earlier periods presented.
The income and expenses of continuing operations includes transactions with discontinued operations, which does not have impact on "Profit / (loss)" for the period from continuing and discontinued operations" as disclosed in these standalone financial results. Revenue from contract with customers and other operating revenue on account of transactions between continuing operations and discontinued operations is as follows:

Particulars	Three months ended			Half year ended		Year ended
	30/09/2022	30/06/2022	30/09/2021	30/09/2022	30/09/2021	31/03/2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Amount included in continuing operations	-	-	437.60	-	830.03	1,292.87
Amount included in discontinued operations	-	-	0.35	-	0.78	1.23

The Company had incurred expenses amounting INR 0.49 crores and INR 48.05 crores (net of amount recovered) in connection with the implementation of the scheme of arrangement, post NCLT approval during the half year ended September 30, 2021 and year ended March 31, 2022 respectively, which has been disclosed as exceptional expenses in these standalone financial results.

	Particulars	Three months ended			Half year ended		Year ended
		30/09/2022 Unaudited	30/06/2022 Unaudited	30/09/2021 Unaudited	30/09/2022 Unaudited	30/09/2021 Unaudited	31/03/2022 Audited
(a)	Debt equity ratio (in times) [(Long term borrowing including current maturities + short term borrowing + lease liabilities) / Shareholders equity]	0.18	0.17	0.85	0.18	0.85	0.18
(b)	Debt service coverage ratio (in times)* [(Earnings before interest, depreciation and amortisation, dividend income, interest income, loss on sale of FA and exceptional items but after tax) / (Interest expense on short term and long term borrowings + scheduled principal repayments of long term borrowing during the next twelve months)]	0.05	0.11	0.09	0.09	0.20	0.70
(c)	Interest service coverage ratio (in times) [(Earnings before interest depreciation and amortisation dividend income, interest income and exceptional items but after tax) / (Interest expense on short term and long term borrowings for the period)]	4.35	3.93	4.82	4.14	6.09	5.01
(d)	Debt redemption reserve	Not Applicable being a Listed entity					
(e)	Net worth (INR in Crores) (Total equity - other reserves - reserve on amalgamation - capital reserve)	30,422.74	30,502.16	5,825.76	30,422.74	5,825.76	30,376.78
(f)	Profit / (loss) for the period from continuing and discontinued operations	213.91	120.00	377.70	333.91	558.24	1,163.86
(g)	Basic & diluted earnings per share - continuing operations*	0.31	0.18	0.53	0.49	0.73	1.53
(h)	Basic & diluted earnings per share - discontinued operations*	-	-	0.28	-	0.46	0.70
(i)	Basic & diluted earnings per share - continuing & discontinued operations*	0.31	0.18	0.80	0.49	1.18	2.22
(j)	Asset cover for the secured NCDs issued						
	7.84% NCDs amounting INR 500 crores (in times)	1.66	1.66	1.35	1.66	1.35	1.59
	9.75% NCD amounting INR 700 crores (in %)	420%	327%	NA	420%	NA	335%
(k)	Current ratio (in times) (Current assets / Current liabilities)	1.00	1.15	0.99	1.00	0.99	1.49
(l)	Long term debt to working capital (in times) [(Long term borrowings including current maturities / (Current assets - current liabilities excluding current maturities of long term borrowings)]	1.51	3.25	3.94	1.51	3.94	2.94
(m)	Bad debts to account receivable ratio (in times)* (Bad debts / Average trade receivables)	0	0	0	0	0	0
(n)	Current liability ratio (in times) (Current liability / Total liability)	0.72	0.38	0.41	0.72	0.41	0.31
(o)	Total debt to total assets (in times) [(Long term borrowing including current maturities + short term borrowing + lease liabilities) / Total assets]	0.15	0.14	0.42	0.15	0.42	0.14
(p)	Debtors turnover (in times)* (Revenue from contract with customers / Average trade receivables)	1.38	1.39	1.72	2.70	3.12	5.66
(q)	Inventory turnover (in times)* (Cost of goods sold / Average inventories)	1.53	1.50	1.19	3.04	2.31	5.46
(r)	Operating margin (%) [(Profit before tax - other income + finance costs + exceptional expenses) / Revenue from operations]	8.30%	5.46%	6.16%	6.96%	6.46%	7.44%
(s)	Net profit margin (%) (Profit / (loss) for the period / Revenue from operations)	11.81%	7.42%	19.09%	9.74%	14.46%	14.96%

* Not annualised

Considering the impact of scheme accounting mentioned in note 5, above ratios (other than stated at 6 f, g, h, i) have been calculated with the following approach.

-For the comparative periods, only relevant amounts pertaining to continuing operations have been considered.

Pursuant to Clause 52(7), there were no deviations in the use of proceeds of issue of listed non-convertible debentures from the objects stated in the offer document.

7 The shareholders of the Company approved the issue of bonus shares on September 23, 2022 in proportion of 1 equity share for every 2 equity shares held. These bonus shares have been allotted subsequently on October 6, 2022. Accordingly, the basic and diluted earnings per share have been adjusted for all the periods presented for the bonus shares allotted in accordance with Ind AS-33 "Earnings per share" as notified by the Ministry of Corporate Affairs.

8 Figures of previous year / periods have been reclassified / regrouped / restated, wherever necessary.

Place : Noida
Date: November 10, 2022

VIVEK
CHAAND
SEHGAL
V C Sehgal
CHAIRMAN

Digitally signed by
VIVEK CHAAND
SEHGAL
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Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to

The Board of Directors

Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited)

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited) (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures for the quarter and period ended September 30, 2022 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and

Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:
 - 34 subsidiaries, whose unaudited interim financial results include total assets of Rs. 30,595 Crores as at September 30, 2022, total revenues of Rs 10,212 Crores and Rs 20,590 Crores, total net loss of Rs. 34 Crores and Rs. 109 Crores, total comprehensive loss of Rs. 79 Crores and Rs. 46 Crores, for the quarter ended September 30, 2022 and the period ended on that date respectively, and net cash outflows of Rs. 596 Crores for the period from April 01, 2022 to September 30, 2022, as considered in the Statement which have been reviewed by their respective independent auditors.
 - 3 joint ventures, whose unaudited interim financial results include Group's share of net loss of Rs. 79 Crores and Rs. 144 Crores and Group's share of total comprehensive loss of Rs. 79 Crores and Rs. 144 Crores for the quarter ended September 30, 2022 and for the period from April 01, 2022 to September 30, 2022 respectively, as considered in the Statement whose interim financial results, other financial information have been reviewed by their respective independent auditors.

The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and joint ventures is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

7. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:

- 101 subsidiaries, whose interim financial results and other financial information reflect total assets of Rs 21,231 Crores as at September 30, 2022, and total revenues of Rs 530 Crores and Rs 993 Crores, total net losses of Rs. 1 Crores and total net profit after tax Rs. 3 Crores, total comprehensive loss of Rs. 1 Crore and total comprehensive income Rs. 170 Crores, for the quarter ended September 30, 2022 and the period ended on that date respectively and net cash inflows of Rs. 69 Crores for the period from April 01, 2022 to September 30, 2022.
- 1 associate and 15 joint ventures, whose interim financial results includes the Group's share of net profit of Rs. 43 Crores and Rs 59 Crores and Group's share of total comprehensive income of Rs. 43 Crores and Rs. 59 Crores for the quarter ended September 30, 2022 and for the period from April 01, 2022 to September 30, 2022 respectively.

The unaudited interim financial results and other unaudited financial information of these subsidiaries, joint ventures, and associates have not been reviewed by their auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, joint ventures and associates, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 6 and 7 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Management.

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

PANKAJ
CHADHA

Digitally signed by PANKAJ CHADHA
DN: cn=PANKAJ CHADHA, c=IN,
o=Personal,
email=pankaj.chadha@srb.in
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per Pankaj Chadha

Partner

Membership No.: 091813

UDIN: 22091813BCSCEC2422

Place: Gurugram

Date: November 10, 2022

Annexure I

List of Subsidiaries/Associates/Joint Ventures

Subsidiaries

Sl. No.	Name of the Company
1	SMRC Automotive Holdings B.V.
2	SMRC Automotive Holdings Netherlands B.V.
3	SMRC Automotives Techno Minority Holdings B.V.
4	SMRC Automotive Interiors Products Poland SA
5	SMRC Smart Automotive Interior Technologies USA, LLC
6	SMRC Automotive Modules France SAS
7	SMRC Interior Systems Holdings Spain S.L.U
8	SMRC Automotive Interiors Spain S.L.U.
9	SMRC Automotive Interior Modules Croatia d.o.o.
10	Samvardhana Motherson Reydel Autotecc Morocco SAS
11	SMRC Automotive Technology RU LLC (Russia)
12	SMRC Smart Interior Systems Germany GmbH
13	SMRC Automotive Solutions Slovakia s.r.o.
14	SMRC Automotive Holding South America B.V.
15	SMRC Automotive Modules South America Minority Holdings B.V.
16	SMRC Automotive Tech Argentina S.A.
17	SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltda.
18	SMRC Automotive Products India Private Ltd.
19	SMRC Automotive Smart Interior Tech Thailand Ltd.
20	PT SMRC Automotive Technology Indonesia
21	SMRC Automotive Interiors Japan Ltd.
22	Yujin SMRC Automotive Techno Corp. (South Korea)
23	SMRC AUTOMOTIVES TECHNOLOGY PHIL Inc.. (Philippines)
24	Shanghai Reydel Automotive Technology Consulting Co. Ltd.
25	SMR Holding Australia Pty Limited
26	SMR Automotive Australia Pty Limited
27	Re-time Pty Limited
28	SMR Automotive Brasil LTDA
29	SMR Automotive Yancheng Co. Limited
30	SMR Automotive (Langfang) Co. Ltd.
31	SMR Automotive Beijing Co. Limited
32	SMR Automotive Technology Holding Cyprus Ltd.
33	SMR Automotive Systems France S. A.
34	SMR Automotive Mirror Systems Holding Deutschland GmbH
35	SMR Automotive Mirrors Stuttgart GmbH

36	SMR Grundbesitz GmbH & Co. KG
37	SMR Automotive Beteiligungen Deutschland GmbH
38	Motherson Innovations Deutschland GmbH
39	SMR Automotive Holding Hong Kong Limited
40	SMR Automotive Mirror Technology Hungary Bt
41	SMR Automotive Mirror Technology Holding Hungary Kft
42	SMR Automotive Systems India Limited
43	SMR Automotive Operations Japan K.K.
44	Samvardhana Motherson Reflectec Group Holdings Limited
45	SMR Patents S.a.R.L.
46	SMR Automotives Systems Macedonia Dooel Skopje
47	SMR Automotive Vision Systems Mexico S.A. de C.V.
48	SMR Automotive Industries RUS Limited Liability Company
49	SMR Automotive Modules Korea Ltd .
50	SMR Hyosang Automotive Ltd.
51	SMR Automotive Technology Valencia S.A.U.
52	SMR Automotive Systems Spain S.A.U.
53	SMR Automotive System (Thailand) Limited
54	Samvardhana Motherson Global (FZE)
55	SMR Automotive Mirror Parts and Holdings UK Ltd.
56	SMR Automotive Mirrors UK Limited
57	SMR Mirror UK Limited
58	Motherson Innovations Company Limited, U.K.
59	SMR Automotive Systems USA Inc.
60	SMR Automotive Mirror International USA Inc.
61	SMR Automotive Vision System Operations USA INC
62	Samvardhana Motherson Corp Management Shanghai Co.,Ltd
63	Motherson Innovations LLC (USA)
64	Motherson Ossia Innovations LLC (USA)
65	SMR Plast Met Molds and Tools Turkey Kalip Imalat Anonim Sirketi ((effective from April 29, 2021))
66	SMR Plast Met Automotive Tec Turkey Plastik Imalat Anonim Sirketi ((effective from April 29, 2021))
67	Motherson Business Service Hungary Kft.
68	MSSL Manufacturing Hungary Kft
69	SMP Automotive Produtos Automotivos do Brasil Ltda.
70	SMP Automotive Technology Iberica S.L.
71	SMP Automotive Technologies Teruel Sociedad Limitada
72	Samvardhana Motherson Peguform Barcelona S.L.U.
73	Celulosa Fabril (Cefa) S.A.
74	Modulos Ribera Alta S.L.
75	SMP Automotive Systems Alabama Inc.
76	SMP Automotive Systems Mexico S.A. de C.V.
77	Samvardhana Motherson Peguform Automotive Technology Portugal S.A

78	SMP Automotive Technology Management Services (Changchun) Co. Ltd.
79	Foshan Peguform Automotive Plastics Technology Co. Ltd.
80	Shenyang Peguform Automotive Components Co. Ltd.
81	Tianjin SMP Automotive Component Company Limited
82	SMP Deutschland GmbH
83	SMP Logistik Service GmbH
84	SMP Automotive Solutions Slovakia s.r.o
85	SMP Automotive Interior Modules d.o.o. Čuprija, Serbia
86	Shenyang SMP Automotive Trim Co, Ltd.
87	SMP Automotive Interiors (Beijing) Co. Ltd
88	Samvardhana Motherson Peguform GmbH
89	SMP Automotive Exterior GmbH
90	Motherson Innovations Lights GmbH & Co KG
91	Motherson Innovations Lights Verwaltungs GmbH
92	Samvardhana Motherson Automotive Systems Group B.V.
93	SMIA Mexico S.A. de C.V.
94	Samvardhana Motherson Innovative Autosystems Holding Company BV
95	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG
96	SM Real Estate GmbH
97	PK Cables do Brasil Ltda
98	PKC Group Canada Inc.
99	PKC Vehicle Technology (Hefei) Co, Ltd.
100	PKC Vehicle Technology (Suzhou) Co., Ltd.
101	Jiangsu Huakai-PKC Wire Harness Co., Ltd.
102	Shandong Huakai-PKC Wire Harness Co. Ltd.
103	PKC Eesti AS
104	PKC Group Plc
105	PKC Wiring Systems Oy
106	TKV-sarjat Oy
107	PKC SEGU Systemelektrik GmbH
108	PKC Group APAC Limited
109	PKC Group Lithuania UAB
110	Project del Holding S.a.r.l.
111	Groclin Luxembourg S.à r.l.
112	AEES Manufactuera, S. De R.L de C.V.
113	Arneses y Accesorios de México, S. de R.L de C.V.
114	Arneses de Ciudad Juarez, S. de R.L de C.V.
115	Asesoría Mexicana Empresarial, S. de R.L de C.V.
116	Cableodos del Norte II, S. de R.L de C.V.
117	PKC Group de Piedras Negras, S. de R.L. de C.V.
118	PKC Group AEES Commercial S. de R.L de C.V
119	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.
120	PKC Group Mexico S.A. de C.V.

121	Kabel-Technik-Polska Sp. z o.o.
122	PKC Group Poland Sp. z o.o.
123	PKC Group Poland Holding Sp. z o.o.
124	OOO AEK
125	PKC Wiring Systems Llc
126	PKC Group USA Inc.
127	AEES Inc.
128	AEES Power Systems Limited partnership
129	T.I.C.S. Corporation
130	Fortitude Industries Inc.
131	Motherson Rolling Stock Systems GB Limited
132	Motherson PKC Harness Systems FZ-LLC
133	Wisetime Oy
134	PKC Vehicles Technology (Fuyang) Co.,Ltd
135	Jilin Huakai-PKC Wire Harness Co., Ltd.
136	Motherson Rolling Stocks S. de R.L. de C.V.
137	MSSL Consol Australia Pty Ltd
138	Motherson Elastomers Pty Limited
139	Samvardhana Motherson Global Holdings Ltd.
140	MSSL Advanced Polymers s.r.o
141	MSSL Estonia WH OÜ
142	MSSL GmbH
143	Samvardhana Motherson Invest Deutschland GmbH
144	MATA GmbH
145	Motherson Innovations Tech Limited
146	Samvardhana Motherson Polymers Ltd.
147	Saks Ancillaries Limited*
148	MSSL Ireland Pvt. Limited
149	MATA Ireland
150	MSSL s.r.l Unipersonale
151	MSSL Japan Limited
152	MSSL Korea WH Limited
153	MSSL Mauritius Holdings Limited
154	MSSL México, S.A. De C.V.
155	Alphabet de Mexico, S.A. de C.V.
156	Alphabet de Mexico de Monclova, S.A. de C.V.
157	Alphabet de Saltillo, S.A. de C.V.
158	MSSL Wirings Juarez S.A. de C.V.
159	MSSL Mexico
160	CIM Tools Private Limited
161	Motherson Techno Precision México, S.A. de C.V
162	MSSL Wiring System Inc., USA
163	MSSL (S) Pte Ltd.

164	MSSL Global RSA Module Engineering Limited
165	Vacuform 2000 (Proprietary) Limited.
166	Motherson Electrical Wires Lanka Pvt. Ltd.
167	MSSL WH System (Thailand) Co., Ltd
168	MSSL Mideast (FZE)
169	Motherson Wiring System (FZE)
170	MSSL Tooling (FZE)
171	Global Environment Management (FZC)
172	MSSL (GB) Limited
173	MSSL Consolidated Inc.
174	MSSL M Tooling Ltd
175	Samvardhana Motherson Innovative solutions Limited*
176	Samvardhana Motherson Auto System Pvt. Ltd.*
177	Motherson Machinery and Automations Ltd.*
178	Samvardhana Motherson Refrigeration Product Ltd.*
179	Motherson Techno Tools Ltd.*
180	Motherson Sintermetal Technology B.V.*
181	Motherson Techno Tools Mideast (FZE)*
182	Motherson Technology Services Limited (formerly MothersonSumi Infotech & Designs Limited) (MTSL).*
183	Motherson Consultancies Service Ltd.*
184	Motherson Moulds and Diecasting Ltd.*
185	Samvardhana Motherson Finance Services Cyprus Ltd.*
186	Samvardhana Motherson Holding (M) Pvt. Ltd. Mauritius*
187	Samvardhana Motherson Auto Component Pvt. Ltd.*
188	MS Global India Automotive Private Limited*
189	Samvardhana Motherson Global Carriers Limited*
190	Samvardhana Motherson Hamakyorex Engineered Logistics Ltd.*
191	Samvardhana Motherson Maadhyam International Limited*
192	Motherson Invenzen XLab Pvt. Ltd.*
193	CTM India Ltd.*
194	Motherson Air Travel Agencies Ltd. (MATA)*
195	Samvardhana Motherson Virtual Analysis Limited (MTSL)*
196	Motherson Auto Engineering Service Ltd. (MTSL)*
197	Samvardhana Motherson Health Solution Limited (MTSL)*
198	MSID US Inc (MTSL)*
199	SMI Consulting Technologies (MTSL)*
200	MothersonSumi Infotekk And Designs GmbH (MTSL)*
201	MothersonSumi Infotech & Designs KK (MTSL)*
202	MothersonSumi Infotech and Designs SG Pte. Limited (MTSL)*
203	Motherson Infotech and Solutions UK Limited, U.K. (MTSL)*
204	Motherson Infotek Designs Mid East FZ-LLC (MTSL)*
205	Motherson Information Technologies Spain S.L.U. (MTSL)*

206	Areo Treatment Private Limited
207	Changchun Peguform Automotive Plastics Technology Co. Ltd

*Pursuant to the approval of Composite scheme of Amalgamation and Arrangements by National Company Law Tribunal (NCLT), these entities have been consolidated as subsidiaries w.e.f. December 31, 2021.

Associates

Sl. No.	Name of the Company
1.	Hubei Zhengao PKC Automotive Wiring Company Ltd
2.	AES (India) Engineering Ltd.

Joint Ventures

Sl. No.	Name of the Company
1.	Kyungshin Industrial Motherson Pvt. Ltd.
2.	Calsonic Kansei Motherson Auto Products Pvt. Ltd.
3.	Motherson Auto Solutions Ltd.
4.	Nissin Advanced Coating Indo Co. Pvt. Ltd.
5.	Anest Iwata Motherson Pvt. Ltd.
6.	Anest Iwata Motherson Coating Equipment Pvt. Ltd.
7.	Valeo Motherson Thermal Commercial Vehicle India Ltd.
8.	Fritzmeier Motherson Cabin Engineering Pvt. Ltd.
9.	Marelli Motherson Automotive Lighting India Pvt. Ltd.
10.	Marelli Motherson Auto Suspension Parts Pvt Ltd
11.	Matsui Technologies India Ltd.
12.	Frigel Intelligent Cooling Systems India Pvt. Ltd.
13.	Motherson Bergstrom HVAC Solutions Pvt. Ltd.
14.	Ningbo SMR Huaxiang Automotive Mirrors Co. Limited
15.	Chongqing SMR Huaxiang Automotive Products Limited
16.	Tianjin SMR Huaxiang Automotive Parts Co., Ltd.
17.	Nanchang JMCG SMR Huaxiang Mirror Co. Ltd
18.	Youngshin Motherson Auto Tech Limited
19.	Motherson Sumi Wiring India Limited
20.	Lauak CIM Aerospace
21.	Eissmann SMP Automotive interieur Slovakia s.r.o.

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED
(formerly MOTHERSON SUMI SYSTEMS LIMITED)

CIN - L34300MH1986PLC284510

Regd. Office: Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

(INR in Crores)

	Particulars	Three months ended			Half year ended		Year ended
		30/09/2022 Unaudited	30/06/2022 Unaudited	30/09/2021 Unaudited	30/09/2022 Unaudited	30/09/2021 Unaudited	31/03/2022 Audited
1	Continuing Operations:						
	Revenue from Operations						
(a)	Revenue from contract with customers	18,085.04	17,453.63	13,963.51	35,538.67	29,987.22	62,831.65
	Sales of products	17,773.79	17,172.72	13,822.74	34,946.51	29,685.14	62,156.75
	- Within India	2,014.30	1,820.24	1,238.56	3,834.54	2,285.28	5,409.70
	- Outside India	15,759.49	15,352.48	12,584.18	31,111.97	27,399.86	56,747.05
	Sales of services	311.25	280.91	140.77	592.16	302.08	674.90
(b)	Other operating revenue	175.74	161.08	112.88	336.82	246.52	704.34
	Total revenue from operations	18,260.78	17,614.71	14,076.39	35,875.49	30,233.74	63,535.99
2	Other income	94.04	97.84	87.14	191.88	241.92	495.67
	Total Income	18,354.82	17,712.55	14,163.53	36,067.37	30,475.66	64,031.66
3	Expenses						
(a)	Cost of materials consumed	10,712.65	10,383.59	8,155.34	21,096.24	17,625.42	36,804.92
(b)	Purchase of stock-in-trade	113.53	96.19	29.63	209.72	44.17	182.76
(c)	Change in inventory of finished goods, work in progress and stock-in-trade	(108.90)	(124.80)	(97.35)	(233.70)	(385.46)	(251.36)
(d)	Employee benefits expense	4,100.23	4,272.51	3,504.52	8,372.74	7,469.71	15,374.57
(e)	Depreciation expense	655.41	645.40	634.67	1,300.81	1,287.79	2,570.82
(f)	Amortisation expense	93.31	86.98	102.66	180.29	200.80	387.38
(g)	Finance costs	183.71	169.39	131.32	353.10	252.08	542.59
(h)	Other expenses	2,040.18	1,910.40	1,540.50	3,950.58	3,316.18	6,963.74
	Total expenses	17,790.12	17,439.66	14,001.29	35,229.78	29,810.69	62,575.42
4	Profit / (loss) before exceptional items and share of profit / (loss) of associates and joint ventures	564.70	272.89	162.24	837.59	664.97	1,456.24
5	Exceptional income / (expenses) (refer note 4 & 8 below)	(98.38)	-	-	(98.38)	(0.49)	(48.05)
6	Share of profit/(loss) of Associates and Joint ventures (net of tax)	(6.74)	1.41	16.43	(5.33)	36.59	15.98
7	Profit / (loss) before tax	459.58	274.30	178.67	733.88	701.07	1,424.17
8	Tax expenses						
	- Current tax	224.48	188.63	149.94	413.11	367.72	731.49
	- Deferred tax expense/ (credit)	(53.10)	(95.88)	(64.31)	(148.98)	(127.34)	(124.65)
	Total tax expense/ (credit)	171.38	92.75	85.63	264.13	240.38	606.84
9	Profit / (loss) for the period from continuing operations	288.20	181.55	93.04	469.75	460.69	817.33
10	Discontinued operations (refer note 4 below)						
(a)	Revenue from operations	-	-	1,399.96	-	2,513.83	3,973.46
(b)	Other income	-	-	8.29	-	12.85	20.73
(c)	Total expenses	-	-	1,229.77	-	2,242.34	3,509.60
(d)	Profit before tax	-	-	178.48	-	284.34	484.59
(e)	Tax expense/ (credit)	-	-	44.97	-	72.00	120.35
(f)	Profit for the period from discontinued operations	-	-	133.51	-	212.34	364.24
11	Profit / (loss) for the period from continuing and discontinued operations	288.20	181.55	226.55	469.75	673.03	1,181.57
12	Other comprehensive income from continuing operations						
A.	Items not to be reclassified to profit / (loss)	(13.65)	14.19	(1.46)	0.57	(1.47)	31.41
	Income tax relating to items not to be reclassified to profit / (loss)	1.12	(3.68)	0.47	(2.57)	0.61	(2.58)
B.	Items to be reclassified to profit / (loss)	(460.00)	530.46	(254.05)	70.48	112.21	211.00
	Income tax relating to items to be reclassified to profit / (loss)	(85.54)	(9.93)	(4.34)	(95.47)	(2.08)	(18.00)
13	Other comprehensive income from discontinued operations						
	Items not to be reclassified to profit / (loss)	-	-	(0.86)	-	(1.36)	(2.94)
	Income tax relating to items not to be reclassified to profit / (loss)	-	-	0.21	-	0.34	0.74
14	Total other comprehensive income from continuing and discontinued operations	(558.07)	531.04	(260.03)	(26.99)	108.25	219.63
15	Total comprehensive income / (expense) for the period	(269.87)	712.59	(33.48)	442.76	781.28	1,401.20
16	Net Profit attributable to:						
	- Owners	246.43	141.22	216.86	387.65	506.49	873.85
	- Non-controlling interests	41.77	40.33	9.69	82.10	166.54	307.72
	Total comprehensive income attributable to:						
	- Owners	(310.88)	672.43	(0.62)	361.59	564.42	908.81
	- Non-controlling interests	41.01	40.16	(32.86)	81.17	216.86	492.39
17	Earnings per share (EPS) (of INR 1/-) for continuing operations (not annualised) (refer note 4 & 6 below)						
	- Basic	0.36	0.21	0.17	0.57	0.62	0.97
	- Diluted	0.36	0.21	0.17	0.57	0.62	0.97
18	Earnings per share (EPS) (of INR 1/-) for discontinued operations (not annualised) (refer note 4 & 6 below)						
	- Basic	-	-	0.28	-	0.45	0.70
	- Diluted	-	-	0.28	-	0.45	0.70
19	Earnings per share (EPS) (of INR 1/-) for continuing and discontinued operations(not annualised) (refer note 4 & 6 below)						
	- Basic	0.36	0.21	0.45	0.57	1.07	1.67
	- Diluted	0.36	0.21	0.45	0.57	1.07	1.67

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED

(formerly MOTHERSON SUMI SYSTEMS LIMITED)

CIN - L34300MH1986PLC284510

Regd. Office: Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022 SEGMENT REPORTING

(INR in Crores)

	Particulars	Three months ended			Half year ended		Year ended
		30/09/2022 Unaudited	30/06/2022 Unaudited	30/09/2021 Unaudited	30/09/2022 Unaudited	30/09/2021 Unaudited	31/03/2022 Audited
1	Segment revenue						
(a)	Wiring harness	6,394.33	6,096.47	5,259.00	12,490.80	10,727.46	21,940.15
(b)	Modules and polymer products	9,743.55	9,412.80	7,678.72	19,156.35	16,805.74	35,319.75
(c)	Vision systems	3,935.54	3,482.25	2,982.04	7,417.79	6,281.17	13,447.71
(d)	Emerging businesses	1,753.47	1,616.92	364.28	3,370.39	692.24	2,560.12
	Total	21,826.89	20,608.44	16,284.04	42,435.33	34,506.61	73,267.73
	Less: Inter segment	540.42	540.44	314.27	1,080.86	648.12	1,506.26
	Revenue from operations (gross)	21,286.47	20,068.00	15,969.77	41,354.47	33,858.49	71,761.47
	Less: Revenue from operation of entities consolidated as per equity method	3,025.69	2,453.29	951.98	5,478.98	1,990.48	5,609.36
	Total Revenue from operations*	18,260.78	17,614.71	15,017.79	35,875.49	31,868.01	66,152.11
2	Segment results						
(a)	Wiring harness	522.33	482.65	507.81	1,004.98	986.18	1,913.01
(b)	Modules and polymer products	651.58	481.09	502.81	1,132.67	1,200.32	2,448.18
(c)	Vision systems	358.52	293.28	248.47	651.80	626.68	1,288.87
(d)	Emerging businesses	174.86	177.10	34.54	351.96	54.32	230.60
	Total	1,707.29	1,434.12	1,293.63	3,141.41	2,867.50	5,880.66
	Less: Inter segment	(25.18)	12.98	5.16	(12.20)	17.03	11.72
	Add : Other unallocable income / (expenses)	(36.81)	(32.89)	(17.24)	(69.70)	(38.82)	(101.02)
	Total	1,695.66	1,388.25	1,271.23	3,083.91	2,811.65	5,767.92
	Less: Profit / (loss) of operation of entities consolidated as per equity method	201.98	237.20	63.05	439.18	141.34	428.36
	Total EBITDA	1,493.68	1,151.05	1,208.18	2,644.73	2,670.31	5,339.56
	Less : Depreciation and amortisation*	748.72	732.38	750.37	1,481.10	1,514.45	2,996.36
	Less : Finance cost *	183.71	169.39	134.13	353.10	257.39	561.91
	Add: Interest income*	3.48	23.61	18.99	27.09	30.11	117.33
	Add : Other income*	(0.03)	-	(1.95)	(0.03)	20.73	42.21
	Less: Exceptional expenses (refer note 8 below)	98.38	-	-	98.38	0.49	48.05
	Add : Share of profit / (loss) of associates and joint ventures	(6.74)	1.41	16.43	(5.33)	36.59	15.98
	Total profit / (loss) before tax*	459.58	274.30	357.15	733.88	985.41	1,908.76
3	Segment assets						
(a)	Wiring harness	16,462.68	16,159.07	15,430.72	16,462.68	15,430.72	16,384.82
(b)	Modules and polymer products	25,741.77	26,032.55	24,616.18	25,741.77	24,616.18	26,106.89
(c)	Vision systems	8,007.22	7,927.77	7,314.17	8,007.22	7,314.17	7,710.81
(d)	Emerging businesses	5,099.39	5,257.38	1,253.85	5,099.39	1,253.85	4,399.39
	Total	55,311.06	55,376.77	48,614.92	55,311.06	48,614.92	54,601.91
	Less: Inter segment	813.89	785.57	826.35	813.89	826.35	516.56
	Total	54,497.17	54,591.20	47,788.57	54,497.17	47,788.57	54,085.35
	Less: Assets of entities consolidated as per equity method	7,081.55	6,869.67	2,701.33	7,081.55	2,701.33	6,847.41
	Add: Current and non-current investments including Investments accounted for using the equity method **	6,361.03	6,646.52	824.99	6,361.03	824.99	6,461.74
	Add: Other unallocated assets**	3,435.76	3,091.53	1,504.80	3,435.76	1,504.80	2,570.38
	Total segment assets*	57,212.41	57,459.58	47,417.03	57,212.41	47,417.03	56,270.06
4	Segment liabilities						
(a)	Wiring harness	5,884.04	5,611.05	5,198.06	5,884.04	5,198.06	5,483.98
(b)	Modules and polymer products	12,894.80	13,052.80	11,700.91	12,894.80	11,700.91	12,708.45
(c)	Vision systems	4,283.45	4,221.30	3,787.20	4,283.45	3,787.20	4,238.45
(d)	Emerging businesses	1,651.93	1,824.44	394.53	1,651.93	394.53	1,248.33
	Total	24,714.22	24,709.59	21,080.70	24,714.22	21,080.70	23,679.21
	Less: Inter segment	813.89	785.57	826.31	813.89	826.31	516.56
	Total	23,900.33	23,924.02	20,254.39	23,900.33	20,254.39	23,162.65
	Less: Liabilities of entities consolidated as per equity method	3,383.12	3,586.35	1,379.13	3,383.12	1,379.13	3,288.83
	Add: Other unallocated liabilities	14,235.23	14,146.42	11,735.47	14,235.23	11,735.47	14,031.71
	Total segment liabilities*	34,752.44	34,484.09	30,610.73	34,752.44	30,610.73	33,905.53

* Includes amount of operations classified and reported as discontinued in the consolidated financial results for quarter and half year ended September 30, 2021 and year ended March 31, 2022 (refer note 4 & 5).

** Includes the impact of difference between the book value and fair values recorded in the consolidated financial results relating to the businesses merged with the Company as a part of the Composite Scheme of Amalgamation and Arrangement (refer note 4). Thus, in the respective segments, assets/liabilities of these businesses are shown at book values as monitored by CODM.

Wiring harness represents operations of Samvardhana Motherson International Limited "SAMIL" (formerly Motherson Sumi Systems Limited "formerly MSSSL"), its subsidiaries, joint ventures and associates, engaged mainly in the business of manufacturing and trading of wiring harness, its components and rendering of support service function exclusively to wiring harness operations. (refer note 5)

Modules and polymer products represents operations of Samvardhana Motherson International Limited "SAMIL" (formerly Motherson Sumi Systems Limited "formerly MSSSL"), its subsidiaries, joint ventures and associates engaged in manufacturing and supplies of plastic parts and system modules for vehicle interiors and exteriors. It also includes operations of subsidiaries engaged in rendering of support service function exclusively to modules and polymer products. (refer note 5)

Vision systems represents operations of Samvardhana Motherson International Limited "SAMIL" (formerly Motherson Sumi Systems Limited "formerly MSSSL"), its subsidiaries, joint ventures and associates engaged in development, manufacture and supply of rear view mirrors and drive assistance systems. It also includes operations of subsidiaries engaged in rendering of support service function exclusively to vision systems. (refer note 5)

Emerging businesses comprise "Elastomers", "Lighting & Electronics", "Precision Metals & Modules", "Technology & Industrial Solutions", "Logistics Solutions", "Aerospace", "Health & Medical" and "Services" operations of the Group. These operations of the Group are below the thresholds for separate reporting as operating segments. (refer note 5)

Segment revenue, segment results, segment assets and segment liabilities of joint venture and associates are fully consolidated for the purpose of review by CODM and in the segment reports. Accordingly, above disclosure includes reconciliation items with the amounts presented in the consolidated financial results.

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED
(formerly MOTHERSON SUMI SYSTEMS LIMITED)

CIN - L34300MH1986PLC284510

Regd. Office: Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2022

(Rs. in Crores)

Particulars	As at 30/09/2022 Audited	As at 31/03/2022 Audited
ASSETS		
Non Current Assets		
Property, plant and equipment	14,333.27	14,525.22
Right-of-use assets	1,687.15	1,603.07
Capital work in progress	1,057.59	1,248.78
Investment properties	509.17	524.18
Goodwill	3,459.78	3,374.29
Other intangible assets	1,376.64	1,384.50
Intangible assets under development	49.69	60.89
Investments accounted for using the equity method	6,172.06	6,264.70
Financial assets		
i. Investments	187.42	195.79
ii. Loans	4.17	3.65
iii. Trade receivables	1,381.30	1,451.55
iv. Other financial assets	390.41	241.26
Other non-current assets	1,332.30	1,376.72
Deferred tax assets (net)	1,275.15	1,148.64
Non-current tax assets (net)	241.66	250.65
Total non-current assets	33,457.76	33,653.89
Current assets		
Inventories	7,307.70	6,441.67
Financial assets		
i. Investments	1.55	1.25
ii. Trade receivables	7,364.92	6,573.12
iii. Cash and cash equivalents	3,961.68	4,877.52
iv. Bank balances other than (iii) above	196.50	121.88
v. Loans	32.99	28.92
vi. Other financial assets	3,484.66	3,127.75
Other current assets	1,404.65	1,444.06
Total current assets	23,754.65	22,616.17
Total assets	57,212.41	56,270.06
EQUITY AND LIABILITIES		
Equity		
Equity share capital	451.78	451.76
Other equity		
Reserves and surplus	19,592.63	19,451.11
Other reserves	655.16	685.36
Equity attributable to owners of the Company	20,699.57	20,588.23
Non controlling interest	1,760.40	1,776.30
Total equity	22,459.97	22,364.53
Non current liabilities		
Financial liabilities		
i. Borrowings	5,149.46	8,500.67
i.(a) Lease liabilities	1,043.68	1,007.02
ii. Other financial liabilities	605.46	481.09
Provisions	119.97	134.81
Employee benefit obligations	525.63	546.57
Deferred tax liabilities (net)	538.14	544.49
Government grants	217.02	239.22
Other non-current liabilities	154.36	166.26
Total non-current liabilities	8,353.72	11,620.13
Current liabilities		
Financial liabilities		
i. Borrowings	7,521.88	4,260.21
i.(a) Lease liabilities	382.81	361.82
ii. Trade payables	11,958.65	11,360.31
iii. Other financial liabilities	3,402.86	3,317.90
Provisions	446.00	481.51
Employee benefit obligations	220.34	228.03
Government grants	42.22	47.52
Current tax liabilities (net)	452.54	390.08
Other current liabilities	1,971.42	1,838.02
Total current liabilities	26,398.72	22,285.40
Total liabilities	34,752.44	33,905.53
Total equity and liabilities	57,212.41	56,270.06

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UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022
CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2022

(INR in Crores)

Particulars	Half year ended	
	30/09/2022 Unaudited	30/09/2021 Unaudited
A Cash flow from operating activities:		
Profit before tax from continuing operations	733.88	701.07
Profit before tax from discontinued operations	-	284.34
Adjustments for:		
Share of (profit)/loss in associates and joint ventures accounted for using the equity method	5.33	(36.59)
Depreciation expense	1,300.81	1,313.65
Amortisation expense	180.29	200.80
Finance costs	353.10	257.43
Interest income	(27.09)	(30.13)
Dividend income	-	(0.01)
Loss/ (gain) on disposal of property, plant & equipment	(14.28)	(8.39)
Gain on sale of Investments	-	(1.05)
Provision for diminution in the value of investment	0.05	-
Bad debts / advances written off	0.25	3.81
Provision for doubtful debts / advances	10.79	2.93
Liability no longer required written back	(29.31)	(18.74)
Unrealised foreign currency loss/(gain)	(362.40)	100.90
Operating profit before working capital changes	2,151.42	2,770.02
Changes in working capital:		
Increase/(decrease) in trade and other payables	634.61	(1,434.09)
Increase/(decrease) in other financial liabilities	121.64	301.73
(Increase)/decrease in trade receivables	(662.89)	332.67
(Increase)/decrease in inventories	(792.93)	(1,502.84)
(Increase)/decrease in other receivables	23.55	(80.91)
(Increase)/decrease in other financial assets	(325.86)	(353.28)
Cash generated from operations	1,149.54	33.30
Income taxes paid (net of refund)	(341.15)	(473.31)
Net cash generated from operating activities	808.39	(440.01)
B Cash flow from Investing activities:		
Payments for purchase of property, plant & equipment, other intangible assets and investment property (including capital work in progress and intangible assets under development)	(853.36)	(1,241.51)
Proceeds from sale of property, plant & equipment, Right-of-use assets and other intangible assets	22.01	56.02
Proceeds from sale / (payment for purchase) of investments and investment property	2.37	9.77
Loan (to) / repaid by related parties (net)	(2.36)	(8.17)
Interest received	27.74	27.50
Dividend received	-	0.01
Dividend received from associates & joint venture entities	134.92	73.30
(Investment)/Proceeds from maturity of deposits with remaining maturity for more than 3 months	(49.43)	(0.51)
Consideration paid for acquisition of subsidiaries (net of cash balance acquired)	(148.23)	(177.14)
Net cash used in investing activities	(866.34)	(1,260.73)
C Cash flow from financing activities:		
Dividend paid	(267.96)	(472.35)
Dividend paid to minority shareholders	(24.37)	(89.19)
Interest paid	(433.10)	(394.16)
Proceeds from long term borrowings	8.93	328.19
Proceeds from short term borrowings	2,045.14	1,165.92
Repayment of long term borrowings	(53.86)	(535.97)
Repayment of short term borrowings	(1,937.06)	(610.80)
Repayment of loans to related parties	-	(17.61)
Payment of lease liabilities	(195.39)	(180.81)
Net cash used in financing activities	(857.67)	(806.78)
Net Increase/(decrease) in cash & cash equivalents	(915.62)	(2,507.52)
Net foreign exchange differences on balance with banks in foreign currency	(0.22)	2.35
Cash and cash equivalents at the beginning of the period	4,877.52	5,936.66
Cash and cash equivalents as at the end of period	3,961.68	3,431.49
Cash and cash equivalents comprise of the following:		
Cash and cash equivalent - discontinued operations (refer note 4 below)	-	18.25
Cash on hand	1.54	1.64
Cheques / drafts on hand	7.42	8.07
Balance with banks	3,952.72	3,403.53
Cash and cash equivalents as at the end of period	3,961.68	3,431.49

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

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED

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UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

Notes:

- 1 These consolidated financial results of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 read with rule 3 of the Companies (Indian Accounting Standard) rules, 2015 (as amended) and in terms of regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI Circular No. CIR/CFD/CDM1/44/2019 dated March 29, 2019 and other accounting principles generally accepted in India.
- 2 The above consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on November 09, 2022 and November 10, 2022 respectively.
- 3 Finance cost includes mark to market loss/(gain) on hedging contracts, foreign currency exchange loss/(gain) incurred on reinstatement of the underlying asset/liabilities and foreign currency borrowings. Exchange gain on all other assets and liabilities are reported under other income.
- 4 The Hon'ble National Company Law Tribunal, Mumbai Bench ("Hon'ble NCLT") vide its order dated December 22, 2021 approved the Composite Scheme of Amalgamation and Arrangement ("the Scheme") between the Company, Motherson Sumi Wiring India Limited ("MSWIL"), erstwhile Samvardhana Motherson International Limited (erstwhile SAMIL) and their respective shareholders. The Scheme among other things, included demerger of Domestic Wiring Harness ("DWH") business from the Company into a new company, viz., MSWIL and subsequent merger of erstwhile SAMIL into the Company.
Post receipt of all necessary and substantive approvals, the Group had given effect to the merger and demerger accounting in the quarter ended December 31, 2021 in accordance with the accounting treatment prescribed in the Scheme and relevant accounting principles.
Accordingly, till the date the Scheme was accounted for, results of DWH Business were reflected as Discontinued Operation and accordingly presented in the financial results for the respective periods presented.
Also, in accordance with the Scheme, 1,359,680,007 net equity shares having face value of INR 1/- each have been allotted by the Company in the ratio of 51 equity shares of the Company of face value INR 1/- each for every 10 equity shares of erstwhile SAMIL of face value INR 10/- each to the shareholders of erstwhile SAMIL. Hence, for the purpose of earning per share (EPS), these allotted shares have been considered from the accounting date of the Scheme (i.e. December 31, 2021), while calculating weighted average number of shares for the relevant comparatives presented in the consolidated financial results.
Considering the impact of scheme accounting in the comparative periods, the results for the current quarter are not fully comparable with those for the earlier periods presented.

The income and expenses of continuing operations includes transactions with discontinued operation, which does not have impact on "Profit / (loss) for the period from continuing and discontinued operations" as disclosed in Consolidated financial results. Revenue from contract with customers and other operating revenue on account of transaction between continuing operations and discontinued operations is as follows:

Particulars	Three months ended			Half year ended		Year ended
	30/09/2022	30/06/2022	30/09/2021	30/09/2022	30/09/2021	31/03/2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Amount included in continuing operations	-	-	450.08	-	857.04	1,331.50
Amount included in discontinued operations	-	-	8.48	-	22.52	25.84

The Group had incurred expenses amounting INR 0.49 crores and INR 47.56 crores (net of amount recovered) in connection with the implementation of the scheme of arrangement, post NCLT approval during the quarter ended June 30, 2021 and year ended March 31, 2022 respectively, which was disclosed as exceptional expenses in these consolidated financial results.

- 5 Subsequent to the completion of group re-organisation as mentioned in note 4, the Chief Operating Decision Maker "CODM" reviews the operations of the group in the following operating segments i.e. 'Wiring Harness', 'Modules and polymer products', 'Vision systems', 'Elastomers', 'Lighting & Electronics', 'Precision Metals & Modules', 'Technology & Industrial Solutions', 'Logistics Solutions', 'Aerospace', 'Health & Medical' and 'Services', therefore disclosures on segment reporting in these Consolidated financial results have been made in accordance therewith.
- 6 The shareholders of the Company approved the issue of bonus shares on September 23, 2022 in proportion of 1 equity share for every 2 equity shares held. These bonus shares have been allotted subsequently on October 6, 2022. Accordingly, the basic and diluted earnings per share have been adjusted for all the periods presented for the bonus shares allotted in accordance with Ind AS-33 "Earnings per share" as notified by the Ministry of Corporate Affairs.

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UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

7 Additional disclosure as per Regulation 52(4) and Regulation 54(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	Three months ended			Half year ended		Year ended
	30/09/2022 Unaudited	30/06/2022 Unaudited	30/09/2021 Unaudited	30/09/2022 Unaudited	30/09/2021 Unaudited	31/03/2022 Audited
(a) Debt equity ratio (in times) [(Long term borrowing including current maturities + short term borrowing + lease liabilities) / Shareholders equity]	0.68	0.65	1.03	0.68	1.03	0.69
(b) Debt service coverage ratio (in times)* [(Earnings before interest, depreciation and amortisation, dividend income, interest income, loss on sale of FA and exceptional items but after tax) / (Interest expense on short term and long term borrowings + scheduled principal repayments of long term borrowing during the next twelve months)]	0.32	0.73	0.62	0.57	1.37	3.17
(c) Interest service coverage ratio (in times) [(Earnings before interest depreciation and amortisation, dividend income, interest income and exceptional items but after tax) / (Interest expense on short term and long term borrowings for the period)]	14.03	12.43	15.19	13.28	17.19	14.98
(d) Debenture redemption reserve	Not Applicable being a Listed entity					
(e) Net worth (INR in Crores) (Total equity - other reserves - reserve on amalgamation)	19,878.07	19,829.99	10,842.45	19,878.07	10,842.45	19,736.53
(f) Profit / (loss) for the period from continuing and discontinued operations	288.20	181.55	226.55	469.75	673.03	1,181.57
(g) Basic & diluted earnings per share - continuing operations*	0.36	0.21	0.17	0.57	0.62	0.97
(h) Basic & diluted earnings per share - discontinued operations*	-	-	0.28	-	0.45	0.70
(i) Basic & diluted earnings per share - continuing & discontinued operations*	0.36	0.21	0.45	0.57	1.07	1.67
(j) Asset cover for the secured NCDs issued						
7.84% NCDs amounting INR 500 crores (in times)	1.66	1.66	1.35	1.66	1.35	1.59
9.75% NCD amounting INR 700 crores (in %)	420%	327%	NA	420%	NA	335%
(k) Current ratio (in times) (Current assets / Current liabilities)	0.90	1.00	1.02	0.90	1.02	1.01
(l) Long term debt to working capital (in times) [Long term borrowings including current maturities / (Current assets - current liabilities excluding current maturities of long term borrowings)]	6.67	6.90	5.07	6.67	5.07	6.89
(m) Bad debts to account receivable ratio (in times)* (Bad debts / Average trade receivables)	0	0	0	0	0	0
(n) Current liability ratio (in times) (Current liability / Total liability)	0.76	0.67	0.65	0.76	0.65	0.66
(o) Total debt to total assets (in times) [(Long term borrowing including current maturities + short term borrowing + lease liabilities) / Total assets]	0.25	0.24	0.27	0.25	0.27	0.25
(p) Debtors turnover (in times)* (Revenue from contract with customers / Average trade receivables)	2.09	2.11	1.85	4.24	3.98	7.91
(q) Inventory turnover (in times)* (Cost of goods sold / Average inventories)	1.50	1.54	1.30	3.07	2.78	6.54
(r) Operating margin (%) [(Profit before tax - other income + finance costs + exceptional expenses) / Revenue from operations]	3.6%	2.0%	1.5%	2.8%	2.2%	2.4%
(s) Net profit margin (%) (Profit / (loss) for the period / Revenue from operations)	1.6%	1.0%	0.7%	1.3%	1.5%	1.3%

* Not annualised

Considering the impact of scheme accounting mentioned in note 4, above ratios (other than stated at 7 f, g, h, i) have been calculated with the following approach.

-For the comparative periods, only relevant amounts pertaining to continuing operations have been considered.

Pursuant to Clause 52(7), there were no deviations in the use of proceeds of issue of listed non-convertible debentures from the objects stated in the offer document.

8 With protracted geopolitical conflict in Russia and related sanctions, OEMs have limited, halted or fully exited business activities. While the Group continues to explore alternate business opportunities going forward, impairment provision and other costs related to production suspension amounting to INR 98.38 crores has been recorded in the current quarter and disclosed as exceptional expenses in these consolidated financial results. Further, Deferred Tax Assets (DTA) amounting to INR 14.71 crores booked in earlier years, has been derecognised in the current quarter.

9 Figures of previous year / periods have been reclassified / regrouped / restated, wherever necessary.

Place : Noida

Date: November 10, 2022

VIVEK
CHAAND
SEHGAL

Digitally signed by VIVEK
CHAAND SEHGAL
Date: 2022.11.10 14:28:21
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V C Sehgal
CHAIRMAN

Samvardhana Motherson International Limited
(formerly known as Motherson Sumi Systems Limited)

Standalone Financial Statements

2021-2022

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED

(formerly known as Motherson Sumi Systems Limited)

Standalone Financial Statements

2021-2022

INDEPENDENT AUDITOR'S REPORT
2021-2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Samvardhana Motherhood International Limited (formerly known as Motherhood Sumi Systems Limited)

Report on the Audit of the Standalone Financial Statements**Opinion**

We have audited the accompanying standalone financial statements of Samvardhana Motherhood International Limited (formerly known as Motherhood Sumi Systems 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 profit 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 standalone 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Accounting for the Composite Scheme of Amalgamation and Arrangements (as described in Note 51 of the standalone financial statements)	
The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated December 22, 2021 has approved the Composite Scheme of Amalgamation and Arrangement ("the Scheme") between the Company,	The procedures performed by us included following:



Key audit matters	How our audit addressed the key audit matter
<p>Motherson Sumi Wiring India Limited ("MSWIL"), erstwhile Samvardhana Motherson International Limited (erstwhile SAMIL) and their respective shareholders.</p> <p>The Scheme entails demerger of Domestic Wiring Harness ("DWH") business from the Company into a new company, viz., MSWIL and subsequent merger of erstwhile SAMIL into the Company to bring all auto component and allied businesses in erstwhile SAMIL under the Company.</p> <p>In respect to the demerger, the carrying value of the identified net assets pertaining to the DWH business transferred to MSWIL has been adjusted against general reserve of the Company.</p> <p>For merger, the identifiable assets and liabilities of erstwhile SAMIL have been accounted for in accordance with IND AS 103 – "Business Combination" at the fair values determined by an independent valuer appointed by the Company.</p> <p>The above is considered as a key audit matter as transaction involves significant amount including exercise of judgement and interpretation of the relevant accounting standards and applicable tax and other statutes/regulations.</p>	<p>a. Read and assessed the provisions of the Scheme and the NCLT order;</p> <p>b. Obtained an understanding and assessed the effectiveness of process followed by the management for recording the accounting treatment prescribed in the Scheme;</p> <p>c. Evaluated whether the accounting treatment of the said transaction is in line with the applicable Indian Accounting Standards (Ind AS) and accounting guidance;</p> <p>d. Tested the management's assessment and computation for identifying the relevant assets and liabilities of the demerged business;</p> <p>e. Performed testing procedures including involvement of valuation specialists for testing of the valuation reports provided by the management for the appropriateness of assumptions involved;</p> <p>f. Verified whether the accounting entries recorded in the books are in line with the accounting treatment assessed above, including the arithmetical accuracy of the same;</p> <p>g. Read and assessed the disclosure made in the standalone financial statements for assessing compliance with disclosure requirements</p>

Other Information

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

Responsibilities 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 charged with governance 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



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) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (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 43 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 37 to the standalone financial statements;
 - 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, as disclosed in the Note 54 (v) 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 persons or entities, 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, as disclosed in the Note 54 (vi) to the standalone financial statements, no funds have been received by the company from any persons or entities, 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. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 39 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

Chartered Accountants

ICAI Firm Registration Number: **301003E/E300005**

Pankaj

per **Pankaj Chadha**

Partner

Membership Number: 091813

UDIN: 22091813AJRVJU4297



Place of Signature: Noida

Date: May 26, 2022

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems 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.
- (i)(a)(B) The Company has maintained proper records showing full particulars of intangibles assets.
- (i)(b) All Property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (i)(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (i)(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.
- (i)(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 inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure of such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2022 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.
- (ii)(b) As disclosed in note 17 (b) to the standalone 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 and financial institutions are in agreement with the books of accounts of the Company.
- (iii)(a) During the year, the Company has provided loans to companies, other parties as follows:

	Guarantees (INR million)	Loans (INR million)
Aggregate amount of loan granted/ provided during the year		
- Subsidiaries	-	28
- Others	-	75
Balance outstanding as at balance sheet date in respect of		
- Subsidiaries	21,568	24,665
- Others	-	-

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



(iii)(e) There were no loans or advance in the nature of loan granted to companies, or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(iii)(f) As disclosed in note 7 to the standalone financial statements, the Company has granted loans repayable on demand to companies. Of these following are the details of the aggregate amount of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

	All Parties	Promoters	Related Parties
Aggregate amount of loans			
- Repayable on demand (INR million)	3,523	-	3,523
Percentage of loans	14.2%	-	14.2%

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(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 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) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of its products and related services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and service tax, 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.

(vii)(b) The dues of income-tax, service tax, excise duty have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (INR million) *	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	13	A.Y. 2002-03	Supreme Court
Income Tax Act, 1961	Income Tax	6	A.Y. 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	5	A.Y. 2016-2017	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1	A.Y. 2017-2018	Income tax appellate Tribunal
Income Tax Act, 1961	Income Tax	6	A.Y. 2018-2019	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961**	Income Tax	0	A.Y. 2020-2021	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	10	A.Y. 2009-19 to 2014-17	Commissioner (Appeals)
Finance Act, 1994	Service Tax	2	A.Y. 2002-03 to 2003-04 & 2010-11	Commissioner
Finance Act, 1994	Service Tax	5	A.Y. 2002-2004, 2009-10 to 2014-15	CESTAT



S.R. BATLIBOI & Co. LLP

Chartered Accountants

Finance Act, 1994	Service Tax	1	A.Y. 2007-08, 2009-10, 2010-11 & 2015-16	CESTAT
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* The amounts are net of deposits made by the Company under protest.

** Amount is below the rounding off norm adopted by 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.
- (ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix)(c) Term loans were applied for the purpose for which the loans were obtained.
- (ix)(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (ix)(e) On an overall examination of the standalone 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, associates or joint ventures.
- (ix)(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 utilized the monies raised during the year by way of debt instruments in the nature of non-convertible debentures for the purposes for which they were raised.
- (x)(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 fraud on the Company has been noticed or reported during the year.
- (xi)(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi)(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii)(a) 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) of the order is not applicable to the Company.
- (xii)(b) 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) (b) of the order is not applicable to the Company.
- (xii)(c) 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) (c) of the order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone 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.
- (xiv)(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 its directors or persons connected with its director and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-1A of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3 (xvi)(a) of the Order is not applicable to the Company.
- (xvi)(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3 (xvi)(b) of the Order is not applicable to the Company.
- (xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (xvi)(d) The Group has a Core Investment Company (CIC) as part of the Group, which is exempted from registration requirement.
- (xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- (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 35 to the standalone 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) The Company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 (the Act), till the date of the report. However, the period for such transfer i.e. six months of the expiry of the financial year as permitted under second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report. This matter has been disclosed in note 30 (b) to the standalone financial statements.
- (xx)(b) In respect of ongoing projects, the Company has transferred unspent amount to a special account, within a period thirty days from end of the financial year in compliance with provisions of sub section (6) of section 135 of the Companies Act. This matter has been disclosed in note 30 (b) to the standalone financial statements.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Pankaj



per Pankaj Chadha

Partner

Membership Number: 091813

UDIN: 22091813AJRVJU4297

Place of Signature: Noida

Date: May 26, 2022

Annexure 2 To The Independent Auditor's Report Of Even Date On The Standalone Financial Statements Of Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems 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 Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems 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 **Pankaj Chadha**

Partner

Membership Number: 091813

UDIN: 22091813AJRVJU4297

Place of Signature: Noida

Date: May 26, 2022

Samvardhana Motherson International Limited
(formerly known as Motherson Sumi Systems Limited)
Standalone Financial Statements
2021-22

(All amounts in INR Million, unless otherwise stated)			
	Notes	As At March 31, 2022	As At March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	11,123	14,304
Right-of-use assets	3(b)	1,793	2,455
Capital work in progress	3(a)	538	281
Investment properties	4	4,748	835
Intangible assets	5	14	0
Investment in subsidiaries, joint ventures and associate	6(a)	303,854	55,663
Financial assets			
i. Investments	6(a)	3	186
ii. Loans	7	21,176	23,752
iii. Other financial assets	9(a)	1,429	664
Deferred tax assets (net)	11	114	401
Other non-current assets	10	430	182
Non-current tax assets (net)	23	485	104
Total non-current assets		345,707	98,827
Current assets			
Inventories	12	6,877	5,544
Financial assets			
i. Investments	6(b)	12	12
ii. Trade receivables	8	11,215	5,185
iii. Cash and cash equivalents	13	6,246	2,495
iv. Bank balances other than (iii) above	14	71	61
v. Loans	7	3,611	3,056
vi. Other financial assets	9(b)	1,923	1,461
Other current assets	10	1,885	916
Total current assets		31,840	18,730
Assets classified as held for distribution	51	-	17,872
Total assets		377,547	135,429
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	4,518	3,158
Other equity			
Reserves and surplus	16(a)	304,714	64,393
Other reserves	16(b)	78	(121)
Total equity		309,310	67,430
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	17(a)	45,213	34,265
i (a) Lease liabilities	46	480	600
ii. Other financial liabilities	18	437	178
Employee benefit obligations	21	480	277
Government grants	22	181	25
Other non-current liabilities	24	15	-
Total non-current liabilities		46,806	35,345
Current liabilities			
Financial Liabilities			
i. Borrowings	17(b)	8,239	13,535
i (a) Lease liabilities	46	231	122
ii. Trade payables			
Total outstanding dues of micro and small enterprises	19	601	369
Total outstanding dues of creditors other than micro and small enterprises	19	7,237	5,870
iii. Other financial liabilities	18	2,729	3,493
Provisions	20	36	18
Employee benefit obligations	21	331	210
Government grants	22	18	1
Other current liabilities	24	2,009	572
Total current liabilities		21,431	24,190
Liabilities directly associated with the assets held for distribution	51	-	8,464
Total liabilities		68,237	67,999
Total equity and liabilities		377,547	135,429
Summary of significant accounting policies			
	2		

This is the Balance Sheet referred to in our report of even date

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

For and on behalf of the Board

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICA Firm Registration Number: 301003E/E300005

per PANKAJ CHADHA
Partner
Membership No.: 091813



Place: Noida
Date: May 26, 2022

V.C. SEHGAL
Chairman

Place: Mumbai
Date: May 26, 2022

Kunal Malani

Chief Financial Officer
Place: Mumbai
Date: May 26, 2022

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer
Place: Mumbai
Date: May 26, 2022

ALOK GOEL
Company Secretary
Place: Noida
Date: May 26, 2022

(All amounts in INR Million, unless otherwise stated)

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Continuing Operations:			
Revenue			
Revenue from contract with customers	25 (a)	52,970	36,353
Other operating revenue	25 (b)	478	339
Total revenue from operations		53,448	36,692
Other income	26	7,114	1,104
Total income		60,562	37,796
Expenses			
Cost of materials consumed	27	33,835	21,793
Purchase of stock-in-trade		920	701
Changes in inventory of finished goods, work-in-progress and stock in trade	28	(828)	(649)
Employee benefits expense	29	6,077	5,025
Depreciation and amortisation expense	32	2,042	1,983
Finance costs	31	1,411	897
Other expenses	30	7,426	5,415
Total expenses		50,883	35,165
Profit before exceptional items and tax from continuing operations		9,679	2,631
Exceptional (income) / expenses	51	481	199
Profit before tax from continuing operations		9,198	2,432
Tax expenses	33		
-Current tax		970	609
-Deferred tax expense/ (credit)		232	(118)
Total tax expense		1,202	491
Profit for the year from continuing operations		7,996	1,941
Discontinued operations:	51		
Revenue from operations		39,735	41,382
Other income		207	275
Total expenses		35,096	37,261
Profit before tax from discontinued operations		4,846	4,396
Tax expense/ (credit) of discontinued operations		1,204	1,129
Profit for the year from discontinued operations		3,642	3,267
Profit for the year from continuing and discontinued operations		11,638	5,207
Other comprehensive income from continuing operations			
Items to be reclassified to profit or loss			
Deferred gain / (losses) on cash flow hedges		312	(346)
Deferred tax on cash flow hedges		(78)	87
Items not to be reclassified to profit or loss			
Changes in fair valuation of FVOCI equity investment		(39)	6
Deferred tax on fair valuation of FVOCI equity investment		40	(1)
Remeasurements of employment benefit obligations		66	36
Deferred tax on remeasurements of employment benefit obligations		(17)	(9)
Other comprehensive income from discontinued operations			
Items not to be reclassified to profit or loss			
Remeasurements of employment benefit obligations		(29)	(11)
Deferred tax on remeasurements of employment benefit obligations		7	3
Total other comprehensive income from continuing and discontinued operations		262	(235)
Total comprehensive income for the year, net of tax		11,900	4,972
Earnings per share	34		
Nominal value per share: INR 1/- (Previous year : INR 1/-)			
Earnings per share for continuing operations			
Basic and Diluted		2.29	0.61
Earnings per share for discontinued operations			
Basic and Diluted		1.04	1.03
Earnings per share for continuing and discontinued operations			
Basic and Diluted		3.33	1.65

Summary of significant accounting policies

This is the Statement of Profit and Loss referred to in our report of even date

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

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**
Partner
Membership No.: 091813



Place: Noida
Date: May 26, 2022

For and on behalf of the Board

V.C. SEHGAL
Chairman

Place: Mumbai
Date: May 26, 2022

Kunal Malani
Chief Financial Officer
Place: Mumbai
Date: May 26, 2022

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer
Place: Mumbai
Date: May 26, 2022

ALOK GOEL
Company Secretary
Place: Noida
Date: May 26, 2022

A. Equity share capital

(All amounts in INR Million, unless otherwise stated)

Notes	Amount
As at April 01, 2020	3,158
Issue of equity share capital	15
As at March 31, 2021	3,158
Issue of equity share capital (net) in relation to merger pursuant to Composite Scheme (refer note 51)	15
As at March 31, 2022	4,618

B. Other equity

Notes	Reserves and surplus				Items of OCI		Total
	Securities premium	Reserve on amalgamation	Capital Reserve	General Reserve	Retained Earnings	FVOCI equity investments	
Balance as at March 31, 2020	26,226	1,663	-	3,363	27,901	133	59,286
Effect of merger of Motherson Polymers Compounding Solution Ltd (refer note 50)	-	110	80	-	(176)	-	14
Balance as at April 01, 2020	26,226	1,773	80	3,363	27,725	133	59,300
Profit for the year	-	-	-	-	5,207	-	5,207
Other comprehensive income	-	-	-	-	19	5	(235)
Total comprehensive income for the year	-	-	-	-	5,226	5	4,972
Balance at March 31, 2021	26,226	1,773	80	3,363	32,951	138	64,272
Profit for the year	-	-	-	-	11,638	-	11,638
Other comprehensive income	-	-	-	-	27	1	282
Total comprehensive income for the year	-	-	-	-	11,665	1	11,909
Additions during the year	-	-	-	-	-	-	-
Addition in relation to merger pursuant to Composite Scheme (refer note 51)	16 (a)	240,467	3,612	-	-	-	244,079
Dividend paid	16 (a)	-	-	-	-	-	-
Cancellation of investment in Motherson Sumi Wiring India Limited pursuant to composite scheme (refer note 51)	16 (a)	-	-	(1)	(4,737)	-	(4,737)
Transferred in relation to demerger pursuant to Composite Scheme (refer note 51)	16 (a)	-	-	-	-	-	-
Reclassification due to changes in equity instruments	16 (a)	-	-	-	(10,721)	-	(10,721)
Balance at March 31, 2022	266,693	1,773	3,691	3,363	29,194	103	304,792

Summary of significant accounting policies

This is the Statement of changes in equity referred to in our report of even date

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

For S.R. Batliboi & Co. LLP
Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per PANKAJ CHADHA
Partner
Membership No.: 091813



Place: Noida
Date: May 26, 2022

For and on behalf of the Board

Atulya C
V.C. SEHGAL
Chairman

Place: Mumbai
Date: May 26, 2022

Kunal Malani
Kunal Malani
Chief Financial Officer

Place: Mumbai
Date: May 26, 2022

Pankaj
PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

Place: Mumbai
Date: May 26, 2022

Alok Goel
ALOK GOEL
Company Secretary

Place: Noida
Date: May 26, 2022



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED
(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)
Cash Flow Statement

motherson 

(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 before tax from continuing operations	9,198	2,432
Profit before tax from discontinued operations	4,846	4,396
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and amortisation expense	2,424	2,485
Amortisation of government grant	(85)	(32)
Gain on disposal of property, plant and equipment (net)	(28)	(13)
Liabilities written back to the extent no longer required	(35)	(17)
Bad debts/ advances written off	16	0
Provision for doubtful debts/ advances	-	0
Provision for diminution in the value of investment	70	-
Interest income	(1,240)	(621)
Dividend income	(4,549)	(0)
Finance cost	1,504	984
Unrealised foreign exchange gain (net)	(87)	(41)
Operating profit before working capital changes	12,034	9,573
Change in working Capital:		
Increase/ (decrease) in trade payables	1,216	2,576
Increase/ (decrease) in other payables	1,808	(24)
Increase/ (decrease) in other financial liabilities	561	17
(Increase)/ decrease in trade receivables	(4,534)	(3,518)
(Increase)/ decrease in inventories	(3,135)	(3,600)
(Increase)/ decrease in other financial assets	(435)	(168)
(Increase)/ decrease in other receivables	(1,313)	(192)
Cash generated from operations	6,202	4,664
- Income taxes paid (net of refund)	(2,519)	(1,262)
Net cash generated from operations	3,683	3,401
Net cash flows from operating activities	3,683	3,401
B. Cash flow from Investing activities:		
Payments for property, plant and equipment and investment property (including capital work in progress)	(2,888)	(1,927)
Proceeds from sale of property, plant and equipment & Right-of-use assets	306	23
Proceeds from sale / (payment for purchase) of investments (net)	-	(8,636)
Loan (to)/repaid by related parties (net)	5,500	(26,725)
Interest received	1,403	251
Dividend received from subsidiaries	4,547	-
Dividend received from others	2	0
(Investment)/ proceeds from maturity of deposits with remaining maturity for more than 3 months	3	0
Net cash generated from / (used in) investing activities	8,873	(37,014)
C. Cash flow from financing activities:		
Dividend paid to equity share holders	(4,731)	(5)
Interest paid	(2,654)	(299)
Proceeds from long term borrowings	11,474	34,690
Proceeds from short term borrowings	14,210	1,200
Repayment of long term borrowings	(11,841)	(0)
Repayment of short term borrowings	(15,660)	(1,279)
Payment of lease liabilities	(191)	(177)
Net cash (used in)/generated from financing activities	(9,393)	34,130



(All amounts in INR Million, unless otherwise stated)

	For the year Ended March 31, 2022	For the year Ended March 31, 2021
Net increase/(decrease) in Cash and Cash Equivalents	3,163	517
Net foreign exchange difference on balance with banks in foreign currency	71	50
Net Cash and Cash equivalents at the beginning of the year	2,867	2,300
Cash and cash equivalents acquired consequent to Composite Scheme of Amalgamation and Arrangement (refer note 51)	145	-
Cash and cash equivalents as at year end	6,246	2,867
Cash and cash equivalents comprise of the following (Note 13)		
Cash and cash equivalent - discontinued operations (refer note 51)	-	372
Cash on hand	3	2
Cheques/drafts on hand	17	41
Balances with banks	6,226	2,452
Cash and cash equivalents as at year end	6,246	2,867
Summary of significant accounting policies (Note 2)		

Notes:

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

This is the Cash Flow Statement referred to in our report of even date

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

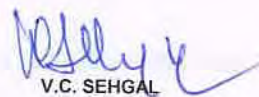
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board


per PANKAJ CHADHA
Partner
Membership No.: 091813



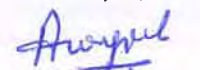
Place: Noida
Date: May 26, 2022


V.C. SEHGAL
Chairman

Place: Mumbai
Date: May 26, 2022


Kunal Malani
Chief Financial Officer
Place: Mumbai
Date: May 26, 2022


PANKAJ MITAL
Whole-time Director/
Chief Operating Officer
Place: Mumbai
Date: May 26, 2022


ALOK GOEL
Company Secretary
Place: Noida
Date: May 26, 2022



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED **(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)**

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

1. Corporate Information

Samvardhana Motherson International limited (formerly known as Motherson Sumi Systems Limited) (new SAMIL or 'the Company') was incorporated on December 19, 1986 and domiciled in India and is engaged primarily in the manufacture and sale of components to automotive original equipment manufacturers. The address of its registered office is Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra. The Company is a public limited company and is listed in the Bombay Stock Exchange and National Stock Exchange.

The standalone financial statements were authorised for issue in accordance with a resolution of the Board of directors on May 26, 2022.

2.1 Significant accounting policies

(a) Basis of preparation

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 37
- Certain financial assets and liabilities measured at fair value (refer note I below for accounting policy regarding financial instruments)
- Defined benefit pension plans – plan assets measured at fair value, refer note 21

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The financial statements are presented in INR and all values are rounded to the nearest millions (INR 000,000), except when otherwise indicated.

(b) Current versus non-current classification

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

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

The Company classifies all other assets 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.

(c) Foreign currencies

- (i) Functional and presentation currency

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



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED

(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

(ii) Transactions and balances

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

Foreign exchange differences on foreign currency borrowings 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.

(d) 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 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, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of components

Revenue from sale of components is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment.

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 equipment, 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).

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 components provide customers with a customary right of return in case of defects, quality issues etc. The rights of return give rise to variable consideration.

The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

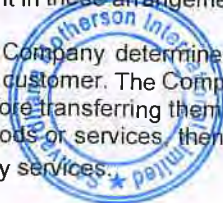
Warranty obligations

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Revenue from assembly of components

The Company has contracts with customers to assemble, on their behalf, customised components from various parts procured from suppliers identified by the customer. The Company is acting as an agent in these arrangements.

When another party is involved in providing goods or services to its customer, the Company determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Company is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Company's role is only to arrange for another entity to provide the goods or services, then the Company is an agent and will need to record revenue on a net amount that it retains for its agency services.



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED

(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

Revenue from development of tools

The Company develops customised tooling for its customers and recognises its revenue over time using an input method to measure progress towards complete satisfaction of the tool development.

The Company recognises revenue from development of tools over time if it can reasonably measure its progress towards complete satisfaction of the performance obligation.

Where the Company cannot reasonably measure the outcome of a performance obligation, but the Company expects to recover the costs incurred in satisfying the performance obligation. In those circumstances, the Company recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

Judgments applied in determining amount and timing of revenue

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

(i) Determining the timing of satisfaction of tooling development

The Company concluded that revenue for development of tooling is to be recognised over time because the Company's performance does not create asset with an alternative use to the Company since the tools are customised for each customer and the Company has a legally enforceable right to payment of fair value for performance completed to date.

The Company determined that the input method is the best method in measuring progress of the tooling development because there is a direct relationship between the Company's effort (i.e., costs incurred) and the transfer of tooling to the customer. The Company recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

(ii) Principal versus agent considerations

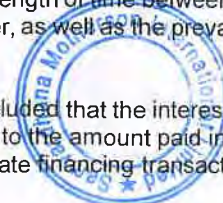
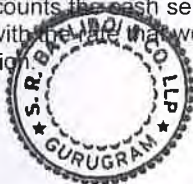
The Company enters into contracts with its customers to assemble, on their behalf, customised components using various parts procured from suppliers identified by the customer. Under these contracts, the Company provides assembly services (i.e., coordinating the procurement of various parts from the identified suppliers and combining or assembling them into components as desired by the customer). The Company determined that it does not control the goods before they are transferred to customers, and it does not have the ability to direct the use of the component or obtain benefits from the component. The following factors indicate that the Company does not control the goods before they are being transferred to customers. Therefore, the Company determined that it is an agent in these contracts.

- The Company is not primarily responsible for fulfilling the promise to provide the specified equipment.
- The Company does not have inventory risk before or after the specified component has been transferred to the customer as it purchases various parts on just-in-time basis and only upon contract of the customer.
- The Company has no discretion in establishing the price for the specified component. The Company's consideration in these contracts is only based on the difference between the maximum purchase price quoted by the customer and the cost of various parts purchased from the suppliers.
- In addition, the Company concluded that it transfers control over its services (i.e., assembling the component from various parts), at a point in time, upon receipt by the customer of the component, because this is when the customer benefits from the Company's agency service.

(iii) Consideration of significant financing component in a contract

The Company develops customised tooling and secondary equipment's for which the manufacturing lead time after signing the contract is usually more than one year. This type of contract includes two payment options for the customer, i.e., payment of the transaction price equal to the cash selling price upon delivery of the tooling or payment of the transaction price as part of the component's selling price. The Company concluded that there is a significant financing component for those contracts where the customer elects to pay along with the component's selling price considering the length of time between the transfer of tooling and secondary equipment and the recovery of transaction price from the customer, as well as the prevailing interest rates in the market, if any.

In determining the interest to be applied to the amount of consideration, the Company concluded that the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance) is appropriate because this is commensurate with the rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception.



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED

(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

Consultancy Income

Fees earned for the provision of services are recognised over time or point in time as per contract with the customer. In case of contracts where the customer receives and consumes the benefits simultaneously, as the services are rendered, the revenue is recognised over the term of the contract.

In cases where the customer receives and consume the services at single point in time, revenue is recognised as and when the performance obligation is satisfied.

Fee and Commission Income

Fees earned for the provision of guarantees are recognised over time as the customer simultaneously receives and consumes the benefits, as the services are rendered. The revenue for such contracts is recognised over the term of the guarantee contract.

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 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. Trade receivables are disclosed in Note 45.

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. The Company's contract assets are disclosed in Note 45 as Unbilled 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. Contract Liabilities are disclosed in Note 45 as Advances received from customers.

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.

(e) 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.

Rental Income

Rental income arising from investment properties given on 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. ~~It is included in other income in the statement of profit and loss.~~



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Dividend

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

Duty drawback and export incentives

Income from duty drawback and export incentives is recognized on an accrual basis.

Royalty income

Royalty income is recognized in Other operating income on an accrual basis in accordance with the substance of the relevant agreements.

(f) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

When government grants relating to loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

(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.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

Deferred tax assets and liabilities are 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.



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Investment allowances and similar tax incentives:

The Company may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure. The Company accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense.

(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.

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

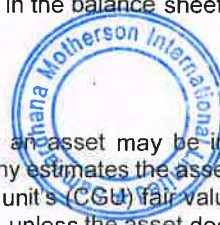
The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that 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



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cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

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

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

(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

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

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

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

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

(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.



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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 (d) 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.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

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

Debt instruments at amortised cost

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:

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

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.



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

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind 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.

Derecognition

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

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

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

Impairment of financial assets

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

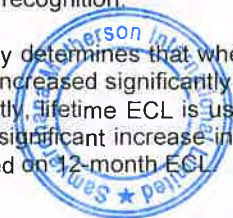
- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b. Financial assets that are debt instruments and are measured as at FVTOCI
- c. Lease receivables under Ind AS 116
- d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- e. Loan commitments which are not measured as at FVTPL
- f. Financial guarantee contracts which are not measured as at FVTPL

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

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, the Company reverts to recognising impairment loss allowance based on 12-month ECL.



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

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

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

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

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

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated 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 or through the EIR amortisation process.



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

This category generally applies to borrowings and other payables.

Financial guarantee contracts

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

Derecognition

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

Embedded derivatives

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

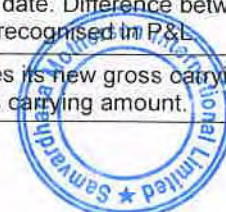
If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts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

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.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.



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Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

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.

(m) 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
- 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.



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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, 36 and 37)
- Quantitative disclosures of fair value measurement hierarchy (note 36)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (note 6, 7, 8, 9, 13, 17, 18, 19, 36 and 37)

(n) Derivative financial instruments and hedge accounting

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.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

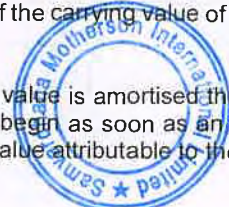
At inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking its hedge transactions.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.



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If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

The Company has an interest rate swap that is used as a hedge for the exposure of changes in the fair value. See Note 37 for more details.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

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

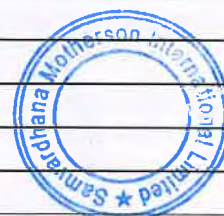
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced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

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

Depreciation methods and useful lives

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

Assets	Useful lives(years)*
Leasehold improvements	Over the period of lease or useful life, whichever is lower
Buildings	30 years
Plant & Machinery:	
Plant & Machinery	7.5 years
Die & Moulds	6.17 years
Electric Installation	10 years
Furniture & fixtures	6 years
Office equipment	5 years



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Computers:	
Server & Networks	3 years
End user devices, such as desktops, laptops, etc.	3 years
Vehicles	4 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) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company depreciates building component of investment property over 30 years.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in notes 4.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

(q) Intangible assets

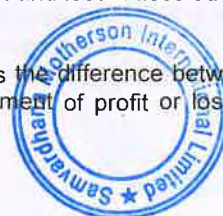
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and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

The useful live of intangible assets are as follows:

Asset	Useful lives (years)
Software	3 years

Intangible assets with finite lives are amortised over the useful economic life on straight line basis 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.

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.



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Research and development 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

Cost incurred by the Company for Research and Development do not meet the recognition criteria and hence have been classified as research costs and are expensed of in the statement of profit and loss as and when these are incurred.

The amortisation methods, the usual useful lives and the residual values of intangible assets are checked annually.

(r) 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.

(s) Provisions and contingent liabilities

Provisions

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

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

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

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

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.

Warranty provisions

In cases where the obligations include warranty liabilities, the Company provides warranties for general repairs of defects that existed at the time of sale, as required by law. Provisions related to these assurance-type warranties are recognised when the product is sold or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.



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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.

(t) 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.

Superannuation fund

The Company has a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The Company contributes up to 12% of the eligible employees' salary or 100,000 / 150,000, whichever is lower, every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligations beyond this contribution.

Gratuity

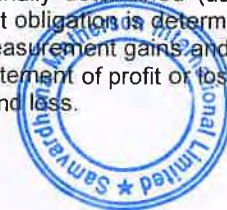
The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an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

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



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(u) 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.

(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.

(w) Assets held for distribution to owners and discontinued operations

The Company classifies assets and disposal groups as held for distribution if their carrying amounts will be recovered principally through a distribution rather than through continuing use. Actions required to complete the distribution should indicate that it is unlikely that significant changes to the distribution will be made or that the decision to distribution will be withdrawn. Management must be committed to the distribution expected within one year from the date of classification.

The criteria for held for distribution classification is regarded met only when the assets or disposal group is available for immediate distribution in its present condition, subject only to terms that are usual and customary for distribution of such assets (or disposal groups), its distribution is highly probable; and it will genuinely be distributed, not abandoned. The Company treats distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to distribute the asset (or disposal group),
- The distribution is expected to qualify for recognition as a completed distribution within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to distribute. Assets and liabilities classified as held distribution are presented separately in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. Additional disclosures are provided in Note 51. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

(x) 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.



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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.

Conceptual framework for financial reporting under Ind AS issued by 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.



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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, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

- (i) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease.

- (ii) Revenue from contracts with customers

The Company applies the judgements in respect to transactions relating to tooling development, Principal versus agent consideration that significant financing component in a contract that significantly affect the determination of the amount and timing of revenue from contracts with customers. For more details, refer note 2.1 (d)

- (iii) Discontinued operations

The Board of Directors in its meeting dated July 02, 2020, approved a group reorganization plan with the objective of creating value for the shareholders of the Company. The reorganization plan approved by the respective Boards of the Company and erstwhile Samvardhana Motherson International Limited ("erstwhile SAMIL") among other things, entails demerger of Domestic Wiring Harness ("DWH") business in India from the Company into a new company Motherson Sumi Wiring India Limited ("MSWIL"). The operations of DWH business were considered as discontinued operation and classified as held for distribution to owners. The Board considered the Company to meet the criteria to be classified as held for distribution at that date for the following reasons:

- The operations of DWH business were available for immediate distribution and can be sold in its current condition.
- The actions to complete the distribution were initiated and were expected to be completed within one year.
- In the current year, the Scheme has been approved by Hon'ble NCLT vide its order dated December 22, 2021

For more details, refer to Note 51

Estimates and assumptions

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

- (i) **Useful life of property, plant and equipment, intangible and investment properties**

The Company uses its technical expertise along with historical and industry trends for determining the economic useful 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 amount is charged over the remaining useful life of the assets.

- (ii) **Defined benefit plans**



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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 21.

(iii) Fair valuation of unlisted securities

When the fair value of unlisted securities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 36 of the financials.

(iv) Taxes

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

Valuation of recoverable income tax assets especially with respect to deferred tax assets on tax loss carry forwards. The Company is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

(v) Percentage completion of recognition of revenue

The Company uses the percentage-of-completion method in accounting for 'development of tools' contracts. 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.

(vi) Provisions and liabilities

The Company estimates the provisions and liabilities and to the probability of expenses arising from warranty claims and claims from legal disputes that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.



(All amounts in INR Million, unless otherwise stated)

3(a) Property, plant and equipment

Particulars	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery Refer note (iv)	Furniture & fixtures	Office equipments	Computers	Vehicles	Total	Capital work in progress Refer note (iii)
Year ended March 31, 2021										
Gross carrying amount	987	109	8,881	15,068	228	231	410	41	25,955	903
As at April 01, 2020	-	29	-	90	1	0	1	0	121	-
Effect of merger of MotherSON Polymers Compounding Solution Ltd (refer note 50)	-	-	-	-	-	-	-	-	-	-
As at April 01, 2020	987	138	8,881	15,158	229	231	411	41	26,076	903
Additions	85	7	192	1,050	2	12	58	23	1,429	231
Disposals	-	(1)	-	(52)	-	-	-	(14)	(67)	-
Transferred in relation to demerger pursuant to Composite Scheme (refer note 51)	-	-	-	(3,505)	(27)	(79)	(250)	(11)	(3,872)	(1)
Transfer / Other adjustment	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	1,072	145	9,337	13,239	204	164	219	39	24,419	853
Accumulated depreciation										
As at April 01, 2020	-	75	1,332	8,162	119	136	298	14	10,136	-
Effect of merger of MotherSON Polymers Compounding Solution Ltd (refer note 50)	-	29	-	90	1	0	1	0	121	-
As at April 01, 2020	-	104	1,332	8,252	120	136	299	14	10,257	-
Depreciation charge during the year	-	13	348	1,720	27	33	73	14	2,228	-
Disposals	-	(1)	-	(44)	-	-	-	(12)	(57)	-
Transferred in relation to demerger pursuant to Composite Scheme (refer note 51)	-	-	-	(2,025)	(20)	(54)	(206)	(8)	(2,313)	-
Closing accumulated depreciation	-	116	1,680	7,903	127	115	166	8	10,115	-
Net carrying amount	1,072	29	7,657	5,336	77	49	53	31	14,304	281
Year ended March 31, 2022										
Gross carrying amount	1,072	145	9,337	13,239	204	164	219	39	24,419	281
As at April 01, 2021	20	-	475	1,271	3	18	43	14	1,845	706
Additions	-	-	-	(115)	(2)	(1)	(4)	(22)	(144)	-
Disposals	-	36	-	-	3	32	5	-	76	-
Transferred in relation to merger pursuant to Composite Scheme (refer note 51)	(329)	-	(4,148)	-	-	-	-	-	(4,477)	-
Transfer / Other adjustment	(0)	(1)	16	431	(1)	2	0	2	449	(449)
Closing gross carrying amount	763	180	5,680	14,826	207	216	263	33	22,168	538
Accumulated depreciation										
As at April 01, 2021	-	116	1,680	7,903	127	115	166	8	10,115	-
Depreciation charge during the year	-	13	202	1,395	24	22	34	13	1,703	-
Disposals	-	-	-	(66)	(2)	(1)	(1)	(16)	(86)	-
Addition in relation to merger pursuant to Composite Scheme (refer note 51)	-	30	-	-	2	26	1	-	89	-
Transfer to Investment properties (refer note 4)	-	-	(746)	-	-	-	-	-	(746)	-
Transfer / Other adjustment	-	(2)	16	(15)	(1)	2	(0)	(0)	(0)	-
Closing accumulated depreciation	-	157	1,152	9,217	150	164	200	5	11,045	-
Net carrying amount	763	23	4,528	5,609	57	52	63	28	11,123	538

Capital work in progress (CWIP) Ageing Schedule as at March 31, 2022

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
- Projects in progress	520	0	0	0	520
- Projects temporarily suspended	-	-	-	-	-

Capital work in progress (CWIP) Ageing Schedule as at March 31, 2021

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
- Projects in progress	237	44	-	-	281
- Projects temporarily suspended	-	-	-	-	-

As at March 31, 2022 and March 31, 2021 there are no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan.

(i) Refer to note 44 for information on property plant and equipment pledged as security by the Company.

(ii) Contractual obligations: Refer to note 42 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

(iii) Capital work-in-progress: Capital work-in-progress mainly comprise plant & machinery, building and furniture.

(iv) Includes depreciation of INR 18 million (March 31, 2021: INR 17 million) capitalized during the year on assets used for the creation of self generated assets. (refer Note: 32)

(v) As at Balance sheet date, certain land and buildings (included under property, plant and equipment) were given on sublease arrangements to the MotherSON Sumi Wiring India Limited (MSWIL) consequent to the approval of Composite Scheme, to which the Company is original owner is now being classified as investment properties. (refer note 4)

The Company is in process of obtaining necessary approvals from respective government authorities for executing these sublease arrangements for land.



(All amounts in INR Million, unless otherwise stated)

3(b) Right-of-use assets

Particulars	Land Refer note (i)	Buildings	Vehicles	Total
Year ended March 31, 2021				
Gross carrying amount				
As at April 01, 2020	2,159	658	426	3,243
Additions (refer note 40)	9	33	98	140
Disposals	-	-	(18)	(18)
Transferred in relation to demerger pursuant to Composite Scheme (refer note 51)	-	-	(278)	(278)
Closing gross carrying amount	2,168	691	228	3,087
Accumulated depreciation				
As at April 01, 2020	282	104	141	527
Depreciation charge during the year	26	107	115	248
Disposals	-	-	(3)	(3)
Transferred in relation to demerger pursuant to Composite Scheme (refer note 51)	-	-	(140)	(140)
Closing accumulated depreciation	308	211	113	632
Net carrying amount	1,860	480	115	2,455
Year ended March 31, 2022				
Gross carrying amount				
As at April 01, 2021	2,168	691	228	3,087
Additions (refer note 40)	-	55	162	217
Disposals	(273)	(272)	(37)	(582)
Addition in relation to merger pursuant to Composite Scheme (refer note 51)	-	123	78	201
Transfer to Investment properties (refer note ii)	(396)	-	-	(396)
Transfer / Other adjustment	(8)	(0)	67	59
Closing gross carrying amount	1,491	597	498	2,586
Accumulated depreciation				
As at April 01, 2021	308	211	113	632
Depreciation charge during the year	19	86	67	172
Disposals	(8)	(87)	(34)	(129)
Addition in relation to merger pursuant to Composite Scheme (refer note 51)	-	87	29	116
Transfer to Investment properties (refer note ii)	(32)	-	-	(32)
Transfer / Other adjustment	(1)	0	35	34
Closing accumulated depreciation	286	297	210	793
Net carrying amount	1,205	300	288	1,793

(i) Leasehold land represents land obtained on long term lease from various government authorities and considered as finance lease. (refer note 46).

(ii) As at Balance sheet date, certain land (included under Right-of-use-assets) were given on sublease arrangements to the Motherson Sumi Wiring India Limited ('MSWIL') consequent to the approval of Composite Scheme, to which the Company is original lessee now being classified as investment properties. (refer note 4)

The Company is in process of obtaining necessary approvals from respective government authorities for executing these sublease arrangements for land.



(All amounts in INR Million, unless otherwise stated)

4 Investment properties

	March 31, 2022	March 31, 2021
Gross carrying amount		
Opening gross carrying amount	1,085	972
Add: Additions during the year	-	113
Add: Transfer from Property, plant and equipment (refer note 3(a))	4,477	-
Add: Transfer from Right-of-use assets (refer note 3(b))	396	-
Less: Deletions during the year	-	-
Closing gross carrying amount	5,958	1,085
Accumulated depreciation:		
Opening balance	250	225
Add: Transfer from Property, plant and equipment (refer note 3(a))	746	-
Add: Transfer from Right-of-use assets (refer note 3(b))	32	-
Add: Depreciation for the year	182	25
Less: Deletions during the year	-	-
Closing accumulated depreciation	1,210	250
Net carrying amount	4,748	835

(i) Amounts recognised in profit or loss for investment properties:

	March 31, 2022	March 31, 2021
Rental Income	577	17
Direct operating expenses from properties that did not generate rental income	(0)	(1)
Profit from investment properties before depreciation	577	16
Depreciation	182	25
Profit / (loss) from investment properties	395	(9)

(ii) Contractual obligations:

Refer note 42 for disclosure of contractual obligation towards purchase of investment properties.

(iii) Leasing arrangements:

Certain investment properties are leased out under long-term and short-term cancellable operating leases with rentals payable monthly.

(iv) Fair value:

	March 31, 2022	March 31, 2021
Investment properties	8,844	1,844

Estimation of fair value

The fair values of investment properties have been determined by registered valuers as defined under Rule 2 of Companies (Registered valuers and Valuation) Rules, 2017. The fair valuation is based on prevailing market prices/ price trend of the property in that locality/ city considering the location, size of plot, approach road, amenities, locality etc.

5 Intangible assets

	Software	
	March 31, 2022	March 31, 2021
Gross carrying amount		
Opening gross carrying amount	17	17
Additions	17	-
Closing gross carrying amount	34	17
Accumulated amortisation		
Opening balance	17	17
Amortisation charge during the year	3	-
Closing accumulated amortisation	20	17
Net carrying amount	14	0



6 (a) Non-Current Investments

Equity Investments

Investment in subsidiaries, joint ventures and associate
(Unquoted instruments valued at cost unless stated otherwise)

Investment in Subsidiaries :

MSSL Mauritius Holdings Limited

37,820,080 (March 31, 2021: 37,820,080) equity shares of EUR 1 each fully paid-up

Net of provision for other than temporary diminution aggregating to INR 70 million (March 31, 2021 : INR 70 million)

2,284 2,284

MSSL Mideast (FZE)

1 (March 31, 2021: 1) equity share of AED 150,000 equivalent to EUR 46,875 each fully paid-up

44,170,000 (March 31, 2021: 44,170,000) equity shares of EUR 1 each fully paid-up

50,000,000 (March 31, 2021: 50,000,000) equity shares of EUR 1 each fully paid-up at a premium of EUR 2.60 per share

Add: Effective portion of fair value hedge (refer note 37)

2 2

3,111 3,111

12,719 12,719

2,086 2,349

Motherston Electrical Wires Lanka Private Limited

1,456,202 (March 31, 2021: 1,456,202) equity shares of LKR 10 each fully paid-up

7 7

MSSL (S) PTE Limited

20,554,700 (March 31, 2021: 20,554,700) equity shares of SGD 1 each fully paid-up

960 960

Samvardhana Motherston Polymers Limited

522,750 (March 31, 2021: 522,750) equity shares of INR 10 each fully paid-up

1,351,500 (March 31, 2021: 1,351,500) equity shares of INR 10 each fully paid-up at a premium of INR 190 per share

46,920 (March 31, 2021: 46,920) equity shares of INR 10 each fully paid-up at a premium of INR 2,300 per share

510 (March 31, 2021: 510) equity shares of INR 10 each fully paid-up at a premium of INR 4,990 per share

1,846,320 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up¹

5 5

270 270

108 108

3 3

58,506 -

SMR Automotive Systems India Limited

6,712,990 (March 31, 2021: 6,712,990) equity shares of INR 10 each fully paid-up

67 67

Motherston Innovations Tech Limited

50,000 (March 31, 2021: 50,000) equity shares of INR 10 each fully paid-up

1 1

MSSL (GB) Limited

201,461,836 (March 31, 2021: 201,461,836) equity shares of GBP 1 each fully paid-up at a premium of GBP 0.50 per share. (These shares are pledged against borrowings, for further details refer note 17(a) and note 44)

24,705 24,705

Motherston Sumi Wiring India Limited (Joint venture pursuant to Composite Scheme (refer note 51))

Nil (March 31, 2021: 500,000) equity shares of INR 1 each fully paid-up

- 1

Motherston Technology Services Limited (formerly known as Motherston Sumi Infotech & Designs Limited)

(subsidiary pursuant to Composite Scheme (refer note 51))

1,200,000 (March 31, 2021: Nil) equity shares of INR 10 each fully paid-up

6,962,446 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up¹

146 -

846 -

Saks Ancillaries Limited (subsidiary pursuant to Composite Scheme (refer note 51))

1,000,000 (March 31, 2021: Nil) equity shares of INR 10 each fully paid-up

11 -

Samvardhana Motherston Finance Services Cyprus Limited

46,168 (March 31, 2021: Nil) Equity shares of USD 1/- fully paid up¹

Net of provision for other than temporary diminution aggregating to INR 70 million (March 31, 2021 : Nil)

713 -

Samvardhana Motherston Holding (M) Private Limited

1,684,296 (March 31, 2021: Nil) fully paid up Ordinary shares of no par value¹

123,976 -

Motherston Molds and Diecasting Limited

3,468,000 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up¹

80 -

Samvardhana Motherston Innovative Solutions Limited

280,286,269 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up¹

38,961,038 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up at a premium of INR 13.10 per share (through conversion of Optionally Convertible Debentures)¹

6,967 -

900 -

Motherston Consultancies Service Limited

2,600,000 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up¹

52 -

CTM India Limited

1,181,040 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up¹

1,247 -

Samvardhana Motherston Auto Component Private Limited

28,999,990 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up¹

360 -

MS Global India Automotive Private Limited

70,000,000 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up¹

1,291 -

Samvardhana Motherston Maadhyam International Limited

50,000 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up¹

- -

Samvardhana Motherston Global Carriers Limited

46,000,000 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up¹

668 -

Motherston Invenzen Xlab Private Limited

20,410 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up¹

0 -

Motherston Air Travel Agencies Limited

555,000 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up¹

430 -

(A) 242,721 46,592



Investment in joint ventures :

Kyungshin Industrial Motherson Private Limited 17,200,000 (March 31, 2021: 17,200,000) equity shares of INR 10 each fully paid-up	86	86
Calsonic Kansei Motherson Auto Products Limited 30,930,836 (March 31, 2021: 30,930,836) equity shares of INR 10 each fully paid-up	400	400
Motherson Sumi Wiring India Limited (Joint venture pursuant to Composite Scheme (refer note 51)) 1,055,750,653 (March 31, 2021: Nil) equity shares of INR 1 each fully paid-up ¹ (375,000,000 shares are pledged against borrowings, for further details refer note 17(a) and note 44)	36,729	-
Valeo Motherson Thermal Commercial Vehicles India Limited 2,989,000 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up ¹	1,021	-
Matsui Technologies India Limited 1,999,999 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up ¹	1,230	-
Motherson Bergstrom HVAC Solutions Private Limited 6,500,000 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up ¹	65	-
Fritzmeier Motherson Cabin Engineering Private Limited 25,000,000 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up ¹	1,202	-
Marelli Motherson Automotive Lighting India Private Limited 1,900,000 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up ¹	9,485	-
Marelli Motherson Auto Suspension Parts Private Limited 113,450,000 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up ¹	1,268	-
Youngshin Motherson Auto Tech Limited 11,776,100 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up ¹	118	-
(B)	51,604	486

Investment in Associates:

Saks Ancillaries Limited (subsidiary pursuant to Composite Scheme (refer note 51)) Nil (March 31, 2021: 1,000,000) equity shares of INR 10 each fully paid-up	-	11
(C)	-	11

Investment in preference shares:

Investment in subsidiary companies:

MSSL Mauritius Holdings Limited (Subsidiary) Compulsorily convertible preference shares aggregating to EUR 100 million (March 31, 2021: EUR 100 million) Add / (Less): Exchange gain / (loss) on translation	8,636 (250)	8,636 (62)
Samvardhana Motherson Holding (M) Private Limited 3,555,175 (March 31, 2021: Nil) Fully paid up Redeemable Preference shares of no par value ¹	244	-
Samvardhana Motherson Innovative Solutions Limited 2,500,000 (March 31, 2021: Nil) 7% Optionally Convertible Cumulative Redeemable Preference shares of INR 10/- each fully paid up ¹	51	-
Samvardhana Motherson Innovative Solutions Limited 2,000,000 (March 31, 2021: Nil) 7% Optionally Convertible Cumulative Redeemable Preference shares of INR 10/- each fully paid up ¹	50	-
Motherson Invenzen Xlab Private Limited 4,990,000 (March 31, 2021: Nil) 3% Optionally Convertible Redeemable Preference shares of INR 10/- each fully paid up ¹	51	-
Investment in joint venture:		
Valeo Motherson Thermal Commercial Vehicles India Limited 931,000 (March 31, 2021: Nil) 5% Optionally Convertible Non-Cumulative Redeemable Preference shares of INR 10/- each fully paid up ¹	9	-
Marelli Motherson Automotive Lighting India Private Limited 73,100,000 (March 31, 2021: Nil) 0% Compulsorily Convertible Non-Cumulative Preference shares of INR 10/- each fully paid up ¹	738	-
(D)	9,529	8,574
Total Investments in subsidiaries, joint ventures and associate (A+B+C+D)	303,854	55,663

Equity investments at FVOCI
Unquoted

Motherson Technology Services Limited (formerly known as Motherson Sumi Infotech & Designs Limited) (subsidiary pursuant to Composite Scheme (refer note 51)) Nil (March 31, 2021: 1,200,000) equity shares of INR 10 each fully paid up	-	185
Echanda Urja Private Limited 120,645 (March 31, 2021: 120,645) equity shares of INR 10 each fully paid up	1	1
Systematic Conscom Limited 2,500 (March 31, 2021: Nil) Equity shares of INR 10/- each fully paid up ¹	2	-
(E)	3	186

Total Investments (A+B+C+D+E)

Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	303,996	55,919
Aggregate amount of impairment in the value of investments	140	70

¹ Pursuant to Composite Scheme, the aforesaid investments were acquired through merger with erstwhile SAMIL (refer note 51).



6 (b) Current investments

Investment in equity instruments at FVOCI

Quoted

HDFC Bank Limited
4,070 (March 31, 2021: 4070) equity shares of INR 2 each fully paid up
Balrampur Chini Mills Limited
1,200 (March 31, 2021: 1,200) equity shares of INR 1 each fully paid up
JD Orgochem Ltd
100 (March 31, 2021: 100) equity shares of INR 10 each fully paid up
Meyer Apparel Limited
28,475 (March 31, 2021: 28,475) equity shares of INR 3 each fully paid up
Mahindra & Mahindra Limited
7,288 (March 31, 2021: 7,288) equity shares of INR 5 each fully paid up
Arcotech Limited
1,000 (March 31, 2021: 1,000) equity shares of INR 2 each fully paid up

Unquoted

Pearl Engineering Polymers Limited
3,160 (March 31, 2021: 3,160) equity shares of INR 10 each fully paid up
Daewoo Motors Limited
6,150 (March 31, 2021: 6,150) equity shares of INR 10 each fully paid up
Athena Financial Services Limited
66 (March 31, 2021: 66) equity shares of INR 10 each fully paid up
Inox Leasing & Finance Limited
Nil (March 31, 2021: 100) equity shares of INR 10 each fully paid up

Total current investments

Aggregate amount of quoted investments and market value thereof
Aggregate amount of unquoted investments
Aggregate amount of impairment in the value of investments

March 31, 2022	March 31, 2021
6	6
0	0
0	0
0	0
0	0
6	6
0	0
-	-
-	-
-	-
-	-
0	0
12	12
12	12
-	-

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(All amounts in INR Million, unless otherwise stated)

7 Loans

	March 31, 2022		March 31, 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loans to related parties (refer note 40 & 49)	3,523	21,142	3,004	23,732
Loans to employees	88	34	52	20
Total	3,611	21,176	3,056	23,752

Disclosures of loans or advances in nature of loans granted to promoters, directors, KMPs and the related parties (as defined under companies act 2013) either severally or jointly with any other person that are repayable on demand are as follows:-

Type of borrowers	March 31, 2022		March 31, 2021	
	Amount of loan or advances in nature of loan outstanding	% of total loan & advances in the nature of loan	Amount of loan or advances in nature of loan outstanding	% of total loan & advances in the nature of loan
Loans to related parties	3,523	14.2%	-	-

8 Trade receivables

	March 31, 2022	March 31, 2021
Unsecured, considered good		
- others	4,264	3,226
- from related parties ¹ (refer note 40)	6,951	1,959
Unsecured, credit impaired	1	2
	11,216	5,187
Less: Allowances for credit loss	1	2
Total	11,215	5,185

¹ Includes receivables from companies in which Director of the Company is also a Director

Trade receivables ageing schedule:

Undisputed	Trade receivables – considered good		Trade receivable – credit impaired	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Current but not due	7,295	4,159	-	-
Outstanding for following periods from due date of payment				
Less than 6 Months	3,639	991	-	-
6 months – 1 year	205	14	-	-
1-2 years	59	13	-	-
2-3 years	7	8	-	-
More than 3 years	10	0	1	2
Total	11,215	5,185	1	2

During the financial year ended March 31, 2022 and March 31, 2021, there are no disputed trade receivables. There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

9(a) Other financial assets - Non Current

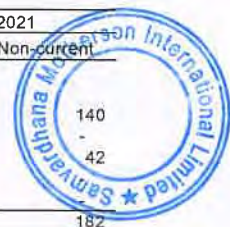
	March 31, 2022	March 31, 2021
Unsecured, considered good		
Security deposits	100	25
Interest receivable (refer note 40)	278	88
Derivatives designated as cash flow hedge (refer note 37)	989	551
Derivatives designated as fair value hedge (refer note 37)	60	-
Deposits with original maturity for more than 12 months	2	-
Total	1,429	664

9(b) Other financial assets - Current

	March 31, 2022	March 31, 2021
Unsecured, considered good		
Security deposits	438	448
Interest receivable (refer note 40)	499	375
Unbilled revenue (refer note 45)	934	473
Others	52	165
Total	1,923	1,461

10. Other assets

	March 31, 2022		March 31, 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good, unless otherwise stated				
Capital advances	-	138	-	140
Advances recoverable	526	-	364	-
Prepaid expenses	67	121	29	42
Balances with government authorities	1,217	-	421	-
Subsidy receivable	75	171	102	-
Total	1,885	430	916	182



Notes to the financial statements

(All amounts in INR Million, unless otherwise stated)

11 Deferred tax assets (net)

Deferred tax assets

Derivatives designated as fair value hedge
Provision for employee benefit obligations
Provision for doubtful debts and advances
Government grants
Others

	March 31, 2022	March 31, 2021
	-	411
	204	123
	0	0
	0	7
	112	-

Deferred tax liabilities

FVOCI equity instruments
Property, plant and equipment and intangible assets & investment properties and net of Right-of-use assets & lease liabilities
Derivatives designated as cash flow hedge
Derivatives designated as fair value hedge
Others
Total

	(3)	(42)
	(34)	(33)
	(148)	(64)
	(15)	-
	(2)	(1)
	114	401

Movement in Deferred tax assets

	Property, plant and equipment and intangible assets & investment properties and net of Right-of-use assets & lease liabilities	Derivatives designated as fair value hedge	Provision for employee benefits	Provisions for doubtful debts and advances	Government grants	FVOCI equity instruments	Derivatives designated as cash flow hedge	Other items	Total
At April 01, 2020	(48)	220	268	6	31	(41)	-	14	450
(Charged)/ credited:									
to profit or loss	74	191	23	(6)	-	-	(151)	(15)	116
to other comprehensive income	-	-	(9)	-	-	(1)	87	-	77
to profit or loss - discontinued operations (refer note 51)	5	-	15	-	(6)	-	-	-	14
to other comprehensive income - discontinued operations (refer note 51)	-	-	3	-	-	-	-	-	3
Transferred in relation to demerger pursuant to Composite Scheme (refer note 51)	(64)	-	(177)	(0)	(18)	-	-	-	(259)
At March 31, 2021	(33)	411	123	0	7	(42)	(64)	(1)	401
(Charged)/ credited:									
to profit or loss	(1)	(426)	98	(0)	(7)	(1)	(6)	111	(232)
to other comprehensive income	-	-	(17)	-	-	40	(78)	-	(55)
to profit or loss - discontinued operations (refer note 51)	29	-	(26)	-	2	-	-	-	5
to other comprehensive income - discontinued operations (refer note 51)	-	-	7	-	-	-	-	-	7
Transferred in relation to demerger pursuant to Composite Scheme (refer note 51)	(29)	-	19	-	(2)	-	-	-	(12)
At March 31, 2022	(34)	(15)	204	0	0.001540341	(3)	(148)	110	114



(All amounts in INR Million, unless otherwise stated)

12 Inventories

(At lower of cost and net realisable value)

	March 31, 2022	March 31, 2021
Raw materials	3,584	3,095
Work-in-progress	1,433	1,135
Finished goods	1,810	1,279
Stores and spares	50	35
Total	6,877	5,544

Inventory include inventory in transit of:

Raw materials	889	1,254
Finished goods	350	318

Amount recognised in profit or loss:

During the year ended March 31, 2022 write down of inventories on account of provision in respect of obsolete/ slow moving items amounted to INR 98 million (March 31, 2021: write-down amounting INR 14 million). These were recognised as an expense during the year and included in changes in value of inventories of work-in-progress, stock-in-trade and finished goods in statement of profit or loss.

13 Cash and cash equivalents *

Balances with banks:

- on current accounts

- Deposits with original maturity of less than three months

Cheques/ drafts on hand

Cash on hand

Total

	March 31, 2022	March 31, 2021
	6,214	2,250
	12	202
	17	41
	3	2
Total	6,246	2,495

* There are no repatriation restrictions with regards to cash and cash equivalents as at March 31, 2022 and March 31, 2021. For asset pledged refer note 44.

Changes in liabilities arising from financing activities

	Non cash			
	March 31, 2021	Cash Flow	Fair value changes	Other non cash items* March 31, 2022
Non current borrowings (including current maturity of long term borrowing)	46,275	(367)	54	6,740
Current borrowings	1,525	(1,451)	-	676
Lease liabilities	722	(191)	-	180
Total liabilities from financing activities	48,522	(2,009)	54	7,596

	Non cash			
	March 31, 2020	Cash Flow	Fair value changes	Other non cash items* March 31, 2021
Non current borrowings (including current maturity of long term borrowing)	11,915	34,690	(10)	(320)
Current borrowings	2,279	(561)	-	(193)
Lease liabilities	928	(177)	-	(29)
Total liabilities from financing activities	15,122	33,952	(10)	(542)

*other non cash items includes, addition in relation to merger pursuant to Composite Scheme (refer note 51), foreign exchange movements in borrowings and new leases taken or termination of lease contracts in case of lease liabilities.

14 Other bank balances

Deposits with remaining maturity of more than three months but less than 12 months

Unpaid dividend account

Total

	March 31, 2022	March 31, 2021
	2	5
	69	56
Total	71	61

Unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividend.



(All amounts in INR Million, unless otherwise stated)

15 Share Capital

Authorised* :

12,300,000,000 (March 31, 2021 : 6,050,000,000) Equity shares of INR 1 each
Nil (March 31, 2021 : 25,000,000) 8% Convertible Cumulative Preference Shares of INR 10 each

March 31, 2022	March 31, 2021
12,300	6,050
-	250

*During the year ended 31 March 2022, authorised share capital of the Company got changed as a result of transfer of authorised equity share capital to demerged entity (MSWIL) and transfer of authorised equity share capital from amalgamating company (erstwhile SAMIL) as per the Composite Scheme referred under note 51.

Issued, subscribed and Paid up:

4,517,614,244 (March 31, 2021: 3,157,934,237) Equity Shares of INR 1 each

4,518	3,158
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a. Movement in equity share capital

As at April 01, 2020

Add: Changes during the year

As at March 31, 2021

Cancellation of equity share capital in relation to merger pursuant to Composite Scheme (refer note 51)

Issue of equity share capital in relation to merger pursuant to Composite Scheme (refer note 51)¹

As at March 31, 2022

Numbers	Amount
3,157,934,237	3,158
3,157,934,237	3,158
(1,055,750,653)	(1,056)
2,415,430,680	2,416
4,517,614,244	4,518

¹ Share issued to existing shareholders of erstwhile Samvardhana Motherson International Limited (Refer Note 51)

b. Rights, preferences and restrictions attached to shares

Equity Shares:

The Company has only one class of equity shares having a par value of INR 1 per share. Each holder of equity is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

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

c. Aggregate number of Shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding March 31, 2022)

	Aggregate No of Shares issued in five years	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018
Equity shares allotted as fully paid bonus shares by capitalisation of Securities Premium Account	1,754,407,910	-	-	-	1,052,644,746	701,763,164

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

	March 31, 2022		March 31, 2021	
	Nos.	%	Nos.	%
Equity shares:				
Erstwhile Samvardhana Motherson International Limited	-	-	1,055,750,653	33.43%
Sumitomo Wiring Systems Limited	792,637,291	17.55%	792,637,291	25.10%
Shri Sehgal's Trustee Company Private Limited (Trustee of Sehgal Family Trust)	620,113,431	13.73%	-	-
Mr. Vivek Chaand Sehgal	585,855,096	12.97%	-	-
Ms. Renu Alka Sehgal (Trustee of Renu Sehgal Trust)	560,108,958	12.40%	-	-
Radha Rani Holdings Pte Limited	344,020,623	7.62%	-	-

e. Details of share holding of promoters group

As at 31 March 2022	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total Shares	% change during the year ^a
Individual Promoter					
Mr. Vivek Chaand Sehgal	73,165,402	512,689,694	585,855,096	12.97%	701%
Mr. Laksh Vaaman Sehgal	123	1,020	1,143	0.00%	829%
Ms. Vidhi Sehgal	-	24,331,875	24,331,875	0.54%	100%
Ms. Renu Sehgal	150,085	-	150,085	0.00%	0%
Ms. Geeta Soni	8,610,328	7,580,436	16,190,764	0.36%	88%
Ms. Nilu Mehra	7,869,690	2,442,900	10,312,590	0.23%	31%
Promoters group					
Erstwhile Samvardhana Motherson International Limited (erstwhile SAMIL)	1,055,750,653	(1,055,750,653)	-	0.00%	-100%
Sumitomo Wiring Systems Limited	792,637,291	-	792,637,291	17.55%	0%
Ms. Renu Alka Sehgal (Trustee of Renu Sehgal Trust)	-	560,108,958	560,108,958	12.40%	100%
Motherson Engineering Research and Integrated Technologies Limited	-	74,180,520	74,180,520	1.64%	100%
Shri Sehgal's Trustee Company Private Limited (Trustee of Sehgal Family Trust)	-	620,113,431	620,113,431	13.73%	100%
H. K. Wiring Systems Limited	7,660,351	-	7,660,351	0.17%	0%
Radha Rani Holdings PTE Limited	3,442,623	340,578,000	344,020,623	7.62%	9893%
Advance Technologies And Automotive Resources PTE	-	43,576,475	43,576,475	0.98%	100%
	1,949,286,546	1,129,852,656	3,079,139,202	68.16%	

^a % change during the year are not comparable because of impact of accounting for the scheme (refer note 51)

As at 31 March 2021	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total Shares	% change during the year
Individual Promoter					
Mr. Vivek Chaand Sehgal	73,165,402	-	73,165,402	2.32%	0%
Mr. Laksh Vaaman Sehgal	123	-	123	0.00%	0%
Ms. Renu Sehgal	150,085	-	150,085	0.00%	0%
Ms. Geeta Soni	8,610,328	-	8,610,328	0.27%	0%
Ms. Nilu Mehra	7,869,690	-	7,869,690	0.25%	0%
Promoter group					
Erstwhile Samvardhana Motherson International Limited (erstwhile SAMIL)	1,055,750,653	-	1,055,750,653	33.43%	0%
Sumitomo Wiring Systems Limited	792,637,291	-	792,637,291	25.10%	0%
H. K. Wiring Systems Limited	7,660,351	-	7,660,351	0.24%	0%
Radha Rani Holdings PTE Limited	3,442,623	-	3,442,623	0.11%	0%
	1,949,286,546	-	1,949,286,546	61.73%	0%

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



(All amounts in INR Million, unless otherwise stated)

16 (a) Reserves and surplus

	March 31, 2022	March 31, 2021
Reserve on amalgamation	1,773	1,773
Securities premium	266,693	26,226
Capital reserve	3,691	80
General reserve	3,363	3,363
Retained earnings	29,194	32,951
Total reserves and surplus	304,714	64,393

(i) Reserve on amalgamation

	March 31, 2022	March 31, 2021
Opening balance	1,773	1,663
Effect of merger of Motherson Polymers Compounding Solution Ltd (refer note 50)	-	110
Closing balance	1,773	1,773

(ii) Securities premium

	March 31, 2022	March 31, 2021
Opening balance	26,226	26,226
Addition in relation to merger pursuant to Composite Scheme (refer note 51)	240,467	-
Closing balance	266,693	26,226

(iii) Capital reserve

	March 31, 2022	March 31, 2021
Opening balance	80	-
Effect of merger of Motherson Polymers Compounding Solution Ltd (refer note 50)	-	80
Cancellation of investment in Motherson Sumi Wiring India Limited pursuant to composite scheme (refer note 51)	(1)	-
Addition in relation to merger pursuant to Composite Scheme (refer note 51)	3,612	-
Closing balance	3,691	80

(iv) General reserve

	March 31, 2022	March 31, 2021
Opening balance	3,363	3,363
Closing balance	3,363	3,363

(v) Retained earnings

	March 31, 2022	March 31, 2021
Opening balance	32,951	27,901
Effect of merger of Motherson Polymers Compounding Solution Ltd (refer note 50)	-	(176)
Profit for the year	11,638	5,207
Remeasurements of post-employment benefit obligation, net of tax	27	19
Dividend paid ¹	(4,737)	-
Transferred in relation to demerger pursuant to Composite Scheme (refer note 51)	(10,721)	-
Reclassification due to changes in equity instruments	36	-
Closing balance	29,194	32,951

¹ During the financial year 2021-22, the Company paid final cash dividend for the financial year 2020-21 amounting INR 1.5 per share to its shareholders. (refer note 39)

16 (b) Other reserves

FVOCI equity investments

	March 31, 2022	March 31, 2021
Opening balance	138	133
Change in fair value of FVOCI equity instruments	1	5
Reclassification due to changes in equity instruments	(36)	-
Closing balance	103	138

Cash flow hedging reserve

	March 31, 2022	March 31, 2021
Opening balance	(259)	-
Change in fair value of hedging instruments (net of tax)	234	(259)
Closing balance	(25)	(259)

Total other reserves

	78	(121)
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Reserve on amalgamation

This reserve was created at the time of amalgamation and mergers carried out in earlier years. The reserve will be utilised in accordance with the provisions of the Act.

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 Act.

Capital reserve

This reserve is created at the time of merger of Motherson Polymers Compounding Solution Private Limited (MPCSL) with the Company during previous year (refer note 50). During the current year the amount has been increased by INR 3,612 million in relation to merger of erstwhile Samvardhana Motherson International Limited (SAMIL) pursuant to Composite Scheme (refer note 51), wherein the investments and other assets have been acquired at fair value. The reserve will be utilised in accordance with the provisions of the Act.

General reserve

General reserve is the retained earnings of the Company which are kept aside out of the Company's profits to meet future (known or unknown) obligations.

FVOCI equity investments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investment reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Cash flow hedging reserve

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts, cross currency swaps and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the effective portion of cash flow hedges. Amounts recognised in the effective portion of cash flow hedges is reclassified to the statement of profit and loss when the hedged item affects profit or loss (e.g. interest payments).

Bracket denotes appropriations / deductions.

—This space has been intentionally left blank—



(All amounts in INR Million, unless otherwise stated)

17 (a) Non-current borrowings

	Non Current Portion		Current Maturities	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Secured ¹⁰				
Non-convertible debentures	4,995	4,990	7,000	-
Term Loans				
Foreign currency loans from banks	-	-	-	5,846
Indian rupee loan from banks	8,979	8,044	489	6,164
Unsecured ¹⁰				
Non-convertible debentures	31,239	21,231	-	-
Term Loans				
Indian rupee loan from other than banks	-	139	-	-
Less: Indian rupee loan from other than banks of discontinued operations (refer note 51)	-	(139)	-	-
Less: Disclosed under current borrowings (refer Note 17 (b))	-	-	(7,489)	(12,010)
Total	45,213	34,265	-	-

(i) Secured Loans¹

Nature of Security (In case of Secured Loans)	Principal Terms and Conditions
Non convertible debentures amounting to INR 4,995 million (March 31, 2021: INR 4,990 million) secured by:	The company issued 5,000 listed, rated, redeemable, senior, secured non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 5,000 million, in a single tranche. These instruments bear interest at a rate of 7.84% payable annually on April 20 each year and will mature on April 20, 2023.
(a) first ranking Security Interest by way of hypothecation on the Hypothecated Properties created by the Company in favour of the Debenture Trustee pursuant to the Deed of Hypothecation; and/or	
(b) a first ranking Security Interest by way of equitable mortgage by deposit of title deeds on the Company's rights, title and interest in and to the Mortgaged Properties created by the Company in favour of the Debenture Trustee (or in favour of a security trustee or security agent appointed by the Debenture Trustee (acting in accordance with Approved Instructions)) pursuant to the Mortgage Documents (i.e. Director's Declaration and the Memorandum of Understanding)	
(c) such other Security Interest created by the Company or any other Person as may be mutually agreed by the Company with the Debenture Trustee (acting in accordance with Approved Instructions) and classified as Security for the purposes of this Deed by the Debenture Trustee	
Non convertible debentures amounting to INR 7,000 million (March 31, 2021: Nil) secured by:	Originally erstwhile SAMIL issued 700 listed, rated, redeemable, secured non-convertible debentures of a face value of INR 10,000,000 each, of the aggregate nominal value of up to INR 7,000 million and were transferred to the company in relation to merger pursuant to Composite Scheme (refer note 51). These instruments bear interest at a rate of 9.75% payable annually and will mature on December 2, 2022.
a) first ranking and exclusive security interest by way of pledge over the Initial Pledged Shares (Motherson Sumi Wiring India Limited (MSWIL)) by the Company in terms of the Share Pledge Agreement.	
b) first ranking and exclusive security interest by way of pledge over the pledged share by the Company in terms of the Share Pledge Agreement.	
c) first ranking and exclusive security interest by way of hypothecation over the Hypothecated Properties arising from Initial Pledged Shares (Motherson Sumi Wiring India Limited (MSWIL)) in terms of the Deed of Hypothecation by the Company	
(d) first ranking and exclusive security interest by way of hypothecation over the Hypothecated Properties arising from Pledged Shares in terms of the Deed of Hypothecation by the Company	
(e) first ranking and exclusive security interest by way of pledge, to be created by the Pledged Promoter over the Pledged Shares (Company) in terms of the Shares Pledged Agreement (Company), on and from the Pledge Creation Date (Company) until the Pledge Creation date (Motherson Sumi Wiring India Limited (MSWIL))	
Foreign currency loan from banks is secured by creating a charge on Investment in shares of one of the subsidiary, MSSL (GB) Ltd on pari passu basis	Nil (March 31, 2021: INR 5,846 million) and has fully repaid in March 2022
Indian Rupee loan from banks is secured on investment in shares of one of the subsidiary, MSSL (GB) Ltd on pari passu basis	The applicable rate of interest in respect of foreign currency loans from banks is 0.36% p.a. (March 31, 2021: 0.375% p.a.) over 6 months in respect of loans hedged for swap contracts. INR 9,468 million (March 31, 2021: INR 8,457 million) carrying interest rate of 6.05% p.a. repayable in 5 years from date of first disbursement in ratio of 5:5:10:25:55 started from September 2021.
Indian Rupee loan from banks is secured by creating a charge on Investment in shares of one of the subsidiary, MSSL (GB) Ltd on pari passu basis	Nil (March 31, 2021: INR 5,750 million) and has fully repaid in March 2022. Interest rate on this loan was 8.0% p.a.

(ii) Unsecured Loans

Particulars	Terms of Repayment
Non convertible debentures amounting to INR 21,232 million (March 31, 2021: INR 21,231 million)	The company issued 21,300 listed, rated, redeemable, unsecured, redeemable non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 21,300 million, in a single tranche. These instruments bear interest at a rate of 6.65% payable annually on September 14 each year and will mature on September 14, 2023.
Non convertible debentures amounting to INR 9,977 million (March 31, 2021: Nil)	The company issued 2,500 listed, rated, redeemable, unsecured, redeemable non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 2,500 million, in a single tranche. These instruments bear interest at a rate of 5.69% payable annually on November 25 each year and will mature on November 25, 2024.
	The company issued 5,150 listed, rated, redeemable, unsecured, redeemable non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 5,150 million, in a single tranche. These instruments bear interest at a rate of 6.09% payable annually on November 25 each year and will mature on November 25, 2026.
	The company issued 2,350 listed, rated, redeemable, unsecured, redeemable non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 2,350 million, in a single tranche. These instruments bear interest at a rate of 5.68% payable annually on December 08 each year and will mature on December 08, 2024.
Indian Rupee Loan from other than banks	Interest free loan of Nil (March 31, 2021: INR 139 million). Originally, the Company obtained an interest free loan from Pradeshia Industrial & Investment Corporation of U.P. Ltd (PICUP) relating to the business which were transferred in relation to merger pursuant to Composite Scheme. However the assignment of loan in the favour of the Motherson Sumi Wiring India Limited (MSWIL) is yet to be completed at the balance sheet date.

¹ The carrying amount of financials and non financial assets pledged as security for long term borrowings is disclosed in Note 44

17 (b) Current borrowings

	March 31, 2022	March 31, 2021
Secured ^{2,3}		
Working capital loans repayable on demand- from banks ¹		
Indian rupee loan	750	2,200
Less: Indian rupee loan utilised in respect of discontinued operations (refer note 51)	-	(675)
Current maturities of long term borrowings (refer note 17(a))	7,469	12,010
Total	8,239	13,535

¹ Working capital loans are secured by first pari passu charge on entire current assets of the Company including receivables, both present and future and second pari passu charge over the fixed assets of the Company including equitable mortgage of specified properties and are repayable on demand

² The carrying amount of financials and non financial assets pledged as security for short term borrowings is disclosed in Note 44

³ Short term borrowings carry interest rate ranging from 3% to 7% p.a.

The Company has borrowings from banks on basis of security of current assets. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company



(All amounts in INR Million, unless otherwise stated)

18 Other financial liabilities

	March 31, 2022	March 31, 2021
Non-current		
Retention money	2	23
Security deposit received (refer note 40)	276	50
Recovery against Vehicle Loan	91	41
Derivatives designated as cash flow hedge (refer note 37)	-	64
Unamortised finance income	68	-
Total	437	178
Current		
Interest accrued but not due on borrowings	1,563	1,120
Unpaid dividends ¹	69	56
Payables relating purchase of property, plant & equipments	185	93
Security deposit received (refer note 40)	4	3
Employee benefits payable	727	537
Accrued expenses	162	25
Derivatives designated as fair value hedge (refer note 37)	-	1,633
Recovery against Vehicle Loan	19	26
Total	2,729	3,493

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.

19 Trade payables

	March 31, 2022	March 31, 2021
Total outstanding dues of micro and small enterprises (refer note 48)	601	369
Total outstanding dues of creditors other than micro and small enterprises	6,319	4,493
Trade payable to related parties (refer note 40)	918	1,377
Total	7,838	6,239

Trade payables ageing schedule:

Undisputed	Trade payables dues of micro and small enterprises		Trade payables dues of creditors other micro and small enterprises	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Current but not due	499	250	4,805	3,723
Outstanding for following periods from due date of payment				
Less than 1 year	99	117	2,391	2,127
1-2 years	2	1	26	12
2-3 years	0	0	4	1
More than 3 years	1	1	11	7
Total	601	369	7,237	5,870

During the financial year ended March 31, 2022 and March 31, 2021 there are no disputed trade payable.

20 Provisions

	March 31, 2022	March 31, 2021
For warranties	35	17
For contingencies	1	1
Total	36	18

Warranty

Provision for warranty relates to the estimated outflow in respect of warranty for products sold by the Company. Due to the very nature of such costs, it is not possible to estimate the timing/ uncertainties relating to the outflows of economic benefits.

Contingencies

Provision for contingencies relates to excise, entry tax and octroi demands including interest thereon, where applicable, being contested by the Company. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings.

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

	Warranty		Contingencies	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Opening Balance	17	10	1	1
Additions/(deletion) during the year	18	7	-	-
Closing Balance	35	17	1	1



(All amounts in INR Million, unless otherwise stated)

21 Employee benefit obligations

	March 31, 2022		March 31, 2021	
	Current	Non-current	Current	Non-current
Gratuity	244	81	154	-
Compensated absences	86	399	55	277
Provident fund scheme	1	-	1	-
Total	331	480	210	277

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

A. Defined Benefit Schemes

Gratuity

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

Post demerger the Company has initiated appropriate steps towards transferring of the said fund maintained with LIC to the extent of its share which is determined basis the employees transferred to Motherson Sumi Wiring India Limited (MSWIL) and is expected to complete the process in the next year.

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

Obligations at year beginning

Service Cost - Current

Interest expense

Amount recognised in profit or loss

Remeasurements

Actuarial (gain)/ loss from change in financial assumption

Experience (gain)/loss

Amount recognised in other comprehensive income

Payment from plan:

Benefit payments

Addition in relation to merger pursuant to Composite Scheme (refer note 51)

Transferred in relation to demerger pursuant to Composite Scheme(net) (refer note 51)

Obligations at year end

(ii) Fair Value of Plan Assets

Plan assets at year beginning, at fair value

Interest income

Amount recognised in profit or loss

Remeasurements

Actuarial (gain)/ loss from change in financial assumption

Return on plan assets, excluding amount included in interest income

Amount recognised in other comprehensive income

Payment from plan:

Benefit payments

Contributions:

Employers

Addition in relation to merger pursuant to Composite Scheme (refer note 51)

Transferred in relation to demerger pursuant to Composite Scheme(net) (refer note 51)

Plan assets at year end, at fair value

(iii) Assets and Liabilities recognized in the Balance Sheet

Present Value of the defined benefit obligations

Fair value of the plan assets

Amount recognized as Liability

(iv) Defined benefit obligations cost for the year:

Service Cost - Current

Interest Cost (Net)

Actuarial (gain)/ loss

Extinguishment to discontinued operations - service and interest cost

Extinguishment to discontinued operations - Actuarial (gain) / loss

Net defined benefit obligations cost

(v) Investment details of Plan Assets

The details of investments of plan assets are as follows:

LIC of India

Total

Note: In respect of Employees Gratuity Fund, composition of plan assets is not readily available from LIC of India. 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

For the year ended	
March 31, 2022	March 31, 2021
959	1,772
96	160
86	115
182	275

(36)	(21)
(30)	(4)
(66)	(25)

(49)	(54)
100	(4)
331	(1,805)
1,457	959

For the year ended	
March 31, 2022	March 31, 2021
805	1,358
70	90
70	90

(0)	(0)
0	0
0	0

(10)	(7)
21	12
15	-
231	(648)
1,132	805

For the year ended	
March 31, 2022	March 31, 2021
1,457	959
1,132	805
325	154

For the year ended	
March 31, 2022	March 31, 2021
96	160
16	25
(66)	(25)
0	(86)
(29)	(11)
17	63

For the year ended	
March 31, 2022	March 31, 2021
100%	100%
100%	100%



(All amounts in INR Million, unless otherwise stated)

(vi) Actuarial assumptions:

	March 31, 2022	March 31, 2021
Discount Rate per annum	7.0%	6.7%
Future salary increases	8.0%	8.0%

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

(vii) Amount recognized in current year and previous four years:

	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018
Defined benefit obligations	1,457	959	1,772	1,454	1,212
Plan assets	(1,132)	(805)	(1,358)	(1,230)	(1,087)
Deficit/(Surplus)	325	154	414	224	125

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

	For the year ended	
	March 31, 2022	March 31, 2021
Gratuity	186	157

ix) Sensitivity Analysis

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

March 31, 2022	Change in Assumption	Impact	Increase in Assumption	Impact	Decrease in Assumption
Continuing operations:					
Discount Rate per annum	0.50%	Decrease by	(59)	Increase by	63
Future salary increases	1.0%	Increase by	132	Decrease by	(116)
March 31, 2021	Change in Assumption	Impact	Increase in Assumption	Impact	Decrease in Assumption
Continuing operations and Discontinued operations:					
Discount Rate per annum	0.50%	Decrease by	(40)	Increase by	43
Future salary increases	1.0%	Increase by	90	Decrease by	(79)

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.

x) Risk exposure

The gratuity scheme is a salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability or 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.

xi) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 9 years (March 31, 2021: 9 years)

Expected benefit payments are as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2022					
Defined benefit obligation (gratuity)	112	160	406	974	1,652
March 31, 2021					
Defined benefit obligation (gratuity)	72	105	268	655	1,100

B. Defined Contribution Schemes

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

Amount recognised in the Statement of Profit & Loss is as follows (refer note 29):

	For the year ended	
	March 31, 2022	March 31, 2021
Continuing operations:		
Provident fund paid to the authorities	280	237
Employee state insurance paid to the authorities	38	29
Contribution to other funds (Employee welfare etc.)	2	1
	320	267

C 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 by the Government of India. 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.



(All amounts in INR Million, unless otherwise stated)

22 Government grants

	March 31, 2022	March 31, 2021
Opening balance	26	309
Grants received during the year	225	2
Released to profit and loss (refer note 26)	(52)	(1)
Released to profit and loss in relation to demerger pursuant to Composite Scheme (refer note 51) ¹	-	(32)
Transferred in relation to demerger pursuant to Composite Scheme (refer note 51) ¹	-	(252)
Closing balance	199	26

	March 31, 2022	March 31, 2021
Current portion	18	1
Non-current portion	181	25
Total	199	26

¹ Originally, the Company obtained an interest free loan from Pradeshia Industrial & Investment Corporation of U.P. Ltd. (PICUP) relating to the business which were transferred in relation to demerger pursuant to Composite Scheme and amortised based on the effective interest rate method and the amortised portion is treated as government grant.

The Company has also received Government grants relating to the purchase of property, plant and equipment and has presented the grant as deferred income which is credited to profit or loss on a straight-line basis over the expected lives of the related assets.

23 Current tax liabilities/ Non-current tax assets (net)

	March 31, 2022	March 31, 2021
Tax assets		
Non-current tax assets (net)	485	104
Tax liabilities		
Current tax liabilities (net)	-	-
Net tax liabilities/ (assets)	(485)	(104)

24 Other liabilities

	March 31, 2022	March 31, 2021
Non current		
Unearned Revenue	15	-
	15	-
Current		
Statutory dues including provident fund and tax deducted at source	898	41
Advances received from customers (refer note 45)	1,096	528
Unearned revenue	15	3
Total	2,009	572



(All amounts in INR Million, unless otherwise stated)

25 (a) Revenue from contract with customers

	For the year ended	
	March 31, 2022	March 31, 2021
Sales of products		
Finished goods		
Within India	37,679	25,541
Outside India	11,471	8,183
Traded goods	1,399	1,120
Total gross sales	50,549	34,844
Sale of services	2,421	1,509
Total revenue from contract with customers (refer note 45)	52,970	36,353

Note: There is no material difference between the contract price and the revenue from contract with customers.

25 (b) Other operating revenue

Scrap sales	216	148
Job work income	12	14
Export incentives	68	74
Liabilities written back to the extent no longer required	35	14
Miscellaneous other operating income	147	89
Total	478	339

26 Other income

	For the year ended	
	March 31, 2022	March 31, 2021
Interest income from financial assets at amortised cost		
Dividend income	1,238	618
- From subsidiaries	4,547	-
- From equity investments designated at fair value through OCI	2	0
Rent	663	63
Exchange fluctuation (net)	571	382
Profit on sale of investments	0	-
Gain on disposal of property, plant and equipment	27	8
Government grants (refer note 22)	52	1
Miscellaneous income	14	32
Total	7,114	1,104

27 Cost of materials consumed

	For the year ended	
	March 31, 2022	March 31, 2021
Opening stock of raw materials		
Add: Purchases of raw materials	1,841	5,115
Less: Closing stock of raw materials (continuing operations)	34,689	37,569
Less: Closing stock of raw materials (discontinued operations)	2,695	1,841
Less: Cost of materials consumed in discontinued operations*	-	4,673
Total	-	14,377
*net of cost of materials consumed with respect to purchases from continuing operations (refer note 51)	33,835	21,793

28 Changes in inventory of finished goods, work in progress 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:		
Finished goods	1,279	1,440
Work-in-progress	1,136	1,905
Total A	2,415	3,345
Stock at the end of the year (continuing operations):		
Finished goods	1,810	1,279
Work-in-progress	1,433	1,136
Total B	3,243	2,415
Stock at the end of the year (discontinued operations):		
Finished goods	-	718
Work-in-progress	-	1,247
Total C	-	1,965
Less: Changes in inventory of discontinued operations (refer note 51) (D)	-	(385)
(Increase)/ decrease in stocks (A-B-C-D)	(828)	(649)

29 Employee benefits expense

	For the year ended	
	March 31, 2022	March 31, 2021
Salary, wages & bonus	5,332	4,426
Contribution to provident & other fund (refer note 21)	320	267
Gratuity (refer note 21)	112	99
Staff welfare expenses	313	233
Total	6,077	5,025

Note: net of expenses reimbursed on shared basis (refer note 52)



(All amounts in INR Million, unless otherwise stated)

30 Other expenses	For the year ended	
	March 31, 2022	March 31, 2021
Electricity, water and fuel	1,223	990
Repairs and maintenance:		
Machinery	644	432
Building	237	158
Others	284	221
Consumption of stores and spare parts	512	293
Conversion charges	291	189
Lease rent (refer note 46)	255	173
Rates & taxes	50	18
Insurance	148	113
Donation	10	9
Travelling	252	144
Freight & forwarding	1,622	1,084
Royalty	35	53
Commission	48	24
Provision for diminution in value of investments	70	-
Bad debts/ advances written off	16	0
Provision for doubtful debts/advances	-	0
Legal & professional expenses (refer note (a) below)	857	796
Expenditure towards corporate social responsibility (CSR) activities (Refer note (b) below)	202	235
Miscellaneous expenses	670	483
Total	7,426	5,415

Note: net of expenses reimbursed on shared basis (refer note 52)

(a): Payment to auditors:

As Auditor:	For the year ended	
	March 31, 2022	March 31, 2021
Audit fees (including limited review)	34	48
Other services	3	8
Reimbursement of expenses	-	0
Total	37	56

(b): Corporate social responsibility expenditure

	For the year ended	
	March 31, 2022	March 31, 2021
(i) Contribution to Swarn Lata Motherson Trust	58	61
(ii) Contribution for the promotion of education & other initiatives	-	1
(iii) Contribution towards PM Care Funds	-	9
Total	58	71
Amount required to be spent as per Section 135 of the Companies Act, 2013	202	235
Amount spent during the year on:		
(i) Construction/acquisition of asset	-	-
(ii) Purpose other than (i) above	58	71
Total	58	71
Amount yet to spend for which provision is considered in financial	144	164

Note for Ongoing Projects and others:

	For the year ended	
	March 31, 2022	March 31, 2021
Opening Balance		
With Company	25	139
In Separate CSR Unspent A/c	-	-
Amount deposited in Specified Fund of Sch VII within 6 months	-	139
Amount required to be spent during the year	75	127
Amount spent during the year		
From Company's bank A/c	58	-
From Separate CSR Unspent A/c	-	-
Closing Balance	42	127
With Company	17	127
In Separate CSR Unspent A/c	25	-

In respect of ongoing projects, the Company has transferred unspent amount to a special account, within a period thirty days from end of the financial year in compliance with provisions of sub section (6) of section 135 of the Companies Act

The Company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 (the Act) as the period for such transfer i.e. six months of the expiry of the financial year as permitted under second proviso to sub-section (5) of section 135 of the Act, has not elapsed.

Note for Ongoing Projects and others:

	For the year ended	
	March 31, 2021	March 31, 2020
Opening Balance		
With Company	-	-
In Separate CSR Unspent A/c	-	-
Amount required to be spent during the year	96	139
Amount spent during the year		
From Company's bank A/c	71	-
From Separate CSR Unspent A/c	-	-
Closing Balance	25	139
With Company	25	139
In Separate CSR Unspent A/c	-	-



(All amounts in INR Million, unless otherwise stated)

31

Finance costs

Interest on long term borrowings

Exchange differences regarded as an adjustment to borrowing costs ¹

Interest on lease liabilities

Other finance costs

Total

Note: net of expenses reimbursed on shared basis (refer note 52)

¹ Includes foreign exchange loss/ (gain) on long term loan facilities of INR 115 million (March 31, 2021 : INR (196) million) and Mark to Market (gain)/ loss on derivatives of INR (53) million (March 31, 2021: INR 295 million)

32

Depreciation and amortisation expense

Depreciation on property, plant and equipment

Depreciation on right of use assets

Amortisation on intangible assets

Depreciation on investment Property

Less: Capitalised during the year¹

Total

Note: net of expenses reimbursed on shared basis (refer note 52)

¹ Includes depreciation of INR 18 million (March 31, 2021: INR 17 million) capitalised during the year on assets used for creation of self generated assets (refer note 3)

33

Income tax expense

(a) Income tax expense

Current tax

Current income tax charged

Adjustments for current tax of prior years

Total current tax expense

Deferred tax (refer note 11)

Decrease/ (increase) in deferred tax assets (net)

Total deferred tax expense / (credit)

Income tax expense

Income tax expense is attributable to:

Profit from continuing operations

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

Profit before tax from continuing operations

Tax at India's tax rate of 25.168% (March 2021: 25.168%)

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Tax deductions under Chapter VIA

Adjustments for tax of prior periods

Tax impact on effective portion of fair value hedge

Tax effect on items on which deferred tax not recognised

Other adjustments

Income tax expense of continuing operations

Profit before tax from discontinued operations

Tax at India's tax rate of 25.168% (March 2021: 25.168%)

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Other adjustments

Income tax expense of discontinued operations

34

Earnings per share

For continuing operations

a) Basic

Net profit after tax available for equity Shareholders

Weighted average number of Equity Shares of INR 1 each (March 31, 2021: INR 1 each)¹

Basic earnings (in INR) per Share of INR 1 each. (March 31, 2021: INR 1 each)

b) Diluted (refer note (i) below)

Net profit after tax available for equity Shareholders

Weighted average number of Equity Shares of INR 1 each (March 31, 2021: INR 1 each)¹

Diluted earnings (in INR) per share of INR 1 each (March 31, 2021: INR 1 each)

For discontinued operations

a) Basic

Net profit after tax available for equity Shareholders

Weighted average number of Equity Shares of INR 1 each (March 31, 2021: INR 1 each)¹

Basic earnings (in INR) per Share of INR 1 each. (March 31, 2021: INR 1 each)

b) Diluted (refer note (i) below)

Net profit after tax available for equity Shareholders

Weighted average number of Equity Shares of INR 1 each (March 31, 2021: INR 1 each)¹

Diluted earnings (in INR) per share of INR 1 each (March 31, 2021: INR 1 each)

For continuing and discontinued operations

a) Basic

Net profit after tax available for equity Shareholders

Weighted average number of Equity Shares of INR 1 each (March 31, 2021: INR 1 each)¹

Basic earnings (in INR) per Share of INR 1 each. (March 31, 2021: INR 1 each)

b) Diluted (refer note (i) below)

Net profit after tax available for equity Shareholders

Weighted average number of Equity Shares of INR 1 each (March 31, 2021: INR 1 each)¹

Diluted earnings (in INR) per share of INR 1 each (March 31, 2021: INR 1 each)

¹ The Company allotted 1,359,680,007 net equity shares having face value of INR 1/- each to the share holders of erstwhile Samvardhana Motherson International Limited as per the Composite Scheme of Amalgamation and Arrangement (refer note 51) as on January 28, 2022. Since the Company has accounted effect of merger from December 31, 2021 weighted average number of share is calculated from that date

Opening shares

Add: Share Issued to shareholders of erstwhile Samvardhana Motherson International Limited (refer note 51)

Weighted average number of shares

Weighted average number of equity shares used to compute earnings per share

A

A+B

March 31, 2022

March 31, 2021

3,157,934,237

3,157,934,237

1,359,680,007

335,263,563

3,493,197,800

3,157,934,237



35 Ratio Analysis and its elements	(All amounts in INR Million, unless otherwise stated)		
	For the year ended		Reason for variance
	March 31, 2022 (Refer note (i))	March 31, 2021 (Refer note (i))	% change
Current Ratios (in times) (Current Assets / Current Liabilities)	1.49	1.08	37.9%
Debt-Equity Ratio (in times) [(Long term borrowing including current maturities + short term borrowing + lease liabilities) / Shareholders equity]	0.18	0.73	-76.1%
Debt Service Coverage ratio (in times) [(Earnings before interest, depreciation, dividend income, interest income, loss on sale of FA and exceptional items but after tax) / (Interest expense on short term and long term borrowings + scheduled principal repayment of long term borrowing during the year)]	0.70	0.65	8.9%
Return on Equity ratio (in %) (Net Profits after taxes / Average Shareholder's Equity)	4.24%	8.03%	-47.1%
Inventory Turnover ratio (in times) (Cost of goods sold / Average inventories)	5.46	3.05	78.8%
Trade Receivable Turnover Ratio (in times) (Revenue from contract with customers / Average trade receivables)	5.66	6.32	-10.5%
Trade Payable Turnover Ratio (in times) (Purchase of goods / Average trade payable)	5.06	3.74	35.4%
Net Capital Turnover Ratio (in times) (Revenue from contract with customers / Average working capital excluding current maturities of long term debt)	14.60	13.20	10.6%
Net Profit ratio (in %) (Profit / (loss) for the period / Revenue from operations)	14.96%	6.67%	124.3%
Return on Capital Employed (in %) (Earnings before interest expenses, dividend income, interest income and taxes / Average capital employed)	18.39%	24.03%	-23.5%
Return on Investment (in %) (Dividend income / Investment (on which dividend income earned))	28.70%	0.49%	5729.6%

No dividend income received in previous year

Note:

- (i) Considering the impact of accounting for Composite Scheme of Amalgamation and Arrangement (refer note 51), above ratios have been calculated with the following approach.
-For the periods upto March 31, 2021, all relevant amounts pertaining to continuing and discontinued operations have been considered
-For the periods after March 31, 2021, only relevant amounts pertaining to continuing operations have been considered.

Financial ratios given above are not comparable because of impact of accounting for the scheme and different approach followed to calculate ratios for the year ended March 31, 2022
March 31, 2021



(All amounts in INR Million, unless otherwise stated)

36 Fair value measurements
Financial instruments by category

	March 31, 2022			March 31, 2021		
	FVPL	FVOCI	Amortised Cost*	FVPL	FVOCI	Amortised Cost*
Financial assets						
Investments	-	15	-	-	198	-
Trade receivables	-	-	11,215	-	-	5,185
Loans	-	-	24,787	-	-	26,808
Cash and cash equivalents	-	-	6,317	-	-	2,556
Other financial assets	60	989	2,303	-	551	1,574
Total financial assets	60	1,004	44,622	-	749	36,123
Financial Liabilities						
Borrowings	-	-	53,452	-	-	47,800
Trade payables	-	-	7,838	-	-	6,239
Other financial liabilities	-	-	3,166	1,633	64	1,975
Total financial liabilities	-	-	64,456	1,633	64	56,014

i. Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2022

	Level 1	Level 2	Level 3	Total
Financial asset				
Financial Investments at FVOCI				
Listed equity investments	12	-	-	12
Unquoted equity investments	-	-	3	3
Total	12	-	3	15
Financial liabilities				
Borrowings	-	43,233	10,219	53,452
Other financial liabilities	-	-	3,166	3,166
Total financial liabilities	-	43,233	13,385	56,618

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2021

	Level 1	Level 2	Level 3	Total
Financial asset				
Financial Investments at FVOCI				
Listed equity investments	12	-	-	12
Unquoted equity investments	-	-	186	186
Total	12	-	186	198
Financial liabilities				
Borrowings	-	26,220	21,580	47,800
Other financial liabilities	-	1,633	2,038	3,671
Total financial liabilities	-	27,853	23,618	51,471

*The carrying amounts of trade receivables, borrowings, cash and cash equivalents, other financial assets, trade payables and other financial liabilities are considered to be the same as their face values.

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. Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
- the fair value of the remaining financial instruments covered under level 3 is determined using discounted cash flow analysis.



(All amounts in INR Million, unless otherwise stated)

iii. Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2022 and March 31, 2021:

	Unquoted equity instruments
As at March 31, 2020	186
Gains/(losses) recognised in other comprehensive income	-
As at March 31, 2021	186
Change in reclassification of equity instrument	(183)
As at March 31, 2022	3

iv. 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 to related party ¹	21,142	21,142	23,732	23,732
Loan to employees ¹	34	34	20	20
	21,176	21,176	23,752	23,752
Financial liabilities				
Borrowings ²	45,213	45,213	34,265	34,265
Other financial liabilities	437	437	178	178
	45,650	45,650	34,443	34,443

¹ The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

² During financial year 2016-17 loan amounting to INR 10,975 million was taken at market rates. Loan amounting to Nil as at March 31, 2022 (March 31, 2021: INR 5,846 million) carries floating rate of interest. The Company has taken interest rate swap for the borrowing with fixed interest rate amounting to Nil as at March 31, 2022 (March 31, 2021: INR 5,750 million).

The Company has taken interest rate swap amounting to INR 39,650 million (March 31, 2021: INR 29,800 million) and a borrowing with fixed interest rate amounting INR 5,150 million (March 31, 2021: INR 5,000 million).

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.

v. Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (ii) above for the valuation techniques adopted:

	Fair Value as at	
	March 31, 2022	March 31, 2021
Unquoted equity instruments	3	186
Significant unobservable inputs ¹		
Earnings growth rate	-	4%
Risk adjusted discount rate	-	16%
Sensitivity		
Impact of change in risk adjusted discount rate ²		
Decrease in discount rate by 0.50%	-	19
Increase in discount rate by 0.50%	-	(17)
Impact of change in earnings growth rate ²		
Decrease in growth rate by 0.50%	-	(14)
Increase in growth rate by 0.50%	-	16

¹ There were no significant inter-relationships between unobservable inputs that materially affect fair values

² Holding all the other variables constant



37 (a) Financial risk management

The Company in its capacity as an internationally active supplier for the automobile industry is exposed to various risks i.e., market risk, liquidity risk and credit risk. The company has global presence and decentralized management structure. Concentrating on the plants make it necessary for implementing an organized risk management system. The Company is therefore exposed to risks associated with global organizations and automotive industry in particular.

The Company has set up a Risk Management Committee (RMC) at the board level to periodically review operating, financial and strategic risks in the business and their mitigating factors. RMC has formulated Risk Management Policy for the Company which outlines the risk management framework to help minimize the impact of uncertainty on the Company's strategic goals. The framework enables a structured and disciplined approach to risk management. The Company has developed guidelines on risk controlling and the use of financial instruments. These guidelines contain a clear allocation of duties. Risks are controlled and monitored by means of operational and financial measures.

Below are the major risks which can impact the Company:

A Market risk:

Market risk is the risk that the fair value of future cashflows of a financial instruments will fluctuate because of changes in market price/ rate. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

a. Price risk:

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company in its various products segment. Substantial pricing pressure from major OEMs to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the Company. The Group has set up Global Sourcing Procurement (GSP) at Sharjah which gives leverage of bulk buying and helps in controlling prices to a certain extent.

The key raw material for the Company's wiring harness business is copper. There is substantial fluctuations in prices of copper. The Company has arrangements with its major customers for passing on the price impact.

The major raw materials used by Polymer Division of the Company are polypropylenes, polycarbonates and various grades of nylons and resins. The Company is having arrangement with major customers for actualization of raw material price variations periodically. Motherson Polymer Solutions, compounding unit has been established with a view of taking leverage on group's bulk consumption on major grades. The setting up of GSP further strengthens the procurement function.

The Company is regularly taking initiatives like VA-VE (value addition, value engineering) to reduce its raw material costs to meet targets set up by its customers for cost downs. In respect of customer nominated parts, the Company has back to back arrangements for cost savings with its suppliers.

b. Foreign currency risk:

The exchange variations in India has mainly impacted the imports, but however the Company has arrangements with its major domestic customers for passing on the exchange impact on import purchase and has considerably increased its export sales during last few years to attain natural hedge. The Company also does selective hedging to hedge its risks associated with foreign currency.

The hedged and unhedged foreign currency exposure is as follows:

(i) Derivatives outstanding as at the reporting date

Particulars/ Purpose	Currency (Amount in million)	As At March 31, 2022	As At March 31, 2021
	USD : EUR	-	USD 80; EUR 74
	INR : EUR	-	INR 5,750; EUR 81
	INR : EUR	INR 5,197; EUR 60.00	INR 5,197; EUR 60.00
	INR : EUR	INR 2,596; EUR 30.00	INR 2,596; EUR 30.00
	INR : EUR	INR 2,595; EUR 30.00	INR 2,595; EUR 30.00
	INR : EUR	INR 2,607; EUR 30.00	INR 2,607; EUR 30.00
	INR : USD	INR 2,198; USD 30.00	INR 2,198; USD 30.00
	INR : USD	INR 2,204; USD 30.00	INR 2,204; USD 30.00
Cross currency swap	INR : USD	INR 1,469; USD 20.00	INR 1,469; USD 20.00
	INR : USD	INR 2,427; USD 33.00	INR 2,427; USD 33.00
	INR : EUR	INR 3,448; EUR 40.00	INR 3,448; EUR 40.00
	INR : EUR	INR 2,595; EUR 30.00	INR 2,595; EUR 30.00
	INR : EUR	INR 2,593; EUR 30.00	INR 2,593; EUR 30.00
	INR : EUR	INR 2,500; EUR 29.88	-
	INR : EUR	INR 2,500; EUR 29.88	-
	INR : EUR	INR 2,500; EUR 29.88	-
	INR : EUR	INR 2,350; EUR 27.47	-

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

	March 31, 2022		March 31, 2021	
	Payable / (Receivable)		Payable / (Receivable)	
	Amount in Foreign currency in million	Amount in INR	Amount in Foreign currency in million	Amount in INR
AUD	(0)	(10)	(0)	(14)
CHF	0	2	0	8
CNY	0	0	0	4
EUR	(26)	(2,206)	(72)	(6,173)
GBP	(1)	(54)	(0)	(0)
JPY	(719)	(444)	1,962	1,306
KRW	28	2	-	-
SEK	0	0	0	-
SGD	0	0	0	-
THB	2	5	27	64
USD	(6)	(441)	90	6,595
ZAR	(2)	(8)	-	-



(All amounts in INR Million, unless otherwise stated)

Foreign currency sensitivity on unhedged exposure

1% increase / decrease in foreign exchange rates will have the following impact on profit before tax:

	Impact on profit before tax	
	March 31, 2022	March 31, 2021
Increase by 1% in forex rate	31	(18)
Decrease by 1% in forex rate	(31)	18

(iii) Mark to market losses / (gain) on cross currency interest rate swaps

Mark to Market losses/(gain) on cross currency interest rate swaps

	For the year ended	
	March 31, 2022	March 31, 2021
	2,195	272

c. Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. During March 31, 2022 and March 31, 2021, the Company's borrowings at variable rate were mainly denominated in INR and USD.

(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	750	7,372
Fixed rate borrowings	52,702	40,428
Total borrowings	53,452	47,800

An analysis by maturities is provided in Note [C (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 before tax	
	March 31, 2022	March 31, 2021
Interest rates-increase by 50 basis points*	(4)	(37)
Interest rates-decrease by 50 basis points*	4	37

* Holding all other variables constant

B Credit risk:

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

Trade receivables

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers (OEMs) with good credit ratings. Non-OEM 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 and impairment.

Financial instruments and cash deposits

The Company has deposited liquid funds at various banking institutions. Primary banking institutions are major Indian and foreign banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due.

C 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.

(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 facilities)	7,129	8,977



(All amounts in INR Million, unless otherwise stated)

(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 and derivative financial liabilities:

Year Ended March 31, 2022	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	9,425	45,519	-	54,944
Trade payables	7,838	-	-	7,838
Other financial liabilities	2,729	437	-	3,166
Lease liabilities	249	468	46	763
Total non-derivative liabilities	20,241	46,424	46	66,711
Derivatives				
Derivatives designated as hedge	-	-	-	-
Total derivative liabilities	-	-	-	-

Year Ended March 31, 2021	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	14,291	35,283	-	49,574
Trade payables	6,239	-	-	6,239
Other financial liabilities	1,862	178	-	2,040
Lease liabilities	183	538	353	1,074
Total non-derivative liabilities	22,575	35,999	353	58,927
Derivatives				
Derivatives designated as hedge	1,633	64	-	1,697
Total derivative liabilities	1,633	64	-	1,697

—This space has been intentionally left blank—



(All amounts in INR Million, unless otherwise stated)



37 (b) Details related to hedging instrument

Fair value hedge	Nominal amount of the hedging instrument (in million)	Carrying amount of hedging instrument	Maturity Date	Line item in balance sheet where hedging instrument is disclosed	Change in fair value for calculating hedge ineffectiveness
March 31, 2022					
(i) Cross currency interest rate swap	USD 80; EUR 74 INR 5,750; EUR 81	-	Mar/2022	Other financial liabilities	(498)
	INR 2,500; EUR 29.88	18	Mar/2022		(3)
	INR 2,500; EUR 28.88	20	Nov/2026		(18)
	INR 2,500; EUR 29.88	2	Nov/2024		(20)
	INR 2,350; EUR 27.47	20	Dec/2024		(20)
(ii) Loan	USD 80 INR 5,750 INR 8,850	-	Mar/2022 Nov/2024, Dec/2024, Nov/2026	Non-current borrowings	359
		9,827			-
March 31, 2021					
(i) Cross currency interest rate swap	USD 80; EUR 74 INR 5,750; EUR 81	-	498	Other financial liabilities	431
		-	1,135		328
(ii) Loan	USD 80 INR 5,750	-	5,846 5,750	Non-current borrowings	(196)

37 (c) Details related to hedged item

Fair value hedge	Carrying amount of hedged item	Accumulated amount of fair value adjustments on the hedged item included in the carrying amount of the hedged item	Line item in balance sheet where hedging item is disclosed	Change in value used for calculating hedge ineffectiveness	Accumulated amount of fair value adjustments on the hedged item included in the carrying amount of the hedged item that have ceased to be adjusted for hedging gains and losses
March 31, 2022					
(i) Investment	14,805	2,086	Non-current investments	(283)	-
March 31, 2021					
(i) Investment	15,068	2,348	Non-current investments	464	-

Details of impact of fair value hedge on statement of profit and loss

Fair value hedge	Line items in profit and loss
For year ended on 31 March 2022:	
(i) Investment	Finance cost
For year ended on 31 March 2021:	
(i) Investment	Finance cost

37 (d) Details related to cashflow hedge

Type of hedge and risks	Nominal value	Carrying amount of Assets	Liabilities	Hedge ratio	Weighted average strike price / rate	Change in fair value of hedged item used as
March 31, 2022						
(i) Cross currency interest rate swap	INR 8,636 INR 12,895 INR 8,288	253 689 67	-	1.1 1.1 1.1	EUR/INR: 86.3580 EUR/INR: 86.6321 USD/INR: 74.4328	253 689 67
						317 322 (137)
March 31, 2021						
(i) Cross currency interest rate swap	INR 8,636 INR 12,895 INR 8,288	- 347 204	64 - -	1.1 1.1 1.1	EUR/INR: 86.3580 EUR/INR: 86.6321 USD/INR: 74.4328	(64) 347 204



(All amounts in INR Million, unless otherwise stated)

38 Capital management

(a) Risk management

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

Consistent with others in the industry, the Company monitors Net Debt to EBITDA ratio i.e. Net debt (total borrowings (including lease liabilities) net of cash and cash equivalents) divided by EBITDA (Earnings before interest, depreciation, dividend income, interest income and exceptional items)

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	47,915	46,610
EBITDA	7,345	9,878
Net Debt to EBITDA	6.52	4.72

[^] Net Debt and EBITDA is inclusive of discontinued operations.

(b) Loan covenants

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

(c) Dividends

On Equity shares of INR 1 each

Final dividend

Amount of dividend paid (pertains to previous financial year)

Dividend per equity share

	March 31, 2022	March 31, 2021
Amount of dividend paid (pertains to previous financial year)	4,737	-
Dividend per equity share	1.50	-

39 Distribution made and proposed

Cash dividends on equity shares declared and paid

Final cash dividend for the year ended on March 31, 2021: 1.50 per share (March 31, 2020: Nil)

	March 31, 2022	March 31, 2021
Final cash dividend for the year ended on March 31, 2021: 1.50 per share (March 31, 2020: Nil)	4,737	-
	4,737	-

Proposed dividends on Equity shares

Final cash dividend for the year ended on March 31, 2022: INR 0.65 per share (March 31, 2021: INR 1.50)

	March 31, 2022	March 31, 2021
Final cash dividend for the year ended on March 31, 2022: INR 0.65 per share (March 31, 2021: INR 1.50)	2,936	4,737
	2,936	4,737

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31.

The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.



40 Related Party Disclosures

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

a. Promoters / Entities with joint control over the Company

Name	Place of incorporation	Ownership interest	
		March 31, 2022	March 31, 2021
1 Samvardhana Motherson International Limited (erstwhile SAMIL)	India	-	33.43%
2 Sumitomo Wiring Systems Limited, Japan	Japan	17.55%	25.10%

Relationship where control exists

b. Subsidiaries of the Company

- 1 MSSL Mauritius Holdings Limited
- 2 Motherson Electrical Wires Lanka Private Limited
- 3 MSSL Mideast (FZE)
- 4 MSSL (S) Pte Limited
- 5 Motherson Innovations Tech Limited (erst MSSL Automobile Component Limited)
- 6 Samvardhana Motherson Polymers Limited
- 7 MSSL (GB) Limited
- 8 Motherson Wiring System (FZE)
- 9 MSSL Tooling (FZE)
- 10 MSSL GmbH
- 11 Samvardhana Motherson Invest Deutschland GmbH
- 12 MSSL Advanced Polymers s.r.o.
- 13 Motherson Techno Precision GmbH
- 14 MSSL s.r.l. Unipersonale
- 15 Motherson Techno Precision México, S.A. de C.V.
- 16 MSSL Manufacturing Hungary Kft
- 17 Motherson Air Travel Pvt Ltd
- 18 MSSL Australia Pty Limited
- 19 Motherson Elastomers Pty Limited
- 20 Motherson Investments Pty Limited
- 21 MSSL Ireland Private Limited
- 22 MSSL Global RSA Module Engineering Limited
- 23 MSSL Japan Limited
- 24 Vacuform 2000 (Proprietary) Limited
- 25 MSSL México, S.A. de C.V.
- 26 MSSL WH System (Thailand) Co., Ltd
- 27 MSSL Korea WH Limited
- 28 MSSL Consolidated Inc.
- 29 MSSL Wiring System Inc.
- 30 Alphabet de Mexico, S.A. de C.V.
- 31 Alphabet de Mexico de Monclova, S.A. de C.V.
- 32 Alphabet de Saltillo, S.A. de C.V.
- 33 MSSL Wirings Juarez, S.A. de C.V.
- 34 Samvardhana Motherson Global Holdings Ltd.
- 35 Samvardhana Motherson Automotive Systems Group B.V. (SMRPBV)
- 36 Samvardhana Motherson Reflectec Group Holdings Limited (SMR)
- 37 SMR Automotive Technology Holding Cyprus Limited
- 38 SMR Automotive Mirror Parts and Holdings UK Ltd
- 39 SMR Automotive Holding Hong Kong Limited
- 40 SMR Automotive Systems India Limited
- 41 SMR Automotive Systems France S.A.
- 42 SMR Automotive Mirror Technology Holding Hungary KFT
- 43 SMR Patents S.à.r.l.
- 44 SMR Automotive Technology Valencia S.A.U.
- 45 SMR Automotive Mirrors UK Limited
- 46 SMR Automotive Mirror International USA Inc.
- 47 SMR Automotive Systems USA Inc.
- 48 SMR Automotive Beijing Company Limited
- 49 SMR Automotive Yancheng Co. Limited
- 50 SMR Automotive Mirror Systems Holding Deutschland GmbH
- 51 SMR Holding Australia Pty Limited
- 52 SMR Automotive Australia Pty Limited
- 53 SMR Automotive Mirror Technology Hungary BT
- 54 Motherson Business Service Hungary Kft
- 55 SMR Automotive Modules Korea Ltd.
- 56 SMR Automotive Beteiligungen Deutschland GmbH
- 57 SMR Hyosang Automotive Ltd.
- 58 SMR Automotive Mirrors Stuttgart GmbH
- 59 SMR Automotive Systems Spain S.A.U.
- 60 SMR Automotive Vision Systems Mexico S.A. de C.V.
- 61 SMR Grundbesitz GmbH & Co. KG
- 62 SMR Automotive Brasil Ltda.
- 63 SMR Automotive System (Thailand) Limited
- 64 SMR Automotives Systems Macedonia Dooel Skopje
- 65 SMR Automotive Operations Japan K.K.
- 66 SMR Automotive (Langfang) Co. Ltd
- 67 SMR Automotive Vision System Operations USA INC
- 68 SMR Mirror UK Limited
- 69 Motherson Innovations Company Limited
- 70 Motherson Innovations Deutschland GmbH
- 71 Samvardhana Motherson Global (FZE)
- 72 SMR Automotive Industries RUS Limited Liability Company
- 73 Re-time Pty Limited
- 74 Samvardhana Motherson Peguform GmbH (SMP)
- 75 SMP Automotive Interiors (Beijing) Co. Ltd.
- 76 SMP Deutschland GmbH
- 77 SMP Logistik Service GmbH
- 78 SMP Automotive Solutions Slovakia s.r.o.
- 79 Changchun Peguform Automotive Plastics Technology Co., Ltd
- 80 Foshan Peguform Automotive Plastics Technology Co. Ltd.
- 81 Shenyang SMP Automotive Plastic Component Co. Ltd.
- 82 Tianjin SMP Automotive Component Company Limited
- 83 Shenyang SMP Automotive Trim Co., Ltd
- 84 SMP Automotive Technology Management Services (Changchun) Co. Ltd.
- 85 SMP Automotive Technology Iberica S.L.
- 86 Samvardhana Motherson Peguform Barcelona S.L.U.
- 87 SMP Automotive Technologies Teruel Sociedad Limitada
- 88 Samvardhana Motherson Peguform Automotive Technology Portugal S.A.
- 89 SMP Automotive Systems Mexico S.A. de C.V.
- 90 SMP Automotive Produtos Automotivos do Brasil Ltda.
- 91 SMP Automotive Exterior GmbH
- 92 Samvardhana Motherson Innovative Autosystems B.V. & Co. KG
- 93 Samvardhana Motherson Innovative Autosystems Holding Company BV
- 94 SM Real Estate GmbH
- 95 Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V.
- 96 SMP Automotive Systems Alabama Inc.
- 97 Celulosa Fabril (Cefa) S.A.



- 98 Modulos Ribera Alta S.L.Unipersonal
- 99 Mothereson Innovations Lights GmbH & Co KG
- 100 Mothereson Innovations Lights Verwaltungs GmbH
- 101 SMP Automotive Interior Modules d.o.o. Cuprija
- 102 MSSL Estonia WH OÜ
- 103 PKC Group Oy
- 104 PKC Wiring Systems Oy
- 105 PKC Group Poland Sp. z o.o.
- 106 PKC Wiring Systems Ltd
- 107 PKC Group APAC Limited
- 108 PKC Group Canada Inc.
- 109 PKC Group USA Inc.
- 110 PKC Group Mexico S.A. de C.V.
- 111 Project del Holding S.a.r.l.
- 112 PK Cables do Brasil Ltda
- 113 PKC Eesti AS
- 114 TKV-sarjat Oy
- 115 PKC SEGU Systemelektrik GmbH
- 116 Groclin Luxembourg S.à r.l.
- 117 PKC Vehicle Technology (Suzhou) Co., Ltd
- 118 AEES Inc.
- 119 PKC Group Lithuania UAB
- 120 PKC Group Poland Holding Sp. z o.o.
- 121 OOO AEK
- 122 Kabel-Technik-Polska Sp. z o.o.
- 123 T.I.C.S. Corporation
- 124 AEES Power Systems Limited partnership
- 125 Fortitude Industries Inc
- 126 AEES Manufactura, S. De R.L de C.V.
- 127 Cableados del Norte II, S. de R.L de C.V.
- 128 Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.



- 129 Arneses y Accesorios de México, S. de R.L. de C.V.
- 130 Asesoría Mexicana Empresarial, S. de R.L. de C.V.
- 131 Arneses de Ciudad Juárez, S. de R.L. de C.V.
- 132 PKC Group de Piedras Negras, S. de R.L. de C.V.
- 133 PKC Group AEES Commercial S. de R.L. de C.V.
- 134 Jiangsu Huakai-PKC Wire Harness Co., Ltd.
- 135 PKC Vehicle Technology (Hefei) Co., Ltd.
- 136 PKC Vehicle Technology (Fuyang) Co., Ltd.
- 137 Shangdong Huakai-PKC Wire Harness Co., Ltd.
- 138 Motherson Rolling Stock Systems GB Limited
- 139 Motherson PKC Harness Systems FZ-LLC
- 140 Wisetime Oy
- 141 Motherson Rolling Stocks S. de R.L. de C.V.
- 142 Global Environment Management (FZC)
- 143 SMRC Automotive Holdings B.V.
- 144 SMRC Automotive Holdings Netherlands B.V.
- 145 SMRC Automotives Techno Minority Holdings B.V.
- 146 SMRC Smart Automotive Interior Technologies USA, LLC
- 147 SMRC Automotive Modules France SAS
- 148 Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.
- 149 SMRC Automotive Interiors Spain S.L.U.
- 150 SMRC Automotive Interior Modules Croatia d.o.o.
- 151 Samvardhana Motherson Reydel Autolecc Morocco SAS
- 152 SMRC Automotive Technology RU LLC
- 153 SMRC Smart Interior Systems Germany GmbH
- 154 SMRC Automotive Interiors Products Poland SA
- 155 SMRC Automotive Solutions Slovakia s.r.o.
- 156 SMRC Automotive Holding South America B.V.
- 157 SMRC Automotive Modules South America Minority Holdings B.V.
- 158 SMRC Automotive Tech Argentina S.A.
- 159 SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda
- 160 SMRC Automotive Products India Limited
- 161 SMRC Automotive Smart Interior Tech (Thailand) Ltd.
- 162 SMRC Automotive Interiors Japan Ltd.
- 163 Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd.
- 164 PT SMRC Automotive Technology Indonesia
- 165 Yujin SMRC Automotive Techno Corp.
- 166 SMRC Automotives Technology Phil Inc.
- 167 Motherson Innovations LLC
- 168 Samvardhana Motherson Corp Management Shanghai Co Ltd.
- 169 Motherson Ossia Innovations Ilc.
- 170 Motherson Consultancies Service Limited*
- 171 Samvardhana Motherson Finance Service Cyprus Limited*
- 172 Samvardhana Motherson Holding (M) Private Limited*
- 173 Samvardhana Motherson Auto Component Private Limited*
- 174 MS Global India Automotive Private Limited*
- 175 Samvardhana Motherson Maadhyam International Limited*
- 176 Samvardhana Motherson Global Carriers Limited*
- 177 Samvardhana Motherson Innovative Solutions Limited*
- 178 Samvardhana Motherson Refrigeration Product Limited*
- 179 Motherson Machinery and Automations Limited*
- 180 Samvardhana Motherson Auto System Private Limited*
- 181 Motherson Sintemetal Technology B.V.*
- 182 Motherson Invenzen XLab Private Limited*
- 183 Motherson Technology Services Limited (formerly known as MothersonSumi Infotech & Designs Limited)*
- 184 MSID US Inc*
- 185 MothersonSumi Infotek and Designs GmbH*
- 186 MothersonSumi Infotech and Designs S.G. Pte. Limited*
- 187 MothersonSumi Infotech & Designs KK*
- 188 Motherson Infotek Designs Mid East FZ-LLC*
- 189 Motherson Infotech and Solutions UK Ltd*
- 190 Motherson Auto Engineering Service Limited*
- 191 Samvardhana Motherson Health Solutions Limited*
- 192 SMI Technologies Inc.*
- 193 Motherson Information Technologies Spain S.L.U.*
- 194 Samvardhana Motherson Virtual Analysis Limited*
- 195 SAKS Ancillaries Limited*
- 196 Samvardhana Motherson Hamakyorex Engineered Logistics Limited*
- 197 Motherson Techno Tools Limited*
- 198 Motherson Techno Tools Mideast FZE*
- 199 Motherson Molds and Diecasting Limited*
- 200 Motherson Air Travel Agencies Limited*
- 201 CTM India Limited*
- 202 Motherson Sumi Wiring India Limited (refer note 51)
- 203 SMRC Automotive Interiors Management B.V. (liquidated w.e.f March 24, 2021)
- 204 MSSL M Tooling Ltd (liquidated w.e.f. 30.10.2020)
- 205 SMR Plast Met Molds and Tools Turkey Kalip Imalat Anonim Sirketi
- 206 SMR Plast Met Automotive Tec Turkey Plastik Imalat Anonim Sirketi

c. Joint Ventures:

- 1 Motherson Sumi Wiring India Limited
- 2 Kyungshin Industrial Motherson Private Limited
- 3 Calsonic Kansei Motherson Auto Products Private Limited
- 4 Ningbo SMR Huaxiang Automotive Mirrors Co. Limited (indirectly through Subsidiary)
- 5 Chongqing SMR Huaxiang Automotive Products Limited (indirectly through Subsidiary)
- 6 Tianjin SMR Huaxiang Automotive Part Co. Limited (indirectly through Subsidiary)
- 7 Nanchang JMCg SMR Huaxiang Mirror Co. Ltd (indirectly through Subsidiary)
- 8 Eissmann SMP Automotive Interieur Slovensko s.r.o. (indirectly through Subsidiary)
- 9 Anest Iwata Motherson Coating Equipment Private Limited*
- 10 Anest Iwata Motherson Private Limited*
- 11 Valeo Motherson Thermal Commercial Vehicles India Limited*
- 12 Matsui Technologies India Limited*
- 13 Fngel Intelligent Cooling Systems India Private Limited*
- 14 Fritzmeier Motherson Cabin Engineering Private Limited*
- 15 Nissin Advanced Coating Indo Co. Private Limited*
- 16 Motherson Bergstrom HVAC Solutions Private Limited*
- 17 Marelli Motherson Automotive Lighting India Private Ltd.*
- 18 Motherson Auto Solutions Limited*
- 19 Marelli Motherson Auto Suspension Parts Pvt Ltd*
- 20 Youngshin Motherson Auto Tech Limited*

d. Associate Companies:

- 1 Saks Ancillaries Limited (became subsidiary during financial year March 31, 2022) (refer note 51)
- 2 Hubei Zhenggao PKC Automotive Wiring Company Ltd. (indirectly through subsidiary)
- 3 AES (India) Engineering Limited*

* covered into subsidiary/joint venture/associate pursuant to Composite Scheme (refer note 51). Transactions till effective date of merger are reported as transactions with other related parties and transactions post effective date of merger are reported based on the current relationship with the Company.



(All amounts in INR Million, unless otherwise stated)

II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 40 (f) above:

Key management personnel compensation

	March 31, 2022	March 31, 2021
Short-term employee benefits	72	63
Directors commission/sitting fees	17	29
Post-employment benefits payable	68	50
Long-term employee benefits payable	24	16

Terms and conditions:

Transactions relating to sales and purchase of goods with related parties during the year are based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions and at market rates.

There is no significant allowance for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties. Outstanding balances are unsecured and are repayable in cash.

Transactions with related parties

S. No.	Particulars	Subsidiaries		Joint ventures		Associate Company		Key Management personnel		Joint control over the entity		Other related parties	
		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	Sale of products	6,349	5,125	8,775	1,439	-	-	-	-	0	1	210	231
2	Sales of services	1,082	834	738	434	-	-	-	-	-	-	26	7
3	Rent income	21	-	25	25	-	-	-	-	-	-	6	36
4	Sale of property, plant and equipment	12	1	-	-	-	-	-	-	-	0	-	0
5	Purchase of goods	1,569	907	230	2	-	-	-	-	4,900	5,758	425	1,634
6	Purchase of property, plant and equipment & Right-of-use assets	34	4	-	-	-	-	-	-	49	34	764	483
7	Purchase of services	535	338	117	0	-	-	-	-	118	290	720	924
8	Rent expense	37	-	-	-	-	-	6*	5*	20	26	365	143
9	Payment of lease liability	-	-	-	-	-	-	-	-	-	-	137	183
10	Payment of interest on lease liabilities	-	-	-	-	-	-	-	-	-	-	54	77
11	Reimbursement made	139	108	2	0	-	-	-	-	2	7	66	23
12	Reimbursement received	126	73	2,123	0	-	-	-	-	1	5	9	6
13	Royalty	-	-	-	-	-	-	-	-	-	-	-	-
14	Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-
15	Dividend received	4,547	-	-	-	-	-	-	-	267	277	-	-
16	Investment made	-	8,636	-	-	-	-	135**	0**	2,757	-	5	-
17	Interest income	188	88	-	-	-	-	-	-	-	-	-	-
18	Guarantee given during the year	-	3,301	-	-	-	-	-	-	-	-	-	-
19	Guarantee released during the year	-	3,301	-	-	-	-	-	-	-	-	-	-
20	Guarantee & Letter of comfort during the year on account of merger	8,376	-	130	-	-	-	-	-	-	-	-	-



(All amounts in INR Million, unless otherwise stated)

Outstanding balances arising from sales / purchases of goods and services

S. No.	Particulars	Subsidiaries		Joint ventures		Associate Companies		Key Management personnel		Joint control over the entity		Other related parties	
		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 Payable	637	444	41	0	-	-	-	-	158	2,028	82	651
2	Trade Receivable	2,359	1,668	4,591	364	-	-	-	-	-	1	1	87
3	Other Payable	-	-	0	-	-	-	-	-	-	-	15	-
4	Advances recoverable	182	166	1	-	-	-	-	-	-	-	3	77
5	Advances from customer	2	24	24	3	-	-	-	-	0	1	0	-
6	Investments (refer note 6 & 51)	251,501	52,948	52,352	486	-	11	-	-	-	-	3	14
7	Capital advance given	-	-	-	-	-	-	-	-	-	-	31	31
8	Guarantees given	21,568	13,497	-	-	-	-	-	-	-	-	-	-

Loans & advances to / from related parties

S. No.	Particulars	Subsidiaries		Joint ventures		Other related parties	
		March 31, 2022	March 31, 2021 [^]	March 31, 2022	March 31, 2021 [^]	March 31, 2022	March 31, 2021 [^]
i.	Security deposits given:						
	Beginning of the year	-	-	-	-	184	488
	Addition due to business combination	-	-	-	-	48	68
	Security deposit given	-	-	-	-	71	(141)
	Security deposits received back	-	-	-	-	(107)	415
	End of the year	-	-	-	-	196	415
ii.	Security Deposit Received:						
	Beginning of the year	-	-	34	35	17	14
	Security deposits received	-	-	290	-	-	3
	Addition due to business combination	15	-	-	-	(15)	-
	Security deposits repaid	-	-	-	(1)	(2)	-
	End of the year	15	-	324	34	-	17
iii.	Loans given						
	Beginning of the year	26,656	1	-	-	457	131
	Loans given	27	26,424	-	-	75	300
	Loan on account of merger	3,479	-	22	-	-	-
	Interest on account of merger	158	-	0	-	46	31
	Interest charged	741	345	0	-	(78)	(5)
	Interest received	(753)	-	(1)	-	-	-
	TDS	(7)	(0)	(0)	-	(500)	-
	Loans received back	(5,100)	-	(2)	-	-	-
	Exchange gain / (loss) on translation	(72)	(114)	-	-	-	-
	End of the year	25,129	26,656	19	-	0	457

* Rent of INR 6 million (March 31, 2021: INR 5 million) paid to Mr. V.C. Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, and Ms. Vidhi Sehgal.

**Dividend of INR 135 million (March 31, 2021 : Nil) paid to Mr. V. C. Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, Ms. Neelu Mehra, Ms. Geeta Soni, Mr. Pankaj Mittal, Mr. G.N. Gauba, Ms. Geeta Mathur, Mr Naveen Ganzu, Arjun Puri, Alok Goel and Mr. Gautam Mukherjee.

[^] Inclusive of discontinued operations

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.



(All amounts in INR Million, unless otherwise stated)

41 Segment Information:

Description of segments and principal activities

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

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

A. Disaggregated revenue information

i) Revenue from external customers

India
Outside India

March 31, 2022	March 31, 2021
40,735	27,582
12,713	9,110
53,448	36,692

Type of goods or Services

Sales of Components
Tool development
Sale of services
Total revenue from contracts with customers

March 31, 2022	March 31, 2021
49,150	33,724
1,399	1,120
2,421	1,509
52,970	36,353

Timing of revenue recognition

As a point in time
Over a period of time

Total revenue from contracts with customers

March 31, 2022	March 31, 2021
51,571	35,233
1,399	1,120
52,970	36,353

ii) Segment Assets

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

India
Outside India

March 31, 2022	March 31, 2021
18,646	18,056
18,646	18,056

iii) Capital expenditure

March 31, 2022	March 31, 2021
2,581	1,603

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

Customer 1

March 31, 2022	March 31, 2021
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(All amounts in INR Million, unless otherwise stated)

42 Capital and Other Commitments

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

	March 31, 2022	March 31, 2021
Property, plant and equipment		
Estimated value of contracts in capital account remaining to be executed, (net of advances of INR 138 million (March 31, 2021: INR 140 million))	695	940
Estimated value of contracts of discontinued operations in capital account remaining to be executed, (net of advances of INR 8 million during March 31, 2021)	-	135
Total	695	1,075
Other Commitments		
Corporate Guarantee issued on behalf of subsidiary companies	21,568	13,497
Letter of comfort issued on behalf of Joint ventures	130	-

43 Contingent liabilities:

Claims against the Company not acknowledged as debts

	March 31, 2022	March 31, 2021 [^]
a) Excise, sales tax and service tax matters*	50	52
b) Claims made by workmen	65	65
c) Income tax matters	73	95

* Against which Company has not given any bank guarantees

[^] Includes contingent liabilities of discontinued operations.

- a) The Company does not expect any reimbursements in respect of the above contingent liabilities.
b) The Company has assessed that it is only possible but not probable that outflow of economic resources will be required.

44 Assets pledged as security

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

	Notes	March 31, 2022	March 31, 2021 [^]
Current:			
Cash and cash equivalents	13	6,246	2,867
Trade receivables	8	11,215	11,934
Inventory	12	6,877	13,530
Other current assets		3,978	6,021
Total current assets pledged as security		28,316	34,352
Non Current:			
Freehold and leasehold land		87	1,072
Buildings and leasehold improvements		166	7,686
Plant & Machinery		4,372	7,105
Investment property		257	835
Non current investment	6(a)	37,751	24,705
Total non-current assets pledged as security		42,633	41,403
Total assets pledged as security		70,949	75,755

[^] Assets pledged includes assets of discontinued operations

45 Ind AS 115 Revenue from contracts with customers

The transaction price allocated to the remaining performance obligations related to tool development (unsatisfied or partially unsatisfied) are, as follows:

	March 31, 2022	March 31, 2021
Within one year	653	370
More than one year	81	1
Total	734	371

Table below provides information on revenue recognised from :

	March 31, 2022	March 31, 2021
Amounts included in contract liabilities at the beginning of the year	515	627
Performance obligations partly satisfied in previous years	206	172

The table below represents summary of contract assets and liabilities relating to contracts with customers :

	March 31, 2022	March 31, 2021
Trade Receivables (refer note 8)	11,215	5,185
Contract assets (refer note 9)	934	473
Contract liabilities (refer note 24)	1,096	528

Contract assets are initially recognised for revenue earned from development of tools and secondary equipment as receipt of consideration is conditional on successful completion and acceptance by the customer. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. The expected credit loss on contract assets is considered very low and hence no provision for credit loss is recorded in respect of contract assets.



(All amounts in INR Million, unless otherwise stated)

46 Leases

The Company assesses each lease contract and if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Company recognised right to use assets and lease liabilities for those lease contracts except for short-term lease and lease of low-value assets.

The Company has leases contracts for land, premises, plant & machinery and vehicles. These lease arrangements for land are for a period upto 99 years, for premises are for a period upto 10 years, plant & machinery are for a period upto 5 years and vehicles are for a period upto 5 years. The Company also has certain leases of machinery, computers, vehicles with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

	March 31, 2022	March 31, 2021
Current lease liabilities	231	122
Non-current lease liabilities	480	600
	<u>711</u>	<u>722</u>

Amount recognised in statement of profit and loss during the year on account of Ind AS 116

	March 31, 2022	March 31, 2021
Interest expense on lease liabilities (included in finance cost)	54	72
Depreciation of Right of Use assets	172	186
Lease expense derecognised	171	229
Other items included in statement of profit and loss during the year:		
Short term and low value lease payments	255	173

47 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company's operations have been impacted partially by the outbreak of COVID-19 pandemic and the consequent lockdown announced by central and state governments. Accordingly, the financial statements for the year ended March 31, 2022 are not strictly comparable with those of previous period.

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(All amounts in INR Million, unless otherwise stated)

48 Dues to micro, small and medium 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:

	March 31, 2022	March 31, 2021 [^]
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	601	545
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2	1
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	2,207	2,107
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	3	4
Further interest remaining due and payable for earlier years	-	-

[^] inclusive of discontinued operations

49 Disclosure pursuant to the Regulation 34(3) read with para A of Schedule V to Securities and Exchange Board of India (Listing Obligations And Disclosures Requirements) Regulation, 2015:

a) Loans and advances in the nature of loans to subsidiaries and associates (including interest)

	March 31, 2022	March 31, 2021
Loan to Subsidiary: MSSL Mideast (FZE)		
Balance as at year end	-	3,003
Maximum amount outstanding at any time during the year	3,003	3,003
Loan to Subsidiary: MSSL Mauritius Holdings Limited		
Balance as at year end	21,410	23,649
Maximum amount outstanding at any time during the year	23,649	23,649
Loan to Subsidiary: Samvardhana Motherson Holding Pvt Ltd ¹		
Balance as at year end	345	-
Maximum amount outstanding at any time during the period effective from merger	345	-
Loan to Subsidiary: MS Global India Automotive Private Limited ¹		
Balance as at year end	1,452	-
Maximum amount outstanding at any time during the period effective from merger	1,452	-
Loan to Subsidiary: Samvardhana Motherson Auto Component Private Limited ¹		
Balance as at year end	187	-
Maximum amount outstanding at any time during the period effective from merger	187	-
Loan to Subsidiary: Motherson Sumi Infotech & Designs Ltd. ¹		
Balance as at year end	375	-
Maximum amount outstanding at any time during the period effective from merger	375	-
Loan to Subsidiary: Motherson Invenzen Xlab Private Limited ¹		
Balance as at year end	21	-
Maximum amount outstanding at any time during the period effective from merger	21	-
Loan to Subsidiary: Samvardhana Motherson Innovative Solutions Limited ¹		
Balance as at year end	1,214	-
Maximum amount outstanding at any time during the period effective from merger	1,214	-
Loan to Subsidiary: Samvardhana Motherson Global Carriers Limited ¹		
Balance as at year end	125	-
Maximum amount outstanding at any time during the period effective from merger	125	-
Loan to Associate: Motherson Sumi Wiring India Limited		
Balance as at year end	-	4
Maximum amount outstanding at any time during the year	4	4
Loan to Joint Venture: Valeo Motherson Thermal Commercial Vehicles India Ltd ¹		
Balance as at year end	20	-
Maximum amount outstanding at any time during the period effective from merger	20	-

¹ Pursuant to Composite Scheme, the aforesaid loans were acquired through merger with erstwhile SAMIL (refer note 51).

b) The particulars of loans to subsidiaries which are disclosed below as required by Sec 186(4) of the Companies Act 2013:

Name of the Borrower	Currency of loan	March 31, 2022	March 31, 2021
MSSL Mideast (FZE)	EUR	-	3,003
MSSL Mauritius Holdings Limited	EUR	-	2,186
MSSL Mauritius Holdings Limited	EUR	12,718	13,203
MSSL Mauritius Holdings Limited	USD	8,692	8,261
Motherson Sumi Wiring India Limited	INR	-	4
Samvardhana Motherson Holding Pvt Ltd	INR	345	-
MS Global India Automotive Private Limited	INR	1,452	-
Samvardhana Motherson Auto Component Private Limited	INR	187	-
Motherson Sumi Infotech & Designs Ltd.	INR	375	-
Motherson Invenzen Xlab Private Limited	INR	21	-
Samvardhana Motherson Innovative Solutions Limited	INR	1,214	-
Samvardhana Motherson Global Carriers Limited	INR	125	-

All loans are Unsecured loans.

The tenure and interest rate on these shall vary in the range of 1-3 years and between 2.00 % to 10.00% depending upon currency and return.

The purpose of above loans are Investment/ advances to other group companies and meeting other financial obligations.



(All amounts in INR Million, unless otherwise stated)

50 Merger by way of absorption of Motherson Polymers Compounding Solution Private Limited

During the previous financial year, the Company has received approval from NCLT, Delhi and Mumbai Bench, approving the scheme of merger by way of absorption of Motherson Polymers Compounding Solution Private Limited (MPCSL) a wholly owned subsidiary. The order sanctioning the scheme have been filed with the Registrar of Companies, Mumbai and Registrar of Companies, Delhi on September 30, 2020.

As per the scheme, all assets and liabilities and reserves of MPCSL have been recorded in the books of account of the Company at their existing carrying amounts and in the same form, which is in accordance with the IND AS - 103 "Business Combination".

51 The Composite Scheme of Amalgamation and Arrangement

The Board of Directors in its meeting dated July 02, 2020, approved a group reorganization plan with the objective of creating value for the shareholders of the Company. The reorganization plan approved by the respective Boards of the Company and erstwhile Samvardhana Motherson International Limited ("erstwhile SAMIL") among other things, entails demerger of Domestic Wiring Harness ("DWH") business from the Company into a new company Motherson Sumi Wiring India Limited ("MSWIL") and subsequent merger of erstwhile SAMIL into the Company to consolidate 100% shareholding in Samvardhana Motherson Automotive Systems Group BV ("SMRP BV") as well as to bring all auto component and allied businesses in erstwhile SAMIL under the Company. The Hon'ble National Company Law Tribunal, Mumbai Bench ("Hon'ble NCLT") vide its order dated December 22, 2021 approved the Composite Scheme of Amalgamation and Arrangement ("the Scheme") between the Company, Motherson Sumi Wiring India Limited ("MSWIL"), erstwhile Samvardhana Motherson International Limited (erstwhile SAMIL) and their respective shareholders, there by making the scheme effective.

Considering that all necessary and substantive approvals were received, the Company had given effect to the merger and demerger accounting from December 31, 2021 in accordance with the accounting treatment prescribed in the Scheme and relevant accounting principles.

A Demerger of Domestic Wiring Harness (DWH) Business

As per the Scheme, 3,157,934,237 equity shares having face value of INR 1/- each, were allotted by MSWIL, in the ratio of 1 equity share of MSWIL of face value INR 1/- each for every 1 equity share of the Company of face value INR 1/- each, to the shareholders of the Company as on January 19, 2022, being the record date fixed by the Company. The carrying amount of net assets amounting to INR 10,721 million, as on December 31, 2021, pertaining to DWH Business transferred to MSWIL was adjusted against retained earnings of the Company. Till the date of transfer, results of DWH Business were reflected and presented as Discontinued Operation.

The listing process for these allotted shares of MSWIL has now been also completed on March 28, 2022 after completing all necessary regulatory approvals and procedures.

(i) The results of DWH business are presented below:

	From April 01, 2021 to December 31, 2021	For the year ended March 31, 2021
Revenue from contract with customers	39,309	41,167
Other operating revenue	426	215
Revenue from operations	39,735	41,382
Other income	207	275
Total expenses	35,096	37,261
Profit/(loss) before tax for the period	4,846	4,396
Tax expense/ (credit)	1,204	1,129
Profit / (loss) for the period	3,642	3,267

The income and expenses of continuing operation includes transactions with discontinued operation, which does not have impact on "Profit / (loss) for the year from continuing and discontinued operations" as disclosed in standalone statement of profit and loss. Revenue from contract with customers on account of transaction between continuing operations and discontinued operations is as follows:

	From April 01, 2021 to December 31, 2021	For the year ended March 31, 2021
Amount included in continuing operation	12,929	12,398
Amount included in discontinued operation	12	15

(ii) The major classes of assets and liabilities of DWH business classified as held for distribution as on March 31, 2021, and book value of assets and liabilities transferred as on effective date of scheme are presented below:

	December 31, 2021	March 31, 2021
ASSETS		
Non-current assets		
Property, plant and equipment	1,697	1,559
Right-of-use assets	324	138
Capital work in progress	4	1
Financial assets		
i. Loans	31	26
ii. Other financial assets	89	82
Deferred tax assets (net)	271	259
Other non-current assets	87	151
Non-current tax assets (net)	31	0
Total non-current assets	2,534	2,216
Current assets		
Inventories	9,788	7,986
Financial assets		
i. Trade receivables*	7,688	6,749
ii. Cash and cash equivalents	7	372
iii. Loans	21	12
iv. Other financial assets	77	103
Other current assets	626	455
Total current assets	18,207	15,677
Total assets	20,741	17,893



(All amounts in INR Million, unless otherwise stated)

LIABILITIES		
Non current liabilities		
Financial Liabilities		
i. Borrowings	103	139
ii. Lease liabilities	292	100
iii. Other financial liabilities	76	75
Employee benefit obligations	146	211
Government grants	199	222
Total non-current liabilities	816	747
Current liabilities		
Financial Liabilities		
i. Borrowings	47	675
ii. Lease liabilities	78	45
iii. Trade payables	7,309	7,516
iii. Other financial liabilities	754	831
Provisions	12	8
Employee benefit obligations	481	494
Government grants	30	30
Other current liabilities	493	447
Total current liabilities	9,204	10,046
Total liabilities	10,020	10,793
Net Assets directly associated with DWH business	10,721	7,100

Assets and liabilities are disclosed after netting off of below mentioned amount of receivable and payable between continuing operation and discontinued operation in standalone balance sheet.

	March 31, 2021
Amount receivable from discontinued operation	2,330
Amount payable to discontinued operation	22
*Includes below balances with related parties	
Trade receivables from related parties	161
Trade payable to related parties	1746

(iii) Net cash flows attributable to the DWH business are as follows:

	From April 01, 2021 to December 31, 2021	For the year ended March 31, 2021
Net cash generated from / (used in) operating activities	916	(29)
Net cash used in investing activities	(452)	(299)
Net cash generated from financing activities	(840)	383
Net increase in cash and cash equivalents	(376)	55

The Company has incurred expenses amounting INR 481 million (March 31, 2021: INR 199 million) in connection with the implementation of the scheme of arrangement, which have been disclosed as exceptional expenses in statement of profit and loss.

B Amalgamation of erstwhile Samvardhana Motherson International Limited

In accordance with the Scheme, 1,359,680,007 net equity shares having face value of INR 1/- each have been allotted by the Company in the ratio of 51 equity shares of the Company of face value INR 1/- each for every 10 equity shares of erstwhile SAMIL of face value INR 10/- each to the shareholders of erstwhile SAMIL as on January 28, 2022, being the record date fixed in terms of the Scheme. This translates into net consideration for the transaction at INR 241,827 million and capital reserve of INR 3,612 million, being excess of fair value of identifiable assets and liabilities assumed through merger with erstwhile SAMIL over net consideration. The fair values used for the accounting have been determined based on purchase price Allocation in accordance with IND AS 103 – "Business Combination".

(i) Assets and Liabilities recognized as result of above scheme are as follows:

Particulars	Amount in INR Million
ASSETS	
Non-current assets	
Property, plant and equipment	17
Right-of-use assets	86
Investment accounted as per equity methods	247,668
Financial assets	
i. Investments	2
ii. Other financial assets	140
Other non-current assets	9
Non-current tax assets (net)	123
Total non-current assets	248,045
Current assets	
Financial assets	
i. Investments	900
ii. Trade receivables	27
iii. Cash and cash equivalents	145
iv. Bank balances other than (iii) above	7
v. Loans	3,489
vi. Other financial assets	376
Other current assets	13
Total current assets	4,957
Total assets	253,002



(All amounts in INR Million, unless otherwise stated)

LIABILITIES	
Non current liabilities	
Financial Liabilities	
i. (a) Lease liabilities	47
Employee benefit obligations	101
Other non-current liabilities	29
Total non-current liabilities	177
Current liabilities	
Financial Liabilities	
i. Borrowings	7,000
i. (a) Lease liabilities	42
ii. Trade payables	151
iii. Other financial liabilities	109
Employee benefit obligations	29
Other current liabilities	55
Total current liabilities	7,386
Total liabilities	7,563
Net identifiable assets acquired	245,439
Calculation of goodwill / (gain on bargain purchase)	Amount in INR Million
Purchase consideration	
Issue of equity share capital to share holders of SAMIL (net)	1,360
Security premium recognised over the face value of equity share capital	240,467
Net identifiable assets acquired	245,439
Goodwill / (gain on bargain purchase)	(3,612)

52 Pursuant to implementation of Composite scheme (refer note 51), domestic wiring harness business of the Company is transferred to Motherson Sumi Wiring India Limited (MSWIL). There are various common facilities/functions with the Company and cost in respect of the same are incurred by the Company. Motherson Sumi Wiring India Limited (MSWIL) reimburses to the Company the cost at actual basis or shared basis based on mainly in the ratio of sales of domestic and non-domestic wiring harness business as mutually decided by both the Companies with effect from the appointed date of April 1, 2021. These costs are excluded in the respective expense head as mentioned below.

	For the year ended March 31, 2022
Employee benefits expense (refer note 29)	
Salary, wages & bonus	606
Contribution to provident & other fund	51
Gratuity	22
Staff welfare expenses	36
A Total Employee benefits expense	715
Other expenses (refer note 30)	
Electricity, water and fuel	13
Repairs and maintenance:	
Machinery	11
Building	3
Others	28
Consumption of stores and spare parts	4
Rent	81
Rates & taxes	1
Insurance	58
Donation	13
Travelling	22
Freight & forwarding	0
Commission	4
Legal & professional expenses	362
Miscellaneous expenses	84
B Total Other expenses	684
Finance costs (refer note 31)	
Interest on long term borrowings	16
Interest on lease liabilities	5
C Total Finance costs	21
Depreciation and amortisation expense (refer note 32)	
Depreciation on right of use assets	20
D Total Depreciation and amortisation expense	20
E Exceptional (income) / expenses (refer note 51)	104
Total Shared cost (A+B+C+D+E)	1,544



53 Acquisition of CIM Tools Private Limited

On October 08, 2021 the Company signed share purchase agreement for acquisition of 55% stake in CIM Tools Private Limited (CIM). CIM in turn holds 83% stake in Aero Treatment Private Limited (ATPL) and 49.99% in Lauak CIM Aerospace (JV with Lauak International, LCA), together known as CIM Group for a total purchase consideration of INR 1,609 million (subject to final adjustments).

CIM Tools is engaged in specialised machining and sub-assembly of components for the aerospace industry. ATPL is a vertically integrated unit engaged in surface treatment of machined parts. This acquisition marked Company's entry into the Aerospace industry and provides it with access to an existing and well established customer base as well as additional specialised capabilities to serve the aerospace industry through its four dedicated facilities. The successful closure of this acquisition is another step forward in the diversification strategy of Motherson.

As the initial accounting and a detailed study into allocation of purchase price over the fair value assets and liabilities assumed on acquisition is still in progress as at the date of this report, the disclosures generally applicable for a business combination are therefore not produced, however this has no impact on the financial statements for the year ended March 31, 2022 as the transaction has been completed in the month of April 2022.

54 Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do 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 institutions.

55 Amounts appearing as zero "0" in financial are below the rounding off norm adopted by the Company

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per PANKAJ CHADHA
Partner
Membership No.: 091813



Place: Noida
Date: May 26, 2022

For and on behalf of the Board

V.C. SEHGAL
Chairman

Place: Mumbai
Date: May 26, 2022

Kunal Malani
Chief Financial Officer
Place: Mumbai
Date: May 26, 2022

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer
Place: Mumbai
Date: May 26, 2022

ALOK GOEL
Company Secretary
Place: Noida
Date: May 26, 2022



INDEPENDENT AUDITOR'S REPORT
2021-2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited)

Report on the Audit of the Consolidated Financial Statements**Opinion**

We have audited the accompanying consolidated financial statements of Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited) (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures comprising of the consolidated Balance sheet as at March 31, 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, 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, associates and joint ventures, 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, its associates and joint ventures as at March 31, 2022, their consolidated profit 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, associates, joint ventures 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole,



and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Accounting for the Composite Scheme of Amalgamation and Arrangements <i>(as described in Note 51 of the consolidated financial statements)</i>	
<p>The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated December 22, 2021 has approved the Composite Scheme of Amalgamation and Arrangement ("the Scheme") between the Company, Motherson Sumi Wiring India Limited ("MSWIL"), erstwhile Samvardhana Motherson International Limited (SAMIL) and their respective shareholders.</p> <p>The Scheme entails demerger of Domestic Wiring Harness ("DWH") business from the Company into a new company, viz., MSWIL and subsequent merger of erstwhile SAMIL into the Company to bring its all auto component and allied businesses under the Group.</p> <p>In respect to the demerger, the carrying value of the identified net assets pertaining to the DWH business transferred to MSWIL has been adjusted against general reserve of the Group.</p> <p>For merger, the identifiable assets and liabilities of erstwhile SAMIL have been accounted for in accordance with IND AS 103 – "Business Combination" at the fair</p>	<p>Our audit procedures included the following</p> <ol style="list-style-type: none"> 1. Read and assessed the provisions of the Scheme and the NCLT order; 2. Obtained an understanding and assessed the effectiveness of process followed by the management for recording the accounting treatment prescribed in the Scheme; 3. Evaluated whether the accounting treatment of the said transaction is in line with the applicable Indian Accounting Standards (Ind AS) and accounting guidance; 4. Tested the management's assessment and computation for identifying the relevant assets and liabilities of the demerged business; 5. Performed testing procedures including involvement of valuation specialists for testing of the valuation reports provided by the management for the appropriateness of assumptions involved; 6. Verified whether the accounting entries recorded in the books are in line with the accounting treatment assessed above, including the arithmetical accuracy of the same;



Key audit matters	How our audit addressed the key audit matter
<p>values determined by an independent valuer appointed by the Group.</p> <p>The above is considered as a key audit matter as transaction involves significant amount, exercise of judgement, interpretation of the relevant accounting standards and applicable tax and other statutes/regulations.</p>	<p>7. Read and assessed the disclosure made in the consolidated financial statements for assessing compliance with disclosure requirements</p>
De-recognition of trade receivables under factoring facilities <i>(as described in Note 8 of the consolidated financial statements)</i>	
<p>The Group enters into non-recourse factoring arrangements for its trade receivables with various banks/financial institutions.</p> <p>As at 31 March 2022, the Group had factoring facilities in place for trade receivables amounting to INR 44,151 million which were de-recognized in the financial statements.</p> <p>The Group derecognizes the receivables from its books if it transfers substantially all the risks and rewards of ownership of the financial asset (i.e. receivables).</p> <p>The assessment of de-recognition of trade receivables under the factoring facilities is complex and requires significant judgement applied by the management</p> <p>Accordingly, the matter has been identified as KAM.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> 1. The procedures performed by us in respect of the entity audited by us and by other component auditors in respect of entities where we are not the auditors, included following: <ol style="list-style-type: none"> a. Obtained an understanding of the process related to de-recognition of trade receivables; b. Evaluated the assessment made by management covering factoring contracts; c. For selected sample of new contracts entered during the year, tested their nature and evaluated whether key terms and conditions thereof are in line with the guidance prescribed under Ind AS 109, "Financial Instruments"; 2. In respect of the entities where we are not the auditors, we made enquires of the procedures performed by them as enumerated above; 3. We read and assessed the disclosure made in the consolidated financial statements for assessing compliance with disclosure requirements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual 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 and 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.

Responsibilities of Management 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 including its associates and joint ventures 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 and of its associates and joint ventures 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 of its associates and joint ventures 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 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 and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures 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 and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

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 Group 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 and its associates and joint ventures 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 and its associates and joint ventures 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 and its associates and joint ventures 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 89 subsidiaries, whose financial statements include total assets of Rs. 740,348 million as at March 31, 2022, and total revenues of Rs. 497,833 million and net cash outflows of Rs. 14,278 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of Rs. 898 million for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of 9 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose 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 joint ventures 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 and joint ventures is based solely on the reports of such other auditors.
- (b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 59 subsidiaries, whose financial statements and other financial information reflect total assets of Rs. 19,311 million as at March 31, 2022, and total revenues of Rs. 5,172 million and net cash outflows of Rs. 290 million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of Rs. 11 million for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of 7 joint ventures, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and joint ventures 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 and joint ventures, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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, associate companies and joint ventures companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 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, associates and joint ventures, 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 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, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures, 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, associate companies and joint ventures, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (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, associates and joint ventures 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, its associates and joint ventures in its consolidated financial statements – Refer Note 20 and 43 to the consolidated financial statements;
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer (a) Note 37 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures and (b) the Group's share of net profit/loss in respect of its associates and/or joint ventures;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures, incorporated in India during the year ended March 31, 2022;
 - iv. a) The management has represented that, to the best of its knowledge and belief, 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 Group to or in any other persons or entities, 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, no funds have been received by the Group from any persons or entities, 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



S.R. BATLIBOI & Co. LLP

Chartered Accountants

- c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those 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. The dividend declared or paid during the year/ subsequent to the year- end by the Holding company, subsidiary companies and joint ventures incorporated in India, is in compliance with section 123 of the Act.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Pankaj Chadha

Partner

Membership Number: 091813

UDIN: 22091813AJRVKP7764



Place of Signature: Noida

Date: May 26, 2022

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Annexure I referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited) (the "Holding Company")

According to the information and explanations given to us and procedures performed by us, 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 Pankaj Chadha

Partner

Membership Number: 091813

UDIN: 22091813AJRVKP7764

Place of Signature: Noida

Date: May 26, 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (FORMERLY KNOWN AS MOTHERSON SUMI SYSTEM 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 Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited) (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, its associates and joint ventures, 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to 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, 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 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to 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 with reference to consolidated financial statements.



Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to 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 with reference to 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 with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to 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 Group, its associates and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to 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 issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 18 subsidiaries, 9 joint ventures and 1 associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, joint ventures and associates incorporated in India.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005


per **Pankaj Chadha**

Partner

Membership Number: 091813

UDIN: 22091813AJRVKP7764

Place of Signature: Noida

Date: May 26, 2022





Samvardhana Motherson International Limited
(formerly known as Motherson Sumi Systems Limited)
Consolidated Financial Statements
2021-22

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED
(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)
Consolidated balance sheet



(All amounts in INR Million, unless otherwise stated)

	Notes	As At March 31, 2022	As At March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	145,252	143,738
Right-to-use assets	3(b)	16,031	14,383
Capital work-in-progress	3(c)	12,488	8,383
Investment properties	4	5,241	1,281
Goodwill	5	33,743	24,718
Other intangible assets	5	13,845	16,871
Intangible assets under development	3(c)	609	386
Investments accounted for using the equity method	48	62,647	7,166
Financial assets			
i. Investments	6 (a)	1,958	1,287
ii. Loans	7	36	445
iii. Trade receivables	8	14,516	14,946
iv. Other financial assets	9	2,413	1,069
Deferred tax assets (net)	11 (a)	11,486	10,224
Other non-current assets	10	13,767	13,835
Non-current tax assets (net)	23	2,507	1,843
Total non-current assets		336,539	260,575
Current assets			
Inventories	12	64,417	49,956
Financial assets			
i. Investments	6 (b)	12	12
ii. Trade receivables	8	65,731	56,931
iii. Cash and cash equivalents	13	48,775	58,994
iv. Bank balances other than (iii) above	14	1,219	68
v. Loans	7	289	272
vi. Other financial assets	9	31,278	24,200
Other current assets	10	14,441	12,052
Total current assets		226,162	202,485
Assets classified as held for distribution	51	-	17,790
Total assets		562,701	480,850
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	4,518	3,158
Other equity			
Reserves and surplus	16 (a)	194,511	114,419
Other reserves	16 (b)	6,854	8,029
Equity attributable to owners of the Company		205,883	125,606
Non controlling interests		17,763	40,233
Total equity		223,646	165,839
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	17 (a)	85,007	74,687
i (a) Lease liabilities	46	10,070	9,422
ii. Other financial liabilities	18	4,811	6,076
Provisions	20	1,348	1,482
Employee benefit obligations	21	5,466	4,914
Deferred tax liabilities (net)	11 (b)	5,445	3,363
Government grants	22	2,392	2,142
Other non-current liabilities	24 (a)	1,663	1,629
Total non-current liabilities		116,202	103,715



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED
(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)
Consolidated balance sheet

motherson 

(All amounts in INR Million, unless otherwise stated)			
	Notes	As At March 31, 2022	As At March 31, 2021
Current liabilities			
Financial Liabilities			
i. Borrowings	17 (b)	42,602	31,945
i (a) Lease liabilities	46	3,618	3,242
ii. Trade payables	19	113,603	111,406
iii. Other financial liabilities	18	33,179	30,826
Provisions	20	4,815	4,968
Employee benefit obligations	21	2,280	2,014
Government grants	22	475	455
Current tax liabilities (net)	23	3,901	3,342
Other current liabilities	24 (b)	18,380	14,745
Total current liabilities		222,853	202,943
Liabilities directly associated with the assets held for distribution	51	-	8,353
Total liabilities		339,055	315,011
Total equity and liabilities		562,701	480,850
Summary of significant accounting policies	2		

This is the consolidated Balance Sheet referred to in our report of even date

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

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board

per PANKAJ CHADHA
Partner
Membership No : 091813



Place: Noida
Date: May 26, 2022


V.C. SEHGAL
Chairman

Place: Mumbai
Date: May 26, 2022


KUNAL MALANI
Chief Financial Officer

Place: Mumbai
Date: May 26, 2022


PANKAJ MITAL
Whole-time Director/
Chief Operating Officer
Place: Mumbai
Date: May 26, 2022


ALOK GOEL
Company Secretary

Place: Noida
Date: May 26, 2022



(All amounts in INR Million, unless otherwise stated)

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Continuing Operations:			
Revenue			
Revenue from contract with customers	25 (a)	628,317	569,513
Other operating revenue	25 (b)	7,043	4,186
Total revenue from operations		635,360	573,699
Other income	26	4,957	2,293
Total income		640,317	575,992
Expenses			
Cost of materials consumed	27	368,049	326,758
Purchase of stock-in-trade		1,828	1,033
Change in inventories of finished goods, work-in-progress and stock in trade	28	(2,514)	(1,812)
Employee benefits expense	29	153,746	140,996
Depreciation and amortisation expense	32	29,582	29,260
Finance costs	31	5,426	5,115
Other expenses	30	69,637	63,135
Total expenses		625,754	564,485
Profit before exceptional items, share of net profit of investments accounted for using equity method and tax		14,563	11,507
Exceptional (income) / expenses	51, 54	481	623
Group's share in net profit / (loss) of associates and joint ventures accounted for using the equity method		160	849
Profit before tax from continuing operations		14,242	11,733
Tax expenses			
Current tax	33	7,315	6,066
Deferred tax expense/ (credit)	33	(1,246)	(6,760)
Total tax expense		6,069	(694)
Profit for the year from continuing operations		8,173	12,427
Discontinued operations:	51		
Revenue from operations		39,735	41,382
Other income		207	275
Total expenses		35,096	37,261
Profit before tax from discontinued operations		4,846	4,396
Tax expense/ (credit) of discontinued operations		1,204	1,129
Profit for the year from discontinued operations		3,642	3,267
Profit for the year from continuing and discontinued operations		11,815	15,694
Other comprehensive income from continuing operations			
Items not to be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		14	(437)
Remeasurements of post-employment benefit obligations		300	(51)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		0	2
		314	(486)
Deferred tax on fair valuation of FVOCI equity investment		40	(1)
Deferred tax on remeasurements of post-employee benefit obligations		(66)	10
		288	(477)
Items to be reclassified to profit or loss			
Exchange gain/ (losses) on translation of foreign operations		1,407	2,104
Deferred gain / (losses) on cash flow hedges		703	1,669
		2,110	3,773
Income tax on deferred gain / (losses) on cash flow hedges		(180)	(69)
		1,930	3,704
Other comprehensive income from discontinued operations			
Items not to be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		(29)	(11)
Income tax relating to items that will not be reclassified to profit or loss		7	3
		(22)	(8)
Total other comprehensive income from continuing and discontinued operations for the year, net of tax		2,196	3,219
Total comprehensive income from continuing and discontinued operations for the year, net of tax		14,011	18,913



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED
(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)
Consolidated statement of profit and loss



(All amounts in INR Million, unless otherwise stated)

Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit attributable to:		
Owners	8,738	10,392
Non-controlling interest	3,077	5,302
	11,815	15,694
Other comprehensive income attributable to:		
Owners	349	2,484
Non-controlling interest	1,847	735
	2,196	3,219
Total comprehensive income attributable to:		
Owners	9,087	12,876
Non-controlling interest	4,924	6,037
	14,011	18,913
Earnings per share	34	
Nominal value per share: INR 1/- (Previous year : INR 1/-)		
Earnings per share for continuing operations		
Basic and Diluted	1.46	2.26
Earnings per share for discontinued operations		
Basic and Diluted	1.04	1.03
Earnings per share for continuing and discontinued operations		
Basic and Diluted	2.50	3.29
Summary of significant accounting policies	2	

This is the consolidated Statement of Profit and Loss referred to in our report of even date

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

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board

per PANKAJ CHADHA
Partner
Membership No.: 091813



V.C. SEHGAL
Chairman

Place: Mumbai
Date: May 26, 2022

KUNAL MALANI
Chief Financial Officer

Place: Mumbai
Date: May 26, 2022

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer
Place: Mumbai
Date: May 26, 2022

ALOK GOEL
Company Secretary

Place: Noida
Date: May 26, 2022

Place: Noida
Date: May 26, 2022



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED
(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)
Consolidated statement of changes in equity

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(All amounts in INR Million, unless otherwise stated)

A. Equity share capital	Notes	Amount	Notes	Reserves and Surplus				Items of OCI			Total attributable to Owners	Non Controlling Interests	Total
				Capital reserve on consolidation	Securities premium	Capital reserve on acquisition non controlling interest	Reserve on amalgamation	General Reserve	Retained Earnings	FVOCI equity instrument	Foreign currency translation reserve	Cash flow hedging reserve	
As at April 01, 2020		3,158											
Issue of equity share capital	15	-											
As at March 31, 2021		3,158											
Issue of equity share capital (net) in relation to merger pursuant to Composite Scheme (refer note 31)	15	1,360											
As at March 31, 2022		4,518											
B. Other equity													
Balance as at April 01, 2020	16(a)	1,920	26,303				1,663	3,430	70,642	(306)	8,053	(2,254)	109,451
Profit for the year	16(a)&(b)	-	-	-	-	-	-	-	10,392	-	-	-	10,392
Other comprehensive income		-	-	-	-	-	-	-	(52)	(218)	1,791	963	2,484
Total comprehensive income for the year		-	-	-	-	-	-	-	10,340	(218)	1,791	963	12,876
Dividend to non controlling interest	48 B	-	-	-	-	-	-	-	-	-	-	-	-
Additional contribution by Non controlling interest		-	-	-	-	-	-	-	-	-	-	-	-
Hyperinflation adjustment	47	-	-	-	-	-	-	-	126	-	-	-	126
Other addition / (deletion)		-	-	-	-	-	-	1	(6)	-	-	-	(5)
Balance at March 31, 2021		1,920	26,303				1,663	3,431	81,102	(524)	9,844	(1,291)	122,448
Profit for the year	16(a)	-	-	-	-	-	-	-	8,738	-	-	-	8,738
Other comprehensive income	16(a)&(b)	-	-	-	-	-	-	-	212	48	(531)	620	349
Total comprehensive income for the year		-	-	-	-	-	-	-	8,950	48	(531)	620	9,087
Dividend paid	16 (a)	-	-	-	-	-	-	-	(4,737)	-	-	-	(4,737)
Transferred in relation to demerger pursuant to Composite Scheme	16 (a) & 51	-	-	-	-	-	-	-	(10,721)	-	-	-	(10,721)
Addition in relation to merger pursuant to Composite Scheme	16 (a), 50 & 51	3,612	240,467	-	-	-	-	-	-	-	-	-	244,079
Reversal of previously recognised non controlling interest pursuant to Composite Scheme	48A & 51	-	-	-	-	(159,300)	-	-	-	-	-	-	(159,300)
Recognition of put-call option liability	50	-	-	-	-	-	-	-	(331)	-	-	-	(331)
Dividend to non controlling interest	48 B	-	-	-	-	-	-	-	-	-	-	-	-
Hyperinflation adjustment	47	-	-	-	-	-	-	-	282	-	-	-	282
Other addition / (deletion)		-	-	-	-	-	-	-	1,869	-	(1,312)	-	558
Balance at March 31, 2022	2	5,532	266,770			(159,300)	1,663	3,432	76,414	(476)	8,001	(671)	201,365
Summary of significant accounting policies													

This is the consolidated Statement of changes in equity referred to in our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per PANKAJ CHADHA

Partner

Membership No.: 051813

Place: Noida

Date: May 26, 2022

For and on behalf of the Board

V.C. SEHGAL

Chairman

Place: Mumbai

Date: May 26, 2022

PANKAJ MITAL

Whole-time Director/

Chief Operating Officer

Place: Mumbai

Date: May 26, 2022

KUNAL MALANI

Chief Financial Officer

Place: Mumbai

Date: May 26, 2022

ALOK GOEL

Company Secretary

Place: Noida

Date: May 26, 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 before tax from continuing operation	14,242	11,733
Profit before tax from discontinued operation	4,846	4,396
Adjustments for:		
Share of (profit)/loss in associates and joint ventures accounted for using the equity method	(160)	(849)
Depreciation and amortisation expense	29,963	29,764
Finance cost	5,519	5,202
Interest income	(1,173)	(658)
Dividend income	(6)	(0)
Loss/ (gain) on disposal of property, plant & equipment	148	106
Gain on sale of Investments	(12)	(0)
Bad debts / advances written off	97	214
Provision for doubtful debts / advances	112	387
Liability no longer required written back	(360)	(347)
Unrealised foreign currency loss/(gain)	520	(267)
Operating profit before working capital changes	53,736	49,681
Changes in working capital:		
Increase/(decrease) in trade and other payables	5,518	19,184
Increase/(decrease) in other financial liabilities	338	2,725
(Increase)/decrease in trade receivables	(6,456)	(13,464)
(Increase)/decrease in inventories	(13,542)	(6,377)
(Increase)/decrease in other receivables	(648)	(2,653)
(Increase)/decrease in other financial assets	(5,995)	7,017
Cash generated from operations	32,951	56,113
Taxes (paid) / received	(8,324)	(5,600)
Net cash generated from operating activities	24,627	50,513
B. Cash flow from investing activities:		
Payments for purchase of property, plant & equipment and other intangible assets (including capital work-in-progress and intangible assets under development)	(25,081)	(19,700)
Proceeds from sale of property, plant & equipment and other intangible assets	718	375
Proceeds from sale / (payment for purchase) of investments	135	(73)
Loan (to)/repaid by related parties (net)	498	(349)
Interest received	1,157	635
Dividend received	6	0
Dividend received from associates & joint venture entities	787	150
(Investment)/Proceeds from maturity of deposits with remaining maturity for more than 3 months	(258)	27
Consideration paid on acquisition of subsidiaries net of cash balance acquired (Refer Note 50 & 51)	(1,081)	-
Net cash (used) in investing activities	(23,119)	(18,935)
C. Cash flow from financing activities:		
Proceeds from minority shareholders	-	37
Dividend paid	(4,724)	(5)
Dividend paid to minority share holders	(1,733)	(1,607)
Interest paid	(5,528)	(4,141)
Proceeds from long term borrowings	11,646	41,116
Proceeds from short term borrowings	41,284	26,828
Proceeds of loans from other related parties	-	4,396
Repayment of long term borrowings	(20,089)	(29,745)
Repayment of short term borrowings	(30,385)	(47,489)
Repayment of loans to other related parties	-	(6,431)
Payment of leased liability	(2,645)	(3,934)
Net cash (used) in financing activities	(12,174)	(20,976)



(All amounts in INR Million, unless otherwise stated)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Increase/(Decrease) in Cash & Cash Equivalents	(10,666)	10,603
Net foreign exchange difference on balance with banks in foreign currency	75	75
Net Cash and Cash equivalents at the beginning of the year	59,366	48,688
Cash and cash equivalents as at year end	48,775	59,366
Cash and cash equivalents comprise (refer note 13)		
Cash and cash equivalent - discontinued operations (Refer note 51)	-	372
Cash on hand	17	15
Cheques / drafts on hand	129	41
Balance with Banks	48,629	58,938
Cash and cash equivalents as per Balance Sheet	48,775	59,366
Summary of significant accounting policies (Note 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.

This is the Consolidated Cash Flow Statement referred to in our report of even date

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

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per PANKAJ CHADHA

Partner

Membership No.: 091813




Place: Noida

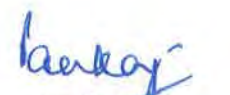
Date: May 26, 2022


For and on behalf of the Board


V.C. SENGAL
Chairman

Place: Mumbai
Date: May 26, 2022


KUNAL MALANI
Chief Financial Officer
Place: Mumbai
Date: May 26, 2022


PANKAJ MITAL
Whole-time Director/
Chief Operating Officer
Place: Mumbai
Date: May 26, 2022


ALOK GOEL
Company Secretary
Place: Noida
Date: May 26, 2022



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED **(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)**

Notes to the consolidated financial statements

(All amounts are in INR Million, unless otherwise stated)

1. Corporate Information

The consolidated financial statements comprise financial statements of Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited) (SAMIL (formerly MSSL) or 'the Company') and its subsidiaries (hereinafter collectively referred to as 'the Group') for the year ended March 31, 2022. The Company was incorporated and domiciled in India on December 19, 1986 and is engaged primarily in the manufacture and sale of components to automotive original equipment manufacturers. The address of its registered office is Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra. The Company is a public limited company and is listed in the Bombay Stock Exchange and National Stock Exchange. The Group comprises SAMIL (formerly MSSL) and it's directly and indirectly held 204 subsidiaries (including stepdown subsidiaries) and exercises joint control over 20 joint ventures and significant influence over 2 associates. The Group has manufacturing plants in India, Sri Lanka, Thailand, United Arab Emirates (UAE), Australia, United Kingdom (UK), Germany, Hungary, Portugal, Spain, France, Slovakia, China, South Korea, USA, Brazil, Mexico, Czech Republic, South Africa, Serbia, Lithuania, Poland, Russia, Morocco, Philippines, Argentina and Croatia. The Consolidated financial statements were authorised for issue in accordance with a resolution of the Board of directors on May 26, 2022.

2.1 Significant accounting policies

a) 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 37
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and distribution liability, Refer Note 36
- Defined benefit pension plans – plan assets measured at fair value. Refer Note 21

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The consolidated financial statements are presented in INR and all values are rounded to the nearest millions (INR 000,000), except when otherwise indicated.

b) Principles of consolidation

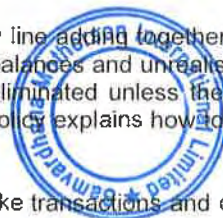
The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through 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. Intercompany 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



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED

(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)

Notes to the consolidated financial statements

(All amounts are in INR Million, unless otherwise stated)

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 company, 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.

c) Investment in associates and joint ventures

Associates are all entities over which the Group has significant influence but not control or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The financial statements of the associates are prepared for the same reporting period as the Group to enable the parent to consolidate the financial information of the associates. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The group applies Ind AS 111 to all joint arrangements. Under Ind AS 111 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries

Investments in associates and joint ventures are accounted for using the equity method of accounting, after initially being recognised at cost.

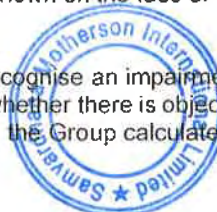
Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the other entity.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss outside operating profit.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED

(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)

Notes to the consolidated financial statements

(All amounts are in INR Million, unless otherwise stated)

of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit and loss.

d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity attributable to owners of SAMIL (formerly MSSL).

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

e) Segment reporting

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 41)

f) 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.

g) Foreign currencies

i. 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 Company's functional and presentation currency.



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED

(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)

Notes to the consolidated financial statements

(All amounts are in INR Million, unless otherwise stated)

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity 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 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 on foreign currency borrowings 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 foreign currencies are translated into functional currency 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.

iii. Group companies

The results and financial position of foreign operations (except one of the subsidiary in Argentina which has currency of hyperinflation (refer policy described in note aa below), none of the Group's subsidiary, joint venture and associates has the currency of a hyperinflationary economy) 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 disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit and loss

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.

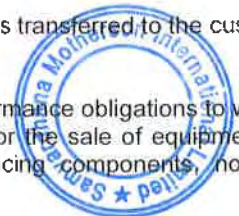
h) Revenue from contracts with customers

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, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of components

Revenue from sale of components is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment.

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 equipment, 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).



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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 components provide customers with a customary right of return in case of defects, quality issues etc. The rights of return give rise to variable consideration.

The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Warranty obligations

The Group typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Revenue from assembly of components

The Group has contracts with customers to assemble, on their behalf, customised components from various parts procured from suppliers identified by the customer. The Group is acting as an agent in these arrangements.

When another party is involved in providing goods or services to its customer, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Group is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Group's role is only to arrange for another entity to provide the goods or services, then the Group is an agent and will need to record revenue at the net amount that it retains for its agency services.

Revenue from development of tools and sale of service

The Group develops customised tooling for its customers and recognises its revenue over time using an input method to measure progress towards complete satisfaction of the tool development.

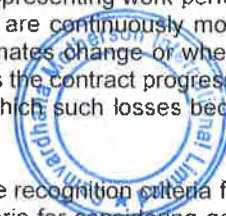
The Group recognises revenue from development of tools over time if it can reasonably measure its progress towards complete satisfaction of the performance obligation.

Where the Group cannot reasonably measure the outcome of a performance obligation, but the Group expects to recover the costs incurred in satisfying the performance obligation. In those circumstances, the Group recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

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 measured the revenue in respect of each



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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.

Costs to obtain a contract

Such costs are recognised as an asset if there are future economic benefits associated with such costs. These are amortised systematically to match the benefits and such amortisation is netted off with revenue. Such assets are presented as Deferred Revenue Expenditure in Note 45 and classified as current and non-current based on the expected amortisation period. In cases where future economic benefits cannot be determined such costs are expensed off as incurred and are netted off with the revenues.

Judgments applied in determining amount and timing of revenue

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

(i) Determining the timing of satisfaction of tooling development

The Group concluded that revenue for development of tooling is to be recognised over time because the Group's performance does not create asset with an alternative use to the Group since the tools are customised for each customer and the Group has an legally enforceable right to payment for fair value of performance completed to date.

The Group determined that the input method is the best method in measuring progress of the tooling development because there is a direct relationship between the Group's effort (i.e., costs incurred) and the transfer of tooling to the customer. The Group recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

(ii) Principal versus agent considerations

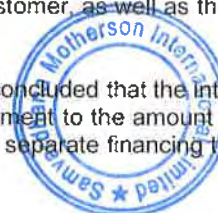
The Group enters into contracts with its customers to assemble, on their behalf, customised components using various parts procured from suppliers identified by the customer. Under these contracts, the Group provides assembly services (i.e., coordinating the procurement of various parts from the identified suppliers and combining or assembling them into components as desired by the customer). The Group determined that it does not control the goods before they are transferred to customers, and it does not have the ability to direct the use of the component or obtain benefits from the component. The following factors indicate that the Group does not control the goods before they are being transferred to customers. Therefore, the Group determined that it is an agent in these contracts.

- The Group is not primarily responsible for fulfilling the promise to provide the specified equipment.
- The Group does not have inventory risk before or after the specified component has been transferred to the customer as it purchases various parts on just-in-time basis and only upon contract of the customer.
- The Group has no discretion in establishing the price for the specified component. The Group's consideration in these contracts is only based on the difference between the maximum purchase price quoted by the customer and the cost of various parts purchased from the suppliers.
- In addition, the Group concluded that it transfers control over its services (i.e., assembling the component from various parts), at a point in time, upon receipt by the customer of the component, because this is when the customer benefits from the Group's agency service.

(iii) Consideration of significant financing component in a contract

The Group develops customised tooling and secondary equipment's for which the manufacturing lead time after signing the contract is usually more than one year. This type of contract includes two payment options for the customer, i.e., payment of the transaction price equal to the cash selling price upon delivery of the tooling or payment of the transaction price as part of the component's selling price. The Group concluded that there is a significant financing component for those contracts where the customer elects to pay along with the component's selling price considering the length of time between the transfer of tooling and secondary equipment and the recovery of transaction price from the customer, as well as the prevailing interest rates in the market.

In determining the interest to be applied to the amount of consideration, the Group concluded that the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance) is appropriate because this is commensurate with the rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception.



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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 8.

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. The Group's contract assets are disclosed in Note 45 as Unbilled 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 45 as Advances received from customers.

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.

i) 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 arising from investment properties given on 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.

Duty drawback and export incentives

Income from duty drawback and export incentives is recognized on an accrual basis.

Royalty income

Royalty income is recognized in Other operating income on an accrual basis in accordance with the substance of the relevant agreements.



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j) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected useful lives of the related assets and presented within other income.

When government grants relating to loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

k) 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.

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 Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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.



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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.

Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

1) 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.

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 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.

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

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 insubstance 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.

Short-term leases and leases of low-value assets

The Group 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 Group 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.



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m) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured at fair value at each reporting date with changes in fair value recognised in statement of profit and loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

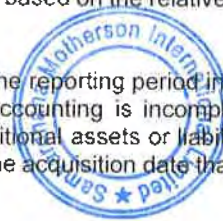
Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have



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affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

n) 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.

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 or 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 CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

o) 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.

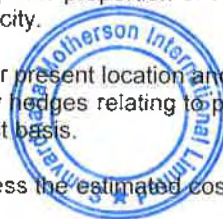
p) Inventories

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

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

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

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



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q) 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 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 (h) 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 four categories:

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

Debt instruments at amortised cost

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:

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

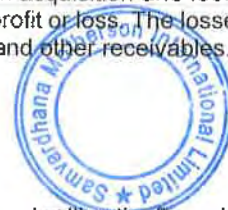
After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation 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 Group recognizes interest



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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 P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. The Group elected to classify irrevocably its non-listed equity investments under this category.

If the Group 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 Group may transfer the cumulative gain or loss within equity.

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated 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:

- 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. Lease receivables under Ind AS 116
- d. 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
- e. Loan commitments which are not measured as at FVTPL
- f. Financial guarantee contracts which are not measured as at FVTPL



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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

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'

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

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 designated as hedging instruments in an effective hedge, as appropriate.

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

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

The Group has entered into arrangements with certain banks wherein those banks are appointed as paying agent with regard to payments due to participating suppliers in order to facilitate efficient payment processing and other flexibility to such suppliers, including to manage their cash flow by electing early payment for their invoices. Under the arrangement, if opted for by the supplier, the bank may pay amounts earlier than the due date in respect of invoices owed by the Group and receives settlement from the Group on due date of those invoices.

The Group does not incur any additional interest towards the bank on the amounts due or paid to the suppliers. The Group discloses the amounts owed under such invoices within trade payables because the nature and function of the financial liability remain the same as those of other trade payables.



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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 P&L. 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.

Financial guarantee contracts

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

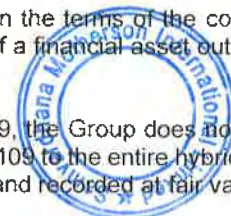
Derecognition

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

Embedded derivatives

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

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their



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economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

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 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.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

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.

r) 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.



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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 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, 36 and 37)
- Quantitative disclosures of fair value measurement hierarchy (note 36)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (note 6, 7, 8, 9, 13, 17, 18, 19, 36 and 37)

s) Derivative financial instruments and hedge accounting

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 profit or loss when the hedge item affects profit or 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.

For the purpose of hedge accounting, hedges are classified as:



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- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking its hedge transactions.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

i. Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

The Group has an interest rate swap that is used as a hedge for the exposure of changes in the fair value. See Note 37 for more details.

ii. Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

iii. Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit or loss (as a reclassification adjustment).

The Group uses a loan as a hedge of its exposure to foreign exchange risk on its investments in foreign subsidiaries.



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t) Property, plant and equipment

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the 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.

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

Depreciation methods and useful lives

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

Assets	Indian entities*	Overseas entities
	Useful lives(years)	Useful lives(years)
Leasehold improvements	Over the period of lease or useful life, whichever is lower	
Buildings	30 years	5 to 61 years
Plant & Machinery:		
Plant & Machinery	7.5 years	3 to 15 years
Die & Moulds	6.17 years	3 to 15 years
Electric Installation	10 years	3 to 15 years
Furniture & fixtures	6 years	3 to 15 years
Office equipment	5 years	3 to 10 years
Computers:		
Server & Networks	3 years	3 to 15 years
End user devices, such as desktops, laptops, etc.	3 years	3 to 15 years
Vehicles	4 years	3 to 12 years
Aircraft	-	8 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.

u) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Group depreciates building component of investment property over 30 years.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in notes 4.



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Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

v) Intangible assets

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

Intangible assets with finite lives are amortised over the useful economic life on straight line basis 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.

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.

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

Business, commercial and other rights

Separately acquired trademarks and licences are shown at historical cost. Trademarks, licenses and customer contracts acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Customer relationships

Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Software

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Separately acquired software are shown at transaction cost, software acquired in a business combination are recognised at fair value at the acquisition date. They are subsequently carried at cost less accumulated amortisation.

Research and development 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



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Currently, research costs incurred by the Group do not meet the recognition criteria and accordingly such research costs are expensed of in the statement of profit and loss as and when these are incurred.

Amortisation methods and periods:

Asset	Useful lives (years)
Technical Knowhow fees	3 to 13 years
Business & Commercial rights	3 to 11 years
Intellectual property rights	1 to 3 years
Software	2 to 5 years
Customer relationships	3 to 15 years

The amortisation methods, the usual useful lives and the residual values of intangible assets are checked annually.

w) 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.

x) Provisions and contingent liabilities

Provisions

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

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

When the 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 increase the related revenue of the contract, the Group makes a provision for the difference.

Warranty provisions

In cases where the obligations include warranty liabilities, the Group provides warranties for general repairs of defects that existed at the time of sale, as required by law. Provisions related to these assurance-type warranties are recognised when the product is sold or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Restructuring provisions

Restructuring provisions are recognised only when the Group has a constructive obligation, which is when: (i) a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and the timeline; and (ii) the employees affected have been notified of the plan's main features.



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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.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

y) 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.

Superannuation fund

The Group has a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The Group contributes up to 12% of the eligible employees' salary or INR 100,000 / 150,000, whichever is lower, every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligations beyond this contribution.

Gratuity

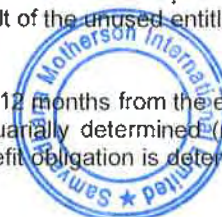
The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount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

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The 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 through other comprehensive income in the period in which they arise. They are included in retained earnings through OCI 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 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



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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.

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.

Other Long term benefits

Jubilee Bonus: In certain Group entities, the employees are entitled to bonus after completion of certain year of services which are based on the wage agreement or otherwise as per terms of employment. The Group recognises as an expenditure the present value of such long term jubilee bonuses, where applicable based on the expected amounts to pay by considering expectancies of employee turnover and expected future salary increase.

Termination Benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Other long-term employee benefit obligations

In some countries, the group also has liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are



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therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

z) 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.

aa) 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.

ab) Assets held for distribution to owners and discontinued operations

The Group classifies assets and disposal groups as held for distribution if their carrying amounts will be recovered principally through a distribution rather than through continuing use. Actions required to complete the distribution should indicate that it is unlikely that significant changes to the distribution will be made or that the decision to distribution will be withdrawn. Management must be committed to the distribution expected within one year from the date of classification.

The criteria for held for distribution classification is regarded met only when the assets or disposal group is available for immediate distribution in its present condition, subject only to terms that are usual and customary for distribution of such assets (or disposal groups), its distribution is highly probable; and it will genuinely be distributed, not abandoned. The Group treats distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to distribute the asset (or disposal group),
- The distribution is expected to qualify for recognition as a completed distribution within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets held for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to distribute. Assets and liabilities classified as held distribution are presented separately in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. Additional disclosures are provided in



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Note 51. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

ac) Hyperinflation

The financial statements (including comparative amounts, if applicable) of the group entities whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period.

ad) 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

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

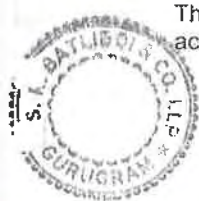
Ind AS 116: COVID-19 related rent concessions

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 Group.

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



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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 Group.

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 Group.

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, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

(i) Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease.

(ii) Revenue from contracts with customers

The Group applies the judgements in respect to transactions relating to tooling development, Principal versus agent consideration that significant financing component in a contract that significantly affect the determination of the amount and timing of revenue from contracts with customers. For more details, refer note 2.1 (h)

(iii) Discontinued operations

The Board of Directors in its meeting dated July 02, 2020, approved a group reorganization plan with the objective of creating value for the shareholders of the Company. The reorganization plan approved by the respective Boards of the Company and erstwhile Samvardhana Motherson International Limited ("erstwhile SAMIL") among other things, entails demerger of Domestic Wiring Harness ("DWH") business in India from the Company into a new company Motherson Sumi Wiring India Limited ("MSWIL"). The operations of DWH business were considered as discontinued operation and classified as held for distribution to owners. The Board considered the Company to meet the criteria to be classified as held for distribution at that date for the following reasons:

- The operations of DWH business were available for immediate distribution and can be sold in its current condition.
- The actions to complete the distribution were initiated and were expected to be completed within one year.
- In the current year, the Scheme has been approved by Hon'ble NCLT vide its order dated December 22, 2021

For more details, refer to Note 51



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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, intangible and investment properties

The Group uses its technical expertise along with historical and industry trends for determining the economic useful 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 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 21.

(iii) Fair valuation of unlisted securities

When the fair value of unlisted securities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 36 of the financials.

(iv) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The 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.

Valuation of recoverable income tax assets especially with respect to deferred tax assets on tax loss carry forwards. The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

(v) Percentage completion of recognition of revenue

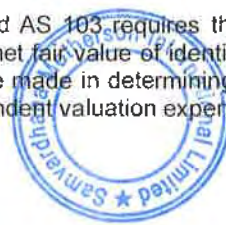
The Group uses the percentage-of-completion method in accounting for 'development of tools' contracts and the contract revenues and contract costs of engineering contracts. Use of the percentage-of-completion method requires the Group to estimate the services performed to date as a proportion of the 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.

(vi) Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts. Refer note 50 & 51.

(vii) Impairment of non-financial assets



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Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in note 5.

(viii) Provisions and liabilities

The Group estimates the provisions and liabilities and to the probability of expenses arising from warranty claims and claims from legal disputes that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.



(All amounts in INR Million, unless otherwise stated)

3. (a) Property, plant and equipment

Particulars	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery	Furniture & fixtures	Office equipments	Computers	Vehicles	Aircraft	Total
Year ended March 31, 2021										
Gross carrying amount	7,087	1,130	60,549	139,531	9,457	3,261	3,364	454	1,322	226,175
As at April 01, 2020	137	116	3,250	12,916	930	300	468	111	-	18,228
Additions	-	(15)	(135)	(2,366)	(70)	(39)	(16)	(40)	-	(2,663)
Disposals	-	57	943	1,118	32	501	19	49	38	2,419
Exchange differences	-	-	-	(3,505)	(27)	(79)	(250)	(11)	-	(3,872)
Transferred to discontinued operations (refer note 51)	-	-	-	-	-	-	-	-	-	-
Other adjustment / transfers ²	-	-	126	141	-	12	-	-	-	279
Closing gross carrying amount	7,386	1,268	64,633	147,633	10,322	3,556	3,605	563	1,360	240,546
Accumulated depreciation and impairment										
As at April 01, 2020	-	669	9,382	60,453	4,226	1,443	2,458	248	158	79,037
Depreciation charge during the year ^{1a,2}	-	194	2,310	16,259	1,447	576	553	80	141	21,557
Disposals	-	(5)	(33)	(2,059)	(65)	(27)	(24)	(31)	-	(2,244)
Exchange differences	-	39	296	279	32	62	12	44	3	767
Transferred to discontinued operations (refer note 51)	-	-	-	(2,025)	(20)	(54)	(206)	(6)	-	(2,313)
Other adjustment / transfers ²	-	0	235	(231)	(10)	-	-	-	-	4
Closing accumulated depreciation and impairment	-	894	12,190	72,676	5,620	2,000	2,793	333	302	96,808
Net carrying amount	7,386	394	52,443	75,157	4,702	1,556	812	230	1,058	143,738
Year ended March 31, 2022										
Gross carrying amount	7,386	1,288	64,633	147,633	10,322	3,556	3,605	563	1,360	240,546
As at April 01, 2021	181	236	2,460	6,407	856	154	396	118	123	10,951
Additions on account of business combination ⁴	436	180	2,422	6,131	109	150	405	181	-	10,014
Disposals	(31)	(19)	(186)	(1,749)	(314)	(73)	(90)	(41)	(41)	(2,543)
Exchange differences	(96)	55	271	1,757	177	11	23	57	(32)	2,223
Other adjustment / transfers ^{2a,5}	(70)	114	(2,354)	5,946	349	50	309	-	-	4,344
Closing gross carrying amount	7,805	1,855	67,266	166,325	11,499	3,848	4,648	878	1,410	285,535
Accumulated depreciation and impairment										
As at April 01, 2021	-	894	12,190	72,676	5,620	2,000	2,793	333	302	96,808
Depreciation charge during the year ^{1a,2}	-	164	2,505	16,179	1,389	531	486	94	66	21,414
Additions on account of business combination ⁴	-	73	214	2,466	62	91	262	33	-	3,201
Disposals	-	-	(82)	(1,365)	(305)	(70)	(88)	(38)	-	(1,948)
Exchange differences	-	42	114	1,259	129	(5)	78	12	(9)	1,620
Other adjustment / transfers ²	-	2	(839)	126	-	-	-	-	-	(811)
Closing accumulated depreciation and impairment	-	1,175	14,002	91,340	6,895	2,546	3,532	434	360	120,264
Net carrying amount	7,805	680	53,263	74,985	4,605	1,302	1,117	444	1,050	145,252

(i) Property, plant and equipment pledged as security. Refer note 44 for information on property plant and equipment pledged as security by the group.

(ii) Contractual obligations. Refer note 42 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

¹ Includes depreciation of INR 18 million (March 31, 2021: INR 17 million) capitalised during the year on assets used for creation of self generated assets.

² The Group has reversed impairment loss amounting to INR 164 million (March 31, 2021: Nil).

³ Includes impact of Hyperinflationary adjustment in gross block amounting to INR 507 million (March 31, 2021: INR 230 million) and accumulated depreciation amounting to INR 134 million (March 31, 2021: INR 2 million) in respect of one of the step down subsidiary in Argentina. Refer Note 47.

⁴ Refer note 50 & 51 for additions on account of business combination & Composite Scheme

⁵ As at Balance sheet date, certain land and buildings (included under property, plant and equipment) were given on sublease arrangements to the Motherson Sumi Wiring India Limited (MSWL) consequent to the approval of Composite Scheme, to which the Company is original owner is now being classified as investment properties. (refer note 4)

The Company is in process of obtaining necessary approvals from respective government authorities for executing these sublease arrangements for land



(All amounts in INR Million, unless otherwise stated)

3. (b) Right-to-use assets

Particulars	Land	Buildings	Plant & Machinery	Furniture & fixtures	Office equipments	Computers	Vehicles	Total
Year ended March 31, 2021								
Gross carrying amount								
As at April 01, 2020	2,777	12,689	904	1,095	316	88	1,596	19,465
Additions	275	2,496	80	(3)	43	98	473	3,462
Reclassification	-	(25)	220	-	-	(30)	-	165
Deletion	(2)	(877)	(342)	(345)	(100)	-	(395)	(2,061)
Transferred to discontinued operations (refer note 51)	-	-	-	-	-	-	(278)	(278)
Exchange differences	44	264	55	25	9	(0)	25	422
Closing gross carrying amount	3,094	14,547	917	772	268	156	1,421	21,175
Accumulated depreciation and impairment								
As at April 01, 2020	265	2,305	236	314	102	35	612	3,869
Depreciation charge during the year	63	2,877	414	219	109	47	617	4,346
Reclassification	-	24	79	(58)	2	(22)	-	25
Deletion	(1)	(615)	(222)	(159)	(59)	-	(344)	(1,400)
Transferred to discontinued operations (refer note 51)	-	-	-	-	-	-	(140)	(140)
Exchange differences	14	81	31	7	2	(5)	(38)	92
Closing accumulated depreciation and impairment	341	4,672	538	323	156	55	707	6,792
Net carrying amount	2,753	9,875	379	449	112	101	714	14,383
Year ended March 31, 2022								
Gross carrying amount								
As at April 01, 2021	3,094	14,547	917	772	268	156	1,421	21,175
Additions	28	2,679	153	65	51	9	834	3,819
Additions on account of business combination ¹	1,998	1,293	238	-	-	-	255	3,784
Deletion	(285)	(848)	(172)	(59)	(110)	(11)	(381)	(1,866)
Exchange differences	19	(200)	(66)	4	(1)	(9)	(97)	(350)
Reclassification ²	438	(1,033)	-	-	4	(4)	-	(595)
Closing gross carrying amount	5,292	16,438	1,070	782	212	141	2,032	25,967
Accumulated depreciation and impairment								
As at April 01, 2021	341	4,672	538	323	156	55	707	6,792
Depreciation charge during the year	200	2,764	287	223	79	38	522	4,113
Additions on account of business combination ¹	62	416	83	-	-	-	110	671
Deletion	(20)	(699)	(167)	(59)	(102)	(15)	(376)	(1,438)
Exchange differences	(6)	48	(26)	2	(5)	(8)	(110)	(105)
Reclassification	212	(308)	-	-	-	-	-	(96)
Closing accumulated depreciation and impairment	789	6,893	715	489	128	70	853	9,937
Net carrying amount	4,503	9,545	355	293	84	71	1,179	16,031

¹ Refer note 50 & 51 for additions on account of business combination & Composite Scheme

² As at Balance sheet date, certain land (included under Right-of-use-assets) were given on sublease arrangements to the Motherson Sumi Wiring India Limited ('MSWIL') consequent to the approval of Composite Scheme, to which the Company is original lessee now being classified as investment properties (refer note 4). The Company is in process of obtaining necessary approvals from respective government authorities for executing these sublease arrangements for land.



(All amounts in INR Million, unless otherwise stated)

3. (c) Capital work-in-progress and intangible assets under development

	Capital work-in-progress	Intangible assets under development
Year ended March 31, 2021		
As at April 01, 2020	8,154	364
Addition during the year	10,206	333
Reclassification	(10,145)	(309)
Transfer to discontinued operations (refer note 51)	(1)	-
Exchange differences	169	(2)
Closing balance as at March 31, 2021	8,383	386
Year ended March 31, 2022		
As at April 01, 2021	8,383	386
Addition during the year	12,087	415
Reclassification	(8,751)	(352)
Exchange differences	224	107
Additions in relation to merger pursuant to Composite Scheme (refer note 51)	545	53
Closing balance as at March 31, 2022	12,488	609
Capital work in progress (CWIP) ageing schedule	March 31, 2022	March 31, 2021
Amount in CWIP for a period of:		
Less than 1 year	9,466	7,548
1-2 years	2,873	702
2-3 years	71	96
More than 3 years	78	37
Total	12,488	8,383
Intangible assets under development ageing schedule	March 31, 2022	March 31, 2021
Amount in under development for a period of:		
Less than 1 year	462	273
1-2 years	117	102
2-3 years	17	11
More than 3 years	13	-
Total	609	386

During the financial year ended March 31, 2022 there is no capital work in progress and Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan.

4. Investment properties

	March 31, 2022	March 31, 2021
Opening gross carrying amount	1,682	1,552
Add: Transfers / Additions during the year	6	113
Less: Deletions during the year	(238)	-
Add: Reclassification (refer note 3(a) and 3(b))	4,874	-
Additions in relation to merger pursuant to Composite Scheme (refer note 51)	212	-
Add / (Less): Exchange differences	(6)	17
Gross Block	6,530	1,682
Accumulated depreciation:		
Opening balance	401	355
Add: Depreciation for the year	199	42
Add: Reclassification (refer note 3(a) and 3(b))	779	-
Deletion during the year	(93)	-
Additions in relation to merger pursuant to Composite Scheme (refer note 51)	4	-
Add / (Less): Exchange differences	(1)	4
Closing accumulated depreciation	1,289	401
Net Investment Properties	5,241	1,281



(All amounts in INR Million, unless otherwise stated)

(i) Amounts recognised in profit or loss for the investment properties

	March 31, 2022	March 31, 2021
Rental Income	624	110
Direct operating expenses arising from property that generated rental income	(27)	(26)
Direct operating expenses arising from property that did not generate rental income	(5)	(14)
Profit from investment properties before depreciation	592	70
Depreciation	199	42
Gain / (loss) from investment properties	393	28

(ii) Leasing arrangements

Certain investment properties are leased out under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

	March 31, 2022	March 31, 2021
Within one year	624	43
Later than one year but not later than 5 years	2,806	137
Later than 5 years	3,335	-
6,765	180	

(iii) Fair value

Investment properties

	March 31, 2022	March 31, 2021
Investment properties	9,682	3,060

Estimation of fair value

The fair valuation is based on prevailing market prices/ price trend of the property in that locality/ city considering the location, size of plot, approach road, amenities, locality etc. in respect of investment properties located in India, fair values have been determined by registered valuers as defined under Rule 2 of Companies (Registered valuers and Valuation) Rules, 2017.



(All amounts in INR Million, unless otherwise stated)

5. Intangible assets

Particulars	Technical Knowhow Fees	Customer Relationships and Contracts	Business and commercial rights	Intellectual Property Rights	Software	Total intangible assets other than goodwill ¹	Goodwill ²
Year ended March 31, 2021							
Gross carrying amount							
As at April 01, 2020	328	28,937	884	98	5,281	35,528	24,063
Additions	-	10	-	-	761	771	-
Additions on account of business combination ¹	-	-	-	-	-	-	-
Disposals	-	-	-	-	(35)	(35)	-
Exchange Difference	4	543	12	6	69	634	658
Other adjustment	(202)	(86)	-	-	202	(86)	-
Closing gross carrying amount	130	29,404	896	104	6,278	36,812	24,721
Accumulated amortisation and impairment							
As at April 01, 2020	142	11,891	456	54	3,475	16,018	3
Amortisation charge during the year	18	2,809	88	1	819	3,835	-
Disposals	-	-	-	-	(36)	(36)	-
Exchange differences	2	72	3	3	63	143	-
Other adjustment	(80)	(28)	9	-	80	(19)	-
Closing accumulated amortisation and impairment	82	14,844	556	58	4,401	19,941	3
Net carrying amount	48	14,560	340	46	1,877	16,871	24,718
Year ended March 31, 2022							
Gross carrying amount							
As at April 01, 2021	130	29,404	896	104	6,278	36,812	24,721
Additions	3	-	-	-	205	208	-
Additions on account of business combination ¹	68	1,192	-	-	271	1,531	9,160
Disposals	-	-	-	(2)	(107)	(109)	-
Exchange difference	(4)	(1,514)	(22)	(3)	28	(1,515)	(135)
Other adjustment	-	(0)	-	-	275	275	-
Closing gross carrying amount	197	29,082	874	99	6,950	37,202	33,746
Accumulated amortisation and impairment							
As at April 01, 2021	82	14,844	556	58	4,401	19,941	3
Amortisation charge during the year	18	2,944	87	1	824	3,874	-
Additions on account of business combination ¹	66	-	-	-	218	284	-
Disposals	-	-	-	-	(103)	(103)	-
Exchange differences	(3)	(612)	(18)	(2)	(6)	(641)	-
Other adjustment	-	-	-	-	2	2	(0)
Closing accumulated amortisation and impairment	163	17,176	625	57	5,336	23,357	3
Net carrying amount	34	11,906	249	42	1,614	13,845	33,743

¹ Refer note 50 & 51 for additions on account of business combination & Composite Scheme

² Goodwill consist of the following

A segment-level summary of the goodwill is presented below. Refer note 41 for 'segment reporting'

	March 31, 2022	March 31, 2021
SMR	874	594
SMP	3,383	3,458
PKC	20,822	20,512
Others	8,664	154
Total	33,743	24,718

The Group tests goodwill for impairment on an annual basis. The goodwill has been evaluated based on the cashflow forecasts of the related cash generating units (CGUs) and the recoverable amounts of these CGUs exceeded their carrying amounts. The estimated value in use of cash generating units (CGU) is based on the future cash flows using annual growth rate of upto 15% for periods subsequent to the forecast period of 5-10 years and weighted average cost of capital between 8% to 20%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount for any segment. The discount rate was estimated based on past experience and company's average weighted average cost of capital. The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external factors.



(All amounts in INR Million, unless otherwise stated)

6. (a) Non-Current Investments

	March 31, 2022	March 31, 2021
Investment in equity Instruments		
Equity Instruments at FVOCI		
<u>Quoted:</u>		
Ssangyong Motor Corporation	-	-
18,040 (March 31, 2021 : 18,040) equity shares of EUR 3.394 each fully paid up		
Quanergy Systems Inc.	93	-
171,528 (March 31, 2021: 171,528) Series B Preferred Stock (net of impairment provision)		
<u>Unquoted:</u>		
Motherson Sumi Infotech & Designs Limited (refer note 51)	-	185
Nil (March 31, 2021: 1,200,000) equity shares of INR 10 each fully paid up		
Echanda Urja Private Limited	1	1
120,645 (March 31, 2021: 120,645) equity shares of INR 10 each fully paid-up		
Systematic Conscom Limited (refer note 51)		
2,500 (March 31, 2021: Nil) equity shares of INR 10 each fully paid-up	1	-
4,000 (March 31, 2021: Nil) equity shares of INR 10 each fully paid-up	0	-
N H 2 Limited	-	-
7,918,702 (March 31, 2021: 7,918,702) units of GBP 0.1 each (net of impairment provision)		
Purpurin Grundstücksverwaltungsgesellschaft GmbH & Co. Vermietungs KG	0	0
94 (March 31, 2021: 94) equity shares of EUR 51.129 each fully paid up		
OSSIA Inc.	979	1,002
714,976 (March 31, 2021: 714,976) Series D Preferred Stock		
Faraday Future Intelligent Electric Inc.	10	-
27,734 (March 31, 2021: Nil) shares of AUD 13.612 each		
Blometry Inc.	35	-
1 (March 31, 2021: Nil) convertible note of Euro 422,791 each		
Investment in preference shares at FVOCI		
<u>Unquoted:</u>		
Comunidad de Vertidos, "Les Carrases"	5	5
9.98% preference share of EUR 61,334 (March 31, 2021 : EUR 61,334) fully paid up		
Saavn Global Holdings Ltd. (refer note 51)		
1,674,872 Series A preference shares of US\$ 0.60/- per share	194	-
9,71,251 Series B-3 preference shares of US\$ 1.03/- per share	112	-
9,94,035 Series C preference shares of US\$ 2.01/- per share	115	-
League Apps Inc. (refer note 51)		
2,314,815 Series A-1 preference shares of US\$ 0.40/- per share	162	-
2,48,026 Series A-2 preference shares of US\$ 0.40/- per share	17	-
Gwynnie Bee Inc. (refer note 51)	18	-
59,382 Series A-8 preference shares of US\$ 0.001/- per share		
OPG Power Generation Private Limited (refer note 51)	0	-
27425 equity share of Rs 10 each		
Motherson Automotive Giken Industries Corp. Limited	6	-
200 shares of JPY 50,000/- each		
Aria Inc	71	72
277,038 (March 31, 2021: 277,038) Series Seed-1 preferred stock		
Investment in bonds and promissory notes at FVOCI		
<u>Unquoted:</u>		
Naya Health	-	-
1% Convertible Promissory Note		
OSSIA Inc.	19	18
1 Convertible Promissory Note of USD 250,000		
ITutor.com Inc. (refer note 51)		
2,753,424 Convertible Promissory Note of USD 0.36 each	101	-
4,03,257 Series Seed Preference shares of US\$ 5/- per share	15	-
Others at FVOCI		
Investment in antique arts (unquoted)	4	4
Total non current investments	1,958	1,287
Aggregate amount of quoted investments and market value thereof	93	-
Aggregate amount of unquoted investments	1,865	1,287
Aggregate amount of impairment in the value of investments	484	1,341



(All amounts in INR Million, unless otherwise stated)

6. (b) Current investments

Investment in equity instruments at FVOCI

Quoted:

HDFC Bank Limited

4,070 (March 31, 2021: 4,070) equity shares of INR 2 each fully paid up

Bairampur Chini Mills Limited

1,200 (March 31, 2021: 1,200) equity shares of INR 1 each fully paid up

Jaysynth Dyestuff (India) Limited

100 (March 31, 2021: 100) equity shares of INR 10 each fully paid up

Meyer Apparel Limited

28,475 (March 31, 2021: 28,475) equity shares of INR 3 each fully paid up

Mahindra & Mahindra Limited

7,288 (March 31, 2021: 7,288) equity shares of INR 5 each fully paid up

Arcotech Limited

1,000 (March 31, 2021: 1,000) equity shares of INR 2 each fully paid up

Unquoted:

Pearl Engineering Polymers Limited

3,160 (March 31, 2021: 3,160) equity shares of INR 10 each fully paid up

Daewoo Motors Limited

6,150 (March 31, 2021: 6,150) equity shares of INR 10 each fully paid up

Athena Financial Services Limited

66 (March 31, 2021: 66) equity shares of INR 10 each fully paid up

Inox Leasing & Finance Limited

100 (March 31, 2021: 100) equity shares of INR 10 each fully paid up

Total current investments

Aggregate amount of quoted investments and market value thereof

Aggregate amount of unquoted investments

Aggregate amount of impairment in the value of investments

March 31, 2022 March 31, 2021

6 6

0 0

0 0

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12 12

12 12

- -



(All amounts in INR Million, unless otherwise stated)

	March 31, 2022		March 31, 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loans to related parties (Refer note 40)	56	-	160	425
Doubtful	0	-	-	-
	56	-	160	425
Less: Provision for doubtful loans	0	-	-	-
	56	-	160	425
Loans to employees and others	233	36	112	20
Total	289	36	272	445

	March 31, 2022		March 31, 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Other trade receivables	60,098	14,516	55,682	14,946
Trade receivables from related parties (Refer note 40)	5,633	-	1,249	-
Unsecured, credit impaired				
Other trade receivables	1,587	-	1,346	-
	67,318	14,516	58,277	14,946
Less: Allowances for credit loss	1,587	-	1,346	-
Total	65,731	14,516	56,931	14,946

Note 1: The Group has derecognised trade receivables amounting to INR 44,151 million (March 31, 2021: INR 46,351 million) as it had transferred the contractual right and substantially transferred all risks and rewards of ownership of these receivables to various financial institutions.

Note 2: 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.

Undisputed trade receivables ageing schedule:

	Trade receivables – considered good		Trade receivable – credit impaired	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Current but not due	52,031	49,379	75	79
Outstanding for following periods from due date of payment				
Less than 6 Months	11,870	6,588	139	460
6 months – 1 year	420	299	153	142
1-2 years	736	187	546	187
2-3 years	68	40	68	40
More than 3 years	606	438	606	438
Total	65,731	56,931	1,587	1,346

During the financial year ended March 31, 2022 and March 31, 2021, there is no disputed trade receivable.

9. Other financial assets

	March 31, 2022		March 31, 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Security deposits to related parties (Refer note 40)	218	266	411	29
Security deposits to others	478	458	282	386
	696	724	693	415
Derivatives designated as hedge (Refer note 37)	696	1,504	642	576
Derivatives not designated as hedge	30	-	35	-
Interest receivable	53	2	30	-
Unbilled Revenue (Refer Note 45)	27,808	112	21,991	50
Deposits with original maturity for more than 12 months	-	58	-	28
Others	1,995	13	809	-
Total	31,278	2,413	24,200	1,069

10. Other assets

	March 31, 2022		March 31, 2021	
	Current	Non-current	Current	Non-current
Capital advances	-	2,238	-	1,302
Advances recoverable	2,552	161	2,545	116
Unamortised expenditure	2,184	9,041	1,349	10,213
Prepaid expenses	2,799	362	2,554	121
Balances with government authorities	6,783	335	4,948	458
Others	123	1,630	656	1,625
Total	14,441	13,767	12,052	13,835



(All amounts in INR Million, unless otherwise stated)

11. (a) Deferred tax assets (net)

	March 31, 2022	March 31, 2021
Deferred tax assets / (liabilities)		
Unabsorbed depreciation and Tax losses	6,120	5,680
Property, plant and equipments, investment property and intangible assets	(1,829)	(1,264)
Employee benefits	854	601
Provision for Doubtful debts/Advances/Inventory	3,319	2,511
Others*	3,022	2,696
Total	11,486	10,224

Movement in Deferred tax assets / (liabilities)

	Unabsorbed depreciation and Tax losses	Property, plant and equipments, investment property and intangible assets	Employee benefits	Provision for Doubtful debts / Advances / Inventory	Others*	Total
As at April 01, 2020	1,963	479	640	1,355	593	5,030
(Charged) / credited:						
to profit or loss	3,888	(109)	(135)	457	732	4,833
to other comprehensive income	-	-	10	-	(70)	(60)
to profit or loss - discontinued operations (refer note 51)	-	-	-	(9)	-	(9)
to other comprehensive income - discontinued operations (refer note 51)	-	-	3	-	-	3
Transferred to discontinued operations (refer note 51)	-	-	3	-	-	3
Exchange translation & reclassification adjustments*	(171)	(1,634)	80	708	1,441	424
As at March 31, 2021	5,680	(1,264)	601	2,511	2,696	10,224
(Charged) / credited:						
to profit or loss	(209)	(148)	105	562	974	1,284
to other comprehensive income	-	-	(66)	-	(140)	(206)
to profit or loss - discontinued operations (refer note 51)	-	-	(17)	-	-	(17)
to other comprehensive income - discontinued operations (refer note 51)	-	-	7	-	-	7
Addition due to business combination (refer note 50 & 51)	32	(460)	94	24	409	99
Transferred to discontinued operations (refer note 51)	-	-	9	-	-	9
Exchange translation & reclassification adjustments*	617	43	121	222	(917)	86
As at March 31, 2022	6,120	(1,829)	854	3,319	3,022	11,486

*Others represent tax impact of temporary differences arising out of interest deductibility limitations, R&D credits, non-deductibility of expenses and other similar items.

11. (b) Deferred tax liabilities (net)

	March 31, 2022	March 31, 2021
Deferred tax liabilities		
Property, Plant and equipment, investment property and intangible assets	3,928	2,348
Others	1,517	1,015
Total	5,445	3,363

Movement in Deferred tax liabilities

	Property, Plant and equipment, investment property and intangible assets	Others	Total
As at April 01, 2020	3,317	1,310	4,627
Charged / (credited):			
to profit or loss	(1,443)	(484)	(1,927)
Exchange translation & reclassification adjustments*	474	189	663
As at March 31, 2021	2,348	1,015	3,363
Charged / (credited):			
to profit or loss	306	(269)	38
Addition due to business combination (refer note 50 & 51)	286	309	595
Exchange translation & reclassification adjustments*	988	461	1,449
As at March 31, 2022	3,928	1,517	5,445

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

* Reclassifications generally represents netting off between deferred tax assets and liabilities in respective jurisdictions, transfers out of deferred tax pursuant to change in tax positions in filed tax returns



12. Inventories

	March 31, 2022	March 31, 2021
Raw materials	38,116	28,355
Work-in-progress	9,215	7,397
Finished goods	12,484	10,053
Stock-in-trade	479	330
Stores and spares	4,123	3,821
Total	64,417	49,956
Inventory include inventory in transit of:		
Raw materials	1,627	2,065
Finished goods	748	739

Amount recognised in profit or loss:

During the year ended March 31, 2022, the group has written back inventories to net realisable value (net of reversal of written down related to goods sold during the year at price equal to or above cost) and also made provision in respect of obsolete / slow moving items amounted to INR 17 million (March 31, 2021: INR 322 million written down). These were recognised as an expense during the year and included in changes in value of inventories of work-in-progress, stock-in-trade and finished goods in consolidated statement of profit or loss.

13. Cash and cash equivalents

	March 31, 2022	March 31, 2021
Balances with banks:		
- on current accounts	47,593	58,005
- Deposits with original maturity of less than three months	1,036	933
Funds in transit & cheques and drafts on hand	129	41
Cash on hand	17	15
Total	48,775	58,994

There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior period. For asset pledged refer note 44.

Changes in liabilities arising from financing activities

	March 31, 2021	Cash Flow	Non cash items*	March 31, 2022
Long term borrowings (including current maturity of long term borrowing)	93,057	(9,021)	11,522	95,558
Short term borrowings (excluding current maturity of long term borrowing)	13,575	10,899	7,576	32,051
Lease liabilities	12,663	(63)	1,088	13,688
Total liabilities from financing activities	119,295	1,815	20,186	141,296
	March 31, 2020	Cash Flow	Non cash items*	March 31, 2021
Long term borrowings (including current maturity of long term borrowing)	83,622	9,337	98	93,057
Short term borrowings (excluding current maturity of long term borrowing)	34,079	(20,661)	157	13,575
Lease liabilities	13,663	(3,934)	2,934	12,663
Total liabilities from financing activities	131,364	(15,258)	3,189	119,295

*other non cash items includes, addition on account of business combination and Composite Scheme (refer note 50 & 51), foreign exchange movements. Non cash also includes new leases taken or termination of lease contracts in case of lease liabilities.

14. Other bank balances

	March 31, 2022	March 31, 2021
Deposits with remaining maturity of more than three months but less than 12 months	1,150	12
Unpaid dividend account	69	56
Total	1,219	68

Unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividend.



(All amounts in INR Million, unless otherwise stated)

15. Share Capital

Authorised*:

	March 31, 2022	March 31, 2021
12,360,000,000 (March 31, 2021 : 6,050,000,000) Equity shares of INR 1/- each	12,300	6,050
Nil (March 31, 2021 : 25,000,000) 6% Convertible Cumulative Preference Shares of INR 10 each	-	250

*During the year ended 31 March 2022, authorised share capital of the Company got changed as a result of transfer of authorised equity share capital to demerged entity (MSWIL) and transfer of authorised equity share capital from amalgamating company (erstwhile SAMIL) as per the Composite Scheme referred under note 51

Issued, subscribed and Paid up:

4,517,614,244 (March 31, 2021 : 3,157,934,237) Equity Shares of INR 1 each	4,518	3,158
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a. Movement in equity share capital

Equity Shares:

	Numbers	Amount
As at April 01, 2020	3,157,934,237	3,158
Add: Changes during the year	-	-
As at March 31, 2021	3,157,934,237	3,158
Cancellation of equity share capital pursuant to Composite Scheme (refer note 51)	(1,055,750,653)	(1,056)
Issue of equity share capital pursuant to Composite Scheme (refer note 51)	2,415,430,660	2,415
As at March 31, 2022	4,517,614,244	4,518

b. Rights, preferences & restrictions attached to shares

Equity Shares:

The Company has only one class of equity shares having a par value of INR 1 per share. Each holder of equity is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

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

c. Aggregate number of Shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding March 31, 2022)

	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018
Aggregate No of Shares Issued in five years					
Equity shares allotted as fully paid bonus shares by capitalization of Securities Premium Account	1,754,407,910	-	-	1,052,644,746	701,763,164

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

	March 31, 2022		March 31, 2021	
	Nos.	%	Nos.	%
Equity shares:				
Erstwhile Samvardhana Motherson International Limited	-	-	1,055,750,653	33.43%
Sumitomo Wiring Systems Limited	792,637,291	17.55%	792,637,291	25.10%
Shri Sehgal's Trustee Company Private Limited (Trustee of Sehgal Family Trust)	620,113,431	13.73%	-	-
Mr. Vivek Chaand Sehgal	585,855,096	12.97%	-	-
Ms. Renu Alka Sehgal (Trustee of Renu Sehgal Trust)	560,108,958	12.40%	-	-
Radha Rani Holdings Pte Ltd	344,020,623	7.62%	-	-

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.

e. Share holding of promoter group

	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total Shares	% change during the year ¹
As at 31 March 2022					
Individual Promoter					
Mr. Vivek Chaand Sehgal	73,165,402	512,689,694	585,855,096	12.97%	701%
Mr. Laksh Vaaman Sehgal	123	1,020	1,143	0.00%	829%
Ms. Vidhi Sehgal	-	24,331,875	24,331,875	0.54%	100%
Ms. Renu Sehgal	150,085	-	150,085	0.00%	0%
Ms. Geeta Soni	8,610,328	7,580,436	16,190,764	0.36%	88%
Ms. Nilu Mehra	7,869,690	2,442,900	10,312,590	0.23%	31%
Promoters group					
Erstwhile Samvardhana Motherson International Limited	1,055,750,653	(1,055,750,653)	-	0.00%	-100.00%
Sumitomo Wiring Systems Limited	792,637,291	-	792,637,291	17.55%	0.00%
Ms. Renu Alka Sehgal (Trustee of Renu Sehgal Trust)	-	560,108,958	560,108,958	12.40%	100%
Motherson Engineering Research and Integrated Technologies Limited	-	74,180,520	74,180,520	1.64%	100%
Shri Sehgal's Trustee Company Private Limited (Trustee of Sehgal Family Trust)	-	620,113,431	620,113,431	13.73%	100%
H. K. Wiring Systems Ltd	7,660,351	-	7,660,351	0.17%	0.00%
Radha Rani Holdings PTE Ltd	3,442,623	340,578,000	344,020,623	7.62%	9892.98%
Advance Technologies And Automotive Resources PTE	-	43,576,475	43,576,475	0.96%	100%
	1,949,286,546	1,129,852,666	3,079,139,202	68.16%	

¹ Changes in share holding during the year is pursuant to the Composite Scheme (refer note 51)

	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total Shares	% change during the year
As at 31 March 2021					
Individual Promoter					
Mr. Vivek Chaand Sehgal	73,165,402	-	73,165,402	2.32%	0%
Mr. Laksh Vaaman Sehgal	123	-	123	0.00%	0%
Ms. Renu Sehgal	150,085	-	150,085	0.00%	0%
Ms. Geeta Soni	8,610,328	-	8,610,328	0.27%	0%
Ms. Nilu Mehra	7,869,690	-	7,869,690	0.25%	0%
Promoter group					
Erstwhile Samvardhana Motherson International Limited	1,055,750,653	-	1,055,750,653	33.43%	0%
Sumitomo Wiring Systems Limited	792,637,291	-	792,637,291	25.10%	0%
H. K. Wiring Systems Ltd	7,660,351	-	7,660,351	0.24%	0%
Radha Rani Holdings PTE Ltd	3,442,623	-	3,442,623	0.11%	0%
	1,949,286,546	-	1,949,286,546	61.73%	

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.

¹ Changes in shareholding during the year pursuant to Composite Scheme (refer note 51)



(All amounts in INR Million, unless otherwise stated)

16. (a) Reserves and surplus

	March 31, 2022	March 31, 2021
Capital reserve on consolidation	5,532	1,920
Securities premium	266,770	26,303
Capital reserve on acquisition of non controlling interest	(159,300)	-
Reserve on amalgamation	1,663	1,663
General Reserve	3,432	3,431
Retained earning	76,414	81,102
Total reserves and surplus	194,511	114,419

Capital reserve on consolidation

	March 31, 2022	March 31, 2021
Opening balance	1,920	1,920
Addition pursuant to Composite Scheme (refer note 51)	3,612	-
Closing balance	5,532	1,920

Securities premium

	March 31, 2022	March 31, 2021
Opening Balance	26,303	26,303
Addition pursuant to Composite Scheme (refer note 51)	240,467	-
Closing balance	266,770	26,303

Capital reserve on acquiring non controlling interest

	March 31, 2022	March 31, 2021
Opening Balance	-	-
Addition due to acquisition of non controlling interest pursuant to Composite Scheme (refer note 51)	(159,300)	-
Closing balance	(159,300)	-

Reserve on amalgamation

	March 31, 2022	March 31, 2021
Opening balance	1,663	1,663
Closing balance	1,663	1,663

General reserve

	March 31, 2022	March 31, 2021
Opening balance	3,431	3,430
Transfer from Surplus in Statement of Profit and Loss during the year	1	1
Closing balance	3,432	3,431

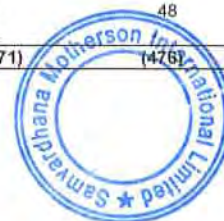
Retained earnings

	March 31, 2022	March 31, 2021
Opening balance	81,102	70,642
Additions during the year	8,738	10,392
Remeasurements of post-employment benefit obligation, net of tax	212	(54)
Share of OCI of associates and joint ventures, net of tax	0	2
Dividend paid (refer note 39)	(4,737)	-
Transfer in relation to demerger pursuant to Composite Scheme (refer note 51)	(10,721)	-
Hyperinflation adjustment (refer note 47)	282	126
Recognition of put-call option liability (refer note 50)	(331)	-
Other addition / (deletion)	1,869	(6)
Closing balance	76,414	81,102

During the financial year 2021-22, the Company paid final cash dividend for the financial year 2020-21 amounting INR 1.5 per share to its shareholders.

16. (b) Other reserves

	Foreign currency translation reserve	Cash flow hedging reserve	FVOCI equity investments	Total
As at April 01, 2020	8,053	(2,254)	(306)	5,493
Currency translation difference	1,791	-	-	1,791
Change in fair value of hedging instruments (net of tax)	-	963	-	963
Change in fair value of FVOCI equity instruments (net of tax)	-	-	(218)	(218)
As at March 31, 2021	9,844	(1,291)	(524)	8,029
Currency translation difference	(531)	-	-	(531)
Change in fair value of hedging instruments (net of tax)	-	620	-	620
Change in fair value of FVOCI equity instruments (net of tax)	-	-	48	48
Other Adjustments	(1,312)	-	-	(1,312)
As at March 31, 2022	8,001	(671)	(476)	6,854



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 Act.

Capital reserve on acquisition of non controlling interest

In accordance with the applicable accounting principles, difference between the fair value of interest acquired, being recognised in the standalone financial statements and carrying value of non-controlling interest, being recorded at cost in the consolidated financial statements on the effective date of the merger, in relation to such non controlling interest has been recorded as capital reserve adjustment and accordingly disclosed as 'Capital reserve on acquisition on non-controlling interest'. Refer Composite Scheme details under note 51.

Cash flow hedging reserve

The group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale and inventory purchases and interest rate risk associated with variable interest rate borrowings. For hedging foreign currency risk, the group uses foreign currency forward contracts which are designated as cash flow hedges. For hedging interest rate risk, the group uses interest rate swaps which is also designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss (e.g. sales and interest payments).

Capital reserve on consolidation

It represents capital reserve on acquisition of subsidiaries.

Reserve on amalgamation

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

General Reserve

This reserve comprises retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

FVOCI equity investments

The group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investment reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Bracket denotes appropriations / deductions.



(All amounts in INR Million, unless otherwise stated)

17. (a) Non-current borrowings

	March 31, 2022	March 31, 2021
Secured¹:		
i) 3.7% Senior Secured Notes Due 2025 (EUR 100 million (March 31, 2021 : EUR 100 million))	8,317	8,483
ii) 4 ^{7/8} % Senior Secured Notes Due 2021 (NIL (March 31, 2021 : USD 9 million))	-	538
iii) 1.8% Senior Secured Notes Due 2024 (EUR 300 million (March 31, 2021 : EUR 300 million))	24,937	25,400
iv) Non-convertible debentures	11,995	4,990
v) Term loans:		
From Banks:		
- Rupee Loan	11,378	14,207
- Foreign currency loan	6,626	10,449
From others		
- Indian rupee loan	(0)	-
- Foreign Currency Loan	0	4
	63,253	64,071
Unsecured:		
i) Non-convertible debentures	31,239	21,231
ii) Term loan:		
From Banks:		
- foreign currency loan	615	5,859
From others		
- Indian rupee loan	0	139
- Foreign currency loan	451	1,725
iii) Loan from related parties		
- Foreign currency loan - from related parties (refer note 40)	-	171
Less : Term loan from others in Indian rupee of discontinued operations (refer note 51)	(0)	(139)
	32,305	28,986
Total	95,558	93,057
Less : Amounts disclosed under the head "current borrowings" (refer note 17 (b))	(10,551)	(18,370)
Current maturities of long-term debt	85,007	74,687

17. (b) Current borrowings

	March 31, 2022	March 31, 2021
Secured¹:		
i) Loans repayable on demand from banks		
- Rupee Loan ¹	1,940	2,200
- Foreign Currency Loan ²	7,667	1,771
ii) Other short term loans from banks		
- Foreign Currency Loan ³	11	257
Less: Rupee Loan of discontinued operations	(0)	(675)
	9,618	3,553
Unsecured:		
i) Loans repayable on demand from banks		
- Rupee Loan	298	135
- Foreign Currency Loan	793	2,659
ii) Other short term loans from banks		
- Foreign Currency Loan	17,484	5,256
iii) Other short term loans - (Other than banks)		
- Foreign Currency Loan	3,858	1,972
	22,433	10,022
Current maturity of long term borrowings (refer note 17(a))	10,551	18,370
	42,602	31,945



(All amounts in INR Million, unless otherwise stated)

Non-current borrowings:

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

Nature of Security	Terms of Repayment
<p>3.7% Senior Secured Notes Due 2025 Loan amounting to INR 8,317 million (March 31, 2021: INR 8,483 million) secured by:</p> <ul style="list-style-type: none"> a. Guarantee given by some of the material subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. b. 100% share pledge of material subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. c. Assets security given by some subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. 	<p>The Notes bear interest at a rate of 3.70% payable annually on 18th June and will mature on 18th June, 2025.</p> <p>The Notes carry a prepayment option and as per the terms of the indenture the Subsidiary may at any time prior to June 18, 2025, redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest and additional amounts, if any, to the date of redemption, plus a "make-whole" premium. In addition, prior to June 18, 2025, the subsidiary may redeem, at its option, up to 35% of the Notes with the net proceeds from certain equity offerings.</p>
<p>4^{7/8}% Senior Secured Notes Due 2021 Loan amounting to Nil (March 31, 2021: INR 538 million) secured by: The Notes are structured as senior secured obligations and will rank pari passu in right of payment with all the existing and future senior obligations of SMRP BV, including the obligations under the 2025 Notes, the 2021 Notes and the Revolving Credit Facilities. The Notes are guaranteed on a senior secured basis by certain subsidiaries of SMRP BV and are secured by share pledge and security interests granted over certain property and assets of SMRP BV and certain of its subsidiaries.</p>	<p>The Notes bear interest at a rate of 4.875% payable semi annually on June 16 & December 16 each year and will mature on December 16, 2021. During the year, one of the subsidiary of the Company redeem US\$ 375 million of its US\$400 million senior secured notes at 101.21875% calculated in accordance with terms of the indenture of said notes. Further in November 2020 it also purchased US\$17.6 million notes under tender offer. Notes are fully repaid in December 2021.</p> <p>The Notes carry a prepayment option and as per the terms of the indenture, the subsidiary may at any time on or after June 16, 2019, redeem all or part of the Notes by paying the redemption prices set forth in the indenture. Prior to June 16, 2019, the subsidiary is entitled at its option, to redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest, if any, plus a "make-whole" premium. In addition, prior to June 16, 2019, the subsidiary may redeem, at its option, up to 35% of the principal amount of the Notes at a redemption price equal to 104.875% of the principal amount of the Notes, plus accrued and unpaid interest, if any, up to the redemption date.</p>
<p>1.8% Senior Secured Notes Due 2024 Loan amounting to INR 24,937million (March 31, 2021: INR 25,400 million) secured by: The Notes are senior obligations of SMRP BV and rank pari passu in right of payment with all the SMRP BV's existing and future senior obligations that are not subordinated in right of payment to the Notes, including the SMRP BV's obligations under the existing Notes and the Revolving Credit Facilities. The Notes are guaranteed on a senior basis by SMRP BV and certain of its subsidiaries and are also secured by security interests granted over certain property and assets of the SMRP BV and certain of its subsidiaries.</p>	<p>The Notes were issued at 99.299% of the nominal value and carry coupon at a rate of 1.80% payable annually on July 06th each year and will mature on July 06, 2024.</p> <p>The Notes are listed on the Irish Stock Exchange and trade on the Global Exchange Market.</p>
<p>Secured Non Convertible debentures Non convertible debentures amounting to INR 4,995 million (March 31, 2021: INR 4,990 million) secured by:</p> <ul style="list-style-type: none"> (a) first ranking Security Interest by way of hypothecation on the Hypothecated Properties created by the Company in favour of the Debenture Trustee pursuant to the Deed of Hypothecation; and / or (b) a first ranking Security Interest by way of equitable mortgage by deposit of title deeds on the Company's rights, title and interest in and to the Mortgaged Properties created by the Company in favour of the Debenture Trustee (or in favour of a security trustee or security agent appointed by the Debenture Trustee (acting in accordance with Approved Instructions)) pursuant to the Mortgage Documents, c) such other Security Interest created by the Company or any other Person as may be mutually agreed by the Company with the Debenture Trustee (acting in accordance with Approved Instructions) and classified as 'Security' for the purposes of this Deed by the Debenture Trustee. 	<p>The company issued 5,000 listed, rated, redeemable, senior, secured non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 5,000 million, in a single tranche.</p> <p>The Non convertible debentures bear interest at a rate of 7.84% payable annually on April 20 each year and will mature on April 20, 2023.</p>
<p>Non convertible debentures amounting to INR 7,000 million (March 31, 2021: Nil) secured by:</p> <ul style="list-style-type: none"> a) first ranking and exclusive security interest by way of pledge over the Initial Pledged Shares (MSWIL) by the Company in terms of the Share Pledge Agreement. b) first ranking and exclusive security interest by way of pledge over the pledged share by the Company in terms of the Share Pledge Agreement. c) first ranking and and exclusive security interest by way of hypothecation over the Hypothecated Properties arising from Initial Pledged Shares (MSWIL) in terms of the Deed of Hypothecation by the Company (d) first ranking and and exclusive security interest by way of hypothecation over the Hypothecated Properties arising from Pledged Shares in terms of the Deed of Hypothecation by the Company (e) first ranking and and exclusive security interest by way of pledge, to be created by the Pledged Promoter over the Pledged Shares (Company) in terms of the Shares Pledged Agreement (Company), on and from the Pledge Creation Date (Company) until the Pledge Creation date (MSWIL). 	<p>Originally erstwhile SAMIL issued 700 listed, rated, redeemable, secured non-convertible debentures of a face value of INR 10,000,000 each, of the aggregate nominal value of up to INR 7,000 million and were transferred to the company in relation to merger pursuant to Composite Scheme (refer note 51).</p> <p>These instruments bear interest at a rate of 9.75% payable annually and will mature on December 2, 2022.</p>



(All amounts in INR Million, unless otherwise stated)

Long term Indian Rupee loans from Bank include:

Loan amounting to Nil (March 31, 2021: INR 5,750 million) secured by creating a pledge on Investment in shares of one of the subsidiary, MSSL (GB) Ltd on pari passu basis.

Loan amounting to INR 9,468 million (March 31, 2021: INR 8,457 million) secured by creating a charge on Investment in shares of one of the subsidiary, MSSL (GB) Ltd on pari passu basis.

Loan amounting to INR 49 million (March 31, 2021: Nil) secured by first charge hypothecation of movable fixed assets of the Motherson Technology Services Limited (formerly known as MothersonSumi Infotech & Designs Limited).

Loan amounting to INR 42 million (March 31, 2021: Nil) secured by first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of Motherson Technology Services Limited (formerly known as MothersonSumi Infotech & Designs Limited).

Loan amounting to INR 149 million (March 31, 2021: Nil) secured by first pari-passu charge of Land and Building situated at C-26, Sector 62, Noida and movable fixed assets of Motherson Technology Services Limited (formerly known as MothersonSumi Infotech & Designs Limited).

Loan amounting to INR 82 million (March 31, 2021: Nil) secured by first pari passu charge of movable fixed assets of Motherson Technology Services Limited (formerly known as MothersonSumi Infotech & Designs Limited).

Loan amounting to INR 441 million (March 31, 2021: Nil) secured by exclusive charge on all the current assets and movable fixed assets of Samvardhana Motherson Innovative solutions Limited (both present and future).

Loan amounting to INR 187 million (March 31, 2021: Nil) secured by First Pari Passu charge over all the present and future movable assets of CTM India Limited.

Loan amounting to INR 350 million (March 31, 2021: Nil) secured by exclusive charge on machinery as part of Hot Stamping project and exclusive charge on immovable fixed assets of MS Global India Automotive Private Limited.

Loan amounting to INR 532 million (March 31, 2021: Nil) secured by First and exclusive hypothecation charge on all existing and future moveable fixed assets of Samvardhana Motherson Auto Component Pvt. Ltd.

Loan amounting to INR 78 million (March 31, 2021: Nil) secured by First and exclusive hypothecation charge on all existing and future moveable fixed assets of Samvardhana Motherson Auto Component Pvt. Ltd.

Long term foreign currency loans from Bank include:

i Loan amounting to Nil (March 31, 2021: INR 6 million) secured by General Notarial Bond on assets of Vacuform 2000 Pty Ltd.

ii Loan amounting to INR 16 million (March 31, 2021: INR 19 million) secured against land and building of MSSL Japan.

iii Loan amounting to INR 167 million (March 31, 2021: INR 171 million) secured by first mortgage on plant & machinery of Samvardhana Motherson Invest Deutschland GmbH.

iv Nil (March 31, 2021: INR 5,846 million) secured by creating a pledge on Investment in shares of one of the subsidiary, MSSL (GB) Ltd on pari passu basis.

v INR 10 million (March 31, 2021: INR 52 million) secured against the land & building & current receivables.

vi INR 4,529 million (March 31, 2021: INR 4,354 million). Facility is guaranteed on a senior secured basis by certain subsidiaries of SMRP BV and are secured by share pledge and security interests granted over certain property and assets of SMRP BV and certain of its subsidiaries.

vii INR 0 million (March 31, 2021: INR 1 million). Facility is secured against the vehicle for which the loan is availed.

viii INR 1,904 million (March 31, 2021: Nil). Facility is secured against by corporate guarantee provided by the holding company.

The principal amount to be paid to bank within period of 5 years from date of disbursement as a bullet payment. The repayment is due in March 2022. The loan carries interest rate of 8% p.a.

Borrowing carrying Interest rate of 6.05% p.a. repayable in 5 years from date of first disbursement in ratio of 5:5:10:25:55 starting from September 2021.

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).

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).

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).

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).

The principal amount to be repaid in 28 equal quarterly installment from November 2019 after moratorium period of 24 Months from the date of first drawdown. The loan carries interest rate of 8% p.a.

The principal amount to be repaid in 16 equal quarterly installment started from April 2021. The loan carries interest rate of 7.55% p.a.

The principal amount to be repaid in 16 equal quarterly installment started from financial year 2019-20. The loan carries interest rate of 7.10% p.a.

The principal amount to be repaid in 18 equal quarterly installment started from October 2020. The loan carries interest rate based on Marginal Cost of Funds based Lending Rate (MCLR).

The principal amount to be repaid in 36 equal quarterly installment started from April 2020. The loan carries interest rate based on Marginal Cost of Funds based Lending Rate (MCLR).

INR Nil (March 31, 2021: INR 6 million) fully repaid in August 2022.

The applicable rate of interest in respect of these loans is Prime lending rate in South Africa minus 3%.

Repayable in quarterly instalments from June 2015 till June 2029. The applicable rate of interest is 3 months Tibor + 0.95%.

Repayable in one bullet payment on September 30, 2025.

The applicable rate of interest in respect of this loans is 2.2%.

Repayable as bullet payment in March 2022.

The applicable rate of interest in respect of this loan is 6 months Libor + 120 basis points to be paid on half yearly basis.

Repayable as quarterly instalments upto June 2022.

The applicable rate of interest in respect of this loans is 3M Euribor + 1.15%.

Repayable in one bullet payment on August 29, 2023.

The applicable rate of interest in respect of this loans is Libor + 1.1%.

Repayable in monthly instalments till March 2023.

The applicable rate of interest in respect of this loan is prime lending rate applicable in South Africa, which is 7.25%.

Repayable in one bullet payment on August 29, 2023.

The applicable rate of interest in respect of this loans is Euribor + 0.95%.



(All amounts in INR Million, unless otherwise stated)

Long term Foreign Currency Loans from Other than Banks include:	
i. Nil (March 31, 2021 : INR 5 million) secured against the office equipments of MSSS GmbH for which this loan has been taken.	Fully repaid in December 2021 The applicable rate of interest in respect of this loan is 4.309%
(b) Terms of repayment for unsecured borrowings:	
Terms of Repayment	
Unsecured Non Convertible debentures	
Non convertible debentures amounting to INR 21,262 million (March 31, 2021: INR 21,231 million)	The company issued 21,300 listed, rated, redeemable, unsecured, redeemable non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 21,300 million, in a single tranche. The Non convertible debentures bear interest at a rate of 6.65% payable annually on September 14 each year and will mature on September 14, 2023.
Non convertible debentures amounting to INR 9,977 million (March 31, 2021: Nil)	The company issued 2,500 listed, rated, redeemable, unsecured, redeemable non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 2,500 million, in a single tranche. These instruments bear interest at a rate of 5.69% payable annually on November 25 each year and will mature on November 25, 2024. The company issued 5,150 listed, rated, redeemable, unsecured, redeemable non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 5,150 million, in a single tranche. These instruments bear interest at a rate of 6.09% payable annually on November 25 each year and will mature on November 25, 2026. The company issued 2,350 listed, rated, redeemable, unsecured, redeemable non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 2,350 million, in a single tranche. These instruments bear interest at a rate of 5.68% payable annually on December 08 each year and will mature on December 08, 2024.
Unsecured Foreign Currency Term Loans from Banks -	
i. Loan amounting to INR 11 million (March 31, 2021: INR 23 million).	Repayable in 36 equal monthly instalments started from May 2020 until April 2023. The applicable rate of interest in respect of this loans is 1.50%
ii. Loan amounting to INR 31 million (March 31, 2021: INR 33 million).	Repayable in 96 equal monthly instalments starting from September 2022 until August 2030. The applicable rate of interest in respect of this loans is 1.11%
iii. Loan amounting to INR 37 million (March 31, 2021: INR 40 million).	Repayable in 84 equal monthly instalments starting from May 2024 until February 2031. The applicable rate of interest in respect of this loans is 1.20%
iv. INR 210 million (March 31, 2021 : INR 276 million)	Repayable as quarterly instalments upto July 2025. The applicable rate of interest in respect of this loans is 0.75%
v. Loan amounting to INR 159 million (March 31, 2021: INR 257 million).	Repayable in 15 equal quarterly instalments commencing from April 2020 upto November 2023. The applicable rate of interest is BIBOR + 1.45% p.a
vi. Loan amounting to Nil (March 31, 2021: INR 5 million).	Repayable in monthly instalments upto January 2023. The applicable rate of interest is 2.2%
vii. Loan amounting to Nil (March 31, 2021: INR 4,544 million).	loan was repaid in June 2021. The applicable rate of interest was 0.50%
viii. Loan amounting to INR 159 million (March 31, 2021: INR 258 million)	Repayable in quarterly instalments until May 2023. The applicable rate of interest is 1.15%
ix. Loan amounting to Nil (March 31, 2021: INR 424 million).	Fully repaid in October 2021. The applicable rate of interest was 5%
x. Loan amounting to 8 million (March 31, 2021: Nil).	Repayable in monthly instalments until February 2023. The applicable rate of interest is 1.48%
Unsecured Indian Rupee Loan from Other than Banks -	
	Interest free loan of Nil (March 31, 2021 : INR 139 million) repayable in 3 tranches in November 2022, March 2023 and December 2026 against each disbursements. Bank guarantee is furnished by the Company.



(All amounts in INR Million, unless otherwise stated)

Unsecured Foreign Currency Loan from Other than Banks -

Loan amounting to INR 72 million (March 31, 2021: INR 65 million) with no fixed repayments terms carrying Prime rate interest applicable in South Africa, which is 7.25%.

Loan amounting to INR 2 million (March 31, 2021: INR 2 million) interest free with no fixed repayments terms.

Loan amounting to INR 21 million (March 31, 2021: INR 31 million) interest free loan repayable in half yearly instalments until March 2024.

Loan amounting to INR 49 million (March 31, 2021: INR 48 million) interest free loan repayable in 10 yearly instalments commencing from 2074.

Loan amounting to INR 114 million (March 31, 2021: INR 731 million) government loan repayable till FY 2023-24 carrying interest rate of 0.98%.

Loan amounting to INR 3 million (March 31, 2021: INR 18 million) repayable in yearly instalments upto financial year 2022-23 carrying interest rate of 5%.

Loan amounting to INR 23 million (March 31, 2021: INR 28 million) to be repaid by July 2025 carrying interest rate of 5%.

Loan amounting to INR 60 million (March 31, 2021: INR 75 million). Interest free loan to be repaid yearly upto July 2026.

Loan amounting to INR 15 million (March 31, 2021: INR 31 million) carrying interest rate of 3.95% to be repaid yearly upto November 2022.

Loan amounting to INR 83 million (March 31, 2021: INR 107 million). Interest free loan to be repaid in yearly instalments until May 2025.

Loan amounting to Nil (March 31, 2021: INR 277 million). Loan was waived off during the year.

Loan amounting to INR 8 million (March 31, 2021: Nil) repayable in half yearly instalments upto financial year 2022-23 carrying interest rate of 5%.

Loan amounting to INR 1 million (March 31, 2021: Nil) repayable in quarterly instalments upto November 2026.

Loan amounting to Nil (March 31, 2021 : INR 312 million)

Loan was waived off during financial year 2021-22.

The applicable rate of interest was 1.0%

Unsecured Foreign Currency Loans from Related Parties -

Loan amounting to Nil (March 31, 2021: INR 171 million). Loan was fully repaid during the year.



Current borrowings:

Nature of Security for secured borrowings:

- ¹ INR 750 million (March 31, 2021: INR 2,200 million) repayable on demand, secured by first pari passu charge on entire current assets of the Company including receivables, both present and future and second pari passu charge over the fixed assets of the Company including equitable mortgage of specified properties.
 - INR 15 million (March 31, 2021: Nil) repayable on demand, secured by entire current asset of Motherson Technology Services Limited (formerly known as MothersonSumi Infotech & Designs Limited)
 - INR 68 million (March 31, 2021: Nil) repayable on demand, secured by entire current asset of Motherson Technology Services Limited (formerly known as MothersonSumi Infotech & Designs Limited)
 - INR 409 million (March 31, 2021: Nil) repayable on demand, secured by first pari passu charge on entire current asset of Motherson Technology Services Limited (formerly known as MothersonSumi Infotech & Designs Limited)
 - INR 28 million (March 31, 2021: Nil) repayable on demand, secured by first pari passu charge on all existing and future current assets and movable fixed assets of Motherson Moulds and Diecasting Ltd.
 - INR 356 million (March 31, 2021: Nil) repayable on demand, secured by exclusive charge on current assets of MS Global India Automotive Private Limited
 - INR 50 million (March 31, 2021: Nil) repayable on demand, secured by exclusive charge on current assets of MS Global India Automotive Private Limited
 - INR 74 million (March 31, 2021: Nil) repayable on demand, secured by First pari-passu charge on the entire current assets of CTM India Limited present and future.
 - INR 18 million (March 31, 2021: Nil) repayable on demand, secured by First pari-passu charge on the current assets (both present & future) and second pari passu charge on the Movable fixed assets of CTM India Limited.
 - INR 42 million (March 31, 2021: Nil) repayable on demand, secured by first and exclusive hypothecation charge on all existing and future moveable fixed assets of Samvardhana Motherson Auto Component Pvt. Ltd.
 - INR 58 million (March 31, 2021: Nil) repayable on demand, secured by first pari passu on all current assets (both present and future) and movable fixed assets of the and movable fixed assets of Samvardhana Motherson Innovative solutions Limited
 - INR 72 million (March 31, 2021: Nil) repayable on demand, secured by first pari passu on all current assets (both present and future) and movable fixed assets of the and movable fixed assets of Samvardhana Motherson Innovative solutions Limited
 - ² Nil (March 31, 2021: INR 73 million) secured by first pari passu charge on entire current assets SMP Automotive Systems Mexico S.A. de C.V. including receivables, both present and future and second pari passu charge over the fixed assets of SMP Automotive Systems Mexico S.A. de C.V. including equitable mortgage of specified properties.
 - INR 4,792 million (March 31, 2021: 1,698 million) is secured against guarantee of Samvardhana Motherson Automotive Systems Group BV (SMRP BV) and certain subsidiaries and also against same collaterals as all the existing Senior Secured Notes issued by SMRP BV and reported under non-current borrowings.
 - INR 88 million (March 31, 2021: Nil) is secured against some of the assets of MSSSL Advanced Polymers s.r.o.
 - INR 1,213 million (March 31, 2021: Nil) is secured against guarantee of Samvardhana Motherson Automotive Systems Group BV (SMRP BV).
 - INR 1,213 million (March 31, 2021: Nil) is secured against guarantee of Samvardhana Motherson Automotive Systems Group BV (SMRP BV).
 - INR 76 million (March 31, 2021: Nil) is secured against guarantee of Samvardhana Motherson Automotive Systems Group BV (SMRP BV).
 - INR 120 million (March 31, 2021: Nil) is secured against guarantee of Samvardhana Motherson Automotive Systems Group BV (SMRP BV).
 - INR 165 million (March 31, 2021: Nil) secured by unconditional & irrevocable stand-by letter of credit in USD from Axis Bank Ltd. amounting upto 105% of the facility outstanding
 - ³ Nil (March 31, 2021: INR 257 million) secured against property, plant and equipments of one of subsidiary in China.
 - INR 11 million (March 31, 2021: Nil) secured against exclusive charge on the entire current assets and moveable fixed assets (present and future) of Samvardhana Motherson Auto System Pvt. Ltd.
- The rate of interest in respect of short term borrowing is applicable inter bank lending rate for loan currency / applicable base rate of commercial banks of the country of borrower plus spread of 0.0 % to 5.0%
- ^a The carrying amounts of financial and non financial assets pledged as security for current and non current borrowings are disclosed in Note 44



18. Other financial liabilities

Non-current

	March 31, 2022	March 31, 2021
- Retention Money	2	23
- Security Deposit Received (refer note 40)	428	200
- Recovery against Vehicle Loan	99	54
- Interest accrued but not due on borrowings	2	-
- Derivatives non designated as hedges	0	-
- Derivatives designated as hedges (refer note 37)	5	72
- Amounts payable to obtain contracts	1,213	1,782
- Accrued expenses	2,409	3,941
- Others ¹	653	4
Total	4,811	6,076

¹ includes liability recognised for put-call option

Current

- Interest accrued but not due on borrowings	2,334	2,324
- Unpaid dividends ¹	69	56
- Employee benefits payable	13,246	12,756
- Security deposit received (refer note 40)	77	11
- Payables relating purchase of fixed assets	3,401	3,073
- Derivatives designated as hedges (refer note 37)	109	1,688
- Derivatives not designated as hedges	231	86
- Advance recovery from employee	55	41
- Amounts payable to obtain contracts	5,067	5,377
- Accrued expenses	8,590	5,414
Total	33,179	30,826

¹ There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

19. Trade Payables

	March 31, 2022	March 31, 2021
Total outstanding dues of creditors other than related parties	112,227	109,270
Trade payable to related parties (refer note 40)	1,376	2,136
Total	113,603	111,406

Undisputed trade payable ageing schedule:

	Undisputed trade payable	
	March 31, 2022	March 31, 2021
Current but not due	88,906	90,295
Outstanding for following periods from due date of payment		
Less than 6 Months	19,009	18,357
6 months – 1 year	4,365	1,835
1-2 years	904	649
2-3 years	225	76
More than 3 years	194	194
Total	113,603	111,406

During the financial year ended March 31, 2022 and March 31, 2021, there is no disputed trade payable.

20. Provisions

	March 31, 2022		March 31, 2021	
	Current	Non-current	Current	Non-current
For warranties	1,693	328	1,926	194
For onerous contracts	84	606	133	557
For restructuring / severance costs	1,035	133	932	338
For litigation, disputes and other contingencies	2,003	281	1,977	393
Total	4,815	1,348	4,968	1,482



Warranty

A provision is recognized for expected warranty claims on products sold during the last year, based on past experience of the level of repairs and returns. Due to the very nature of such costs, it is not possible to estimate the uncertainties relating to the outflows of economic benefits.

Onerous Contracts

Onerous contracts represent management's best estimate of the amount by which the expected benefits from certain specific contracts are lower than the unavoidable cost of meeting its obligations under those contracts. The time frame within which such provisions will unwind varies by contract.

Litigation, disputes and other contingencies

Provision for litigation, disputes and other contingencies represents claims against the Group not acknowledged as debts that are expected to materialise in respect of matters in litigation / disputes etc.

Restructuring / Severance costs

Restructuring / severance costs provisions are created based on announcement for employee restructuring by the Group.

The group has the following provisions in the books of account:

	Restructuring / Severance costs	Warranty	Onerous contracts	Litigation, disputes and other contingencies
Year ended March 31, 2021				
As at April 01, 2020	107	1,433	-	1,372
Additions during the year	1,548	809	696	1,150
Utilised / reversed during the year	(358)	(169)	-	(165)
Transferred to discontinued operations (refer note 51)	-	8	-	-
Exchange translation adjustment	(27)	39	(6)	13
Closing Balance	1,270	2,120	690	2,370
Year ended March 31, 2022				
As at April 01, 2021	1,270	2,120	690	2,370
Additions during the year	570	513	82	350
Utilised / reversed during the year	(716)	(623)	(66)	(500)
Addition on account of business combination (refer note 50)	-	29	-	4
Exchange translation adjustment	44	(18)	(16)	60
Closing Balance	1,168	2,021	690	2,284



(All amounts in INR Million, unless otherwise stated)

21. Employee benefit obligations

	March 31, 2022		March 31, 2021	
	Current	Non-current	Current	Non-current
Gratuity and pensions	409	3,833	277	3,411
Compensated absences	1,141	641	1,136	360
Longevity / jubilee bonus	-	248	-	239
Others	730	744	601	904
Total	2,280	5,466	2,014	4,914

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

A. Defined Benefit Schemes

Gratuity / Pension Benefits

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	6,596	6,840
Current service cost	662	616
Interest expense	286	244
(Gains) and losses on curtailment and settlement	41	14
Amount recognised in profit or loss	989	874
Remeasurements		
Actuarial (gain) / loss from change in demographic assumption	2	34
Actuarial (gain) / loss from change in financial assumption	(173)	26
Experience (gains)/losses	(117)	(5)
Amount recognised in other comprehensive income	(288)	55
Effect of Exchange rate change	(132)	251
Payment from plan:		
Benefit payments	(404)	(415)
Contributions:		
Employers	-	-
Addition on account of business combination	548	-
Addition due to transfer of employee	2	(4)
Less: Transferred to Discontinued Operations (refer note 51)	331	(1,005)
Obligations at year end	7,642	6,596

(ii) Fair Value of Plan Assets

	For the year ended	
	March 31, 2022	March 31, 2021
Plan assets at year beginning, at fair value	2,908	3,249
Interest income	156	142
Amount recognised in profit or loss	156	142
Remeasurements		
Actuarial gain / (loss) from change in demographic assumption	(1)	-
Actuarial gain / (loss) from change in financial assumption	(1)	(1)
Return on plan assets, excluding amount included in interest income	(15)	(6)
Experience (gains)/losses	(0)	-
Amount recognised in other comprehensive income	(17)	(7)
Effect of Exchange rate change	(101)	85
Payment from plan:		
Benefit payments	(156)	(200)
Contributions:		
Employers	268	264
Addition on account of business combination	111	-
Addition due to transfer of employee	-	23
Less: Transferred to Discontinued Operations (refer note 51)	231	(648)
Plan assets at year end, at fair value	3,400	2,908



(All amounts in INR Million, 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	7,642	6,596
Fair value of the plan assets	3,400	2,908
Amount recognized as Liability	4,242	3,688

The group has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions.

(iv) Defined benefit obligations cost for the year:

	For the year ended	
	March 31, 2022	March 31, 2021
Current service cost	662	616
Interest Cost	286	244
Interest income	(156)	(142)
(Gains) and losses on curtailment and settlement	41	14
Actuarial (gain) / loss	(270)	62
Extinguishment to discontinued operations - service and interest cost	-	(86)
Extinguishment to discontinued operations - Actuarial (gain) / loss	-	(11)
Net defined benefit obligations cost	563	794

(v) Investment details of Plan Assets

Companies within the Group operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds. In respect of the companies incorporated in India, 100% of the plan assets are lying in the Gratuity fund administered through Life Insurance Corporation of India (LIC) under its Group Gratuity Scheme. In case of South Korea fund has been deposited with multiple financial institutions as required by local regulations and is guaranteed by government. In respect of other overseas entities, plan assets are funded through various institutions.

The details of investments of plan assets are as follows:

	For the year ended	
	March 31, 2022	March 31, 2021
LIC	1,247	1,076
Deposits with financial institution	2,153	1,832
Total	3,400	2,908

In respect of LIC plan assets are invested by LIC as per their guidelines and no further details are available with the company. Further in respect of deposits with financial institutions although they are low interest bearing investments but are guaranteed by government.

(vi) Actuarial assumptions:

	March 31, 2022		March 31, 2021	
	Indian Entities	Outside India Entities	Indian Entities	Outside India Entities
Discount Rate per annum	7.00%	1.70%-12.25%	6.70%	1.70%-8.90%
Future salary increases	8.00%	1%-10%	8.00%	1% - 8%
Pension growth rate	-	1.50% - 2%	-	1.50% - 2%
Mortality table *	-	-	-	-

* Due to the use of different tables at different locations, this information is not disclosed.

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

	For the year ended	
	March 31, 2022	March 31, 2021
Gratuity (Continued operations)	193	288



(All amounts in INR Million, unless otherwise stated)

(viii) The following table shows breakdown of the defined benefit obligation and plan assets by country:

Plan Type	March 31, 2022			March 31, 2021		
	India	Outside India	Total	India	Outside India	Total
Present value of obligation	2,252	5,390	7,642	2,360	4,236	6,596
Fair value of plan asset	1,400	2,000	3,400	1,610	1,298	2,908
Net liability	852	3,390	4,242	750	2,938	3,688

(ix) 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	(63)	(41)	Increase by	69	44
Future salary increases	0.50%-1%	0.50%-1%	Increase by	101	95	Decrease by	(89)	(83)
Pension rate per annum	0.50%	0.50%	Decrease by	(226)	(34)	Increase by	277	80
Life expectancy	1 year	1 year	Decrease by	(5)	(2)	Increase by	5	2

* Continuing operations

^ Continuing operations and Discontinued operations

The above sensitivity analyses are 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.

The method and type of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(x) Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below.

Asset Volatility The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. In respect of companies incorporated in India, 100% of plan assets are lying with LIC under its group gratuity scheme. LIC is a central government monitored entity and its investment norms ensure adequate returns for investors along with surety of plan assets. In respect of overseas subsidiaries in Korea, the amount has been deposited with multiple financial institutions as required by local regulations and is guaranteed by government.

Changes in bond yields A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Inflation risks In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy The pension obligation is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The liability recognised in the balance sheet in respect of defined benefit pension/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 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 like India, there is no deep market in such bonds. Therefore 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.

(xi) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 2-14 years (March 31, 2021: 2-14 years)

Expected benefit payments are as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Between 5-14 years	Total
March 31, 2022	363	459	1,166	5,132	7,120
Defined benefit obligation (pension & gratuity) of continuing operations					
March 31, 2021	261	354	1,171	4,308	6,094
Defined benefit obligation (pension & gratuity)					

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, Employee State Insurance (ESI) and other funds for the benefit of the employees. Accordingly, the Group's contribution during the year that has been recognised in consolidated statement of profit and loss from continuing operations, amounting INR 13,469 million (March 31, 2021: INR 13,267 million).

C. 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 by the Government of India. 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.



(All amounts in INR Million, unless otherwise stated)

22. Government grants

	March 31, 2022	March 31, 2021
Opening balance	2,597	2,790
Grants received during the year	1,640	1,437
Released to profit or loss (Refer note 26)	(1,674)	(1,459)
Released to profit and loss of discontinued operation (refer note 51)	(33)	(32)
Transferred to discontinued operation (refer note 51)	-	(252)
Addition due to business combination	10	-
Exchange differences	327	113
Closing balance	2,867	2,597
	March 31, 2022	March 31, 2021
Current portion	475	455
Non-current portion	2,392	2,142
Total	2,867	2,597

23. Current tax liabilities / (Non-current tax assets) (net)

Income tax assets and Income tax liabilities have been offset to the extent they relate to the same governing taxation laws.

	March 31, 2022	March 31, 2021
Non-Current tax assets (net)	2,507	1,843
Current tax liabilities (net)	3,901	3,342
Net tax liabilities / (Assets)	1,394	1,499

24. (a) Other non-current liabilities

	March 31, 2022	March 31, 2021
Advance from Customers (Refer Note 45)	105	45
Unearned Revenue (Refer Note 45)	1,336	1,242
Others	222	342
	1,663	1,629

24. (b) Other current liabilities

	March 31, 2022	March 31, 2021
Other current liabilities		
- Unearned Revenue (Refer Note 45)	1,200	1,500
- Statutory dues payable	6,047	5,809
- Advances received from customers (Refer Note 45)	5,920	3,310
- Other payables	5,213	4,126
	18,380	14,745



25. (a) Revenue from contract with customers	For the year ended	
	March 31, 2022	March 31, 2021
Sales of products		
Finished goods		
Within India	52,698	34,611
Outside India	564,253	527,020
Traded goods	4,617	2,530
Total gross sales	621,568	564,161
Sales of services	6,749	5,352
Total revenue from contract with customers (Refer Note 41 & 45)	628,317	569,513
Note: There is no material difference between the contract price and the revenue from contract with customers.		
25. (b) Other operating revenue:		
Scrap sales	1,580	475
Recovery from customers	1,050	1,137
Export incentives	72	75
Liabilities written back to the extent no longer required	360	345
Miscellaneous income	3,971	2,154
	7,043	4,186
26. Other income		
Interest income	1,172	656
Dividend income from equity investments designated at fair value through OCI	6	0
Rent income (Refer Note 4)	708	174
Government grants & subsidies (Refer Note 22)	1,674	1,459
Gain on account of sale / dilution in shareholding	10	-
Profit on sale of investments	2	(0)
Foreign exchange gain (net)	1,285	-
Miscellaneous income	102	4
Total	4,957	2,293
27. Cost of materials consumed		
Opening stock of raw materials	26,290	29,447
Addition on account of business combination (Refer note 50 & 51)	973	-
Add : Purchases of raw materials	378,219	342,273
Less: Closing stock of raw materials (continuing operations)	38,116	26,290
Less: Closing stock of raw materials (discontinued operations)	-	4,673
Add: Exchange adjustment		
Exchange differences opening stock (gain)/loss	376	1,161
Exchange differences closing stock (loss)/gain	307	(1,498)
Less: Cost of materials consumed in discontinued operations*	-	13,662
Total	368,049	326,758
*net of cost of materials consumed with respect to purchases from continuing operations (refer note 51)		
28. Changes in inventory of finished goods, work in progress and stock in trade		
(Increase)/ decrease in stocks		
Stock at the opening of the year:		
Finished goods	10,053	9,486
Work-in-progress	7,397	7,390
Stock in trade	327	295
Total A	17,777	17,181
Add: Addition on account of business combination (Refer note 50 & 51)		
Finished goods	477	-
Work-in-progress	1,156	-
Stock in trade	108	-
Total B	1,741	-
Stock at the end of the year (continuing operations):		
Finished goods	12,484	10,053
Work-in-progress	9,215	7,397
Stock in trade	479	327
Stock at the end of the year (discontinued operations):		
Finished goods	-	718
Work-in-progress	-	1,247
Total C	22,178	19,742
Exchange adjustment:		
Exchange differences opening stock (gain)/loss	(19)	535
Exchange differences closing stock (loss)/gain	165	(172)
Total D	146	363
Less: Changes in inventory of discontinued operations (refer note 51)	-	(386)
(Increase)/ decrease in stocks (A+B-C+D)	(2,514)	(1,812)



29. Employee benefit expense	For the year ended	
	March 31, 2022	March 31, 2021
Salary, wages & bonus	131,450	118,884
Contribution to provident, superannuation & other fund	13,469	13,267
Gratuity & pension (Refer note 21)	833	646
Staff welfare expenses	7,253	6,511
Restructuring/ severance costs	741	1,688
Total	153,746	140,996

30. Other expenses	For the year ended	
	March 31, 2022	March 31, 2021
Electricity, water and fuel	12,857	9,197
Repairs and Maintenance:		
Machinery	7,228	6,939
Building	2,187	1,363
Others	2,276	2,376
Consumption of stores and spare parts	3,760	2,575
Conversion charges	817	800
Lease rent (Refer note 46)	3,050	2,411
Rates & taxes	1,533	1,550
Insurance	1,967	1,623
Foreign exchange losses (net)	-	566
Donation	61	62
Travelling	2,260	1,140
Freight & forwarding	10,460	7,643
Royalty	50	55
Commission	51	27
Loss on sale of property, plant & equipment(net)	148	111
Bad debts/advances written off	97	213
Provision for doubtful debts/advances	111	387
Legal & professional expenses (Refer note (a) below)	7,139	7,111
Miscellaneous expenses	13,585	16,986
Total	69,637	63,135

(a): Payment to Group Auditors:

As Auditor:	For the year ended	
	March 31, 2022	March 31, 2021
Audit fees (including limited review)	149	161
Other services	5	9
Reimbursement of expenses	1	1
Total	155	172

31. Finance costs	For the year ended	
	March 31, 2022	March 31, 2021
Interest on long term borrowings	2,312	2,740
Interest on lease liabilities (Refer Note 46)	769	760
Commitment charges on borrowings	0	131
Other finance costs ¹	2,345	1,484
Total	5,426	5,115

¹ Includes foreign exchange loss/(gain) on long term loan facilities.

32. Depreciation and amortization expense	For the year ended	
	March 31, 2022	March 31, 2021
Depreciation on Property, plant and equipment	21,414	21,117
Depreciation of right to use assets	4,113	4,283
Amortization on Intangible assets	3,874	3,835
Depreciation on Investment Property	199	42
Less: Capitalised during the year ¹	(18)	(17)
Total	29,582	29,260

¹ Depreciation on assets used for creation of self generated assets (Refer Note 3)



Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

33. Income tax expense	For the year ended	
	March 31, 2022	March 31, 2021
(a) Income tax expense		
Current tax		
Current income tax charged	7,147	6,260
Adjustments for current tax of prior years	168	(194)
Total current tax expense	7,315	6,066
Deferred tax (Refer note 11)		
Decrease / (increase) in deferred tax assets	(1,267)	(4,824)
Less: Decrease / (increase) in deferred tax assets of discontinued operations	(17)	(9)
(Decrease) / increase in deferred tax liabilities	38	(1,927)
Total deferred tax expense / (benefit)	(1,246)	(6,760)
Income tax expense	6,069	(694)

During the previous year ended March 31, 2021, the Group recognized deferred tax assets (net benefit) amounting to INR 6,760 million, which include amongst others, deferred tax assets on carried-forward tax losses for the periods prior to the year ended March 31, 2020, which in the absence of convincing evidence were not recognized earlier and also includes deferred tax on temporary differences. The Group assessed that these deferred tax assets will be fully recovered / utilised prior to the expiry or lapse of the associated carried forward as per the tax regulations applicable in respective jurisdiction. Such assessments include estimates of future taxable income based on the approved business plans and profitability forecasts of the Group's subsidiaries.

The Company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The provision for taxation and deferred tax assets / liabilities has been re-measured basis the rates prescribed in the said Section. For certain other subsidiaries and joint venture entities incorporated in India, income tax is calculated at existing applicable tax rate.

(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 before tax from continuing operations		
Profit before tax from continuing operations	14,242	11,733
Tax at India's tax rate of 25.168% (March 2021: 25.168%)	3,585	2,953
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	8	356
Withholding, local and additional income taxes	996	931
Effect of tax credits	(350)	(1,000)
Recognition and utilisation of previously unrecognised tax	(647)	(3,068)
Adjustments for current tax of prior periods	168	(194)
Tax effect of losses on which deferred tax assets not recognised	1,304	973
Deferred tax adjustment for prior periods	590	-
Difference in overseas tax rates	230	(1,047)
Other adjustments	185	(598)
Income tax expense of continuing operations	6,069	(694)
Profit before tax from discontinued operations	4,846	4,396
Tax at India's tax rate of 25.168% (March 2021: 25.168%)	1,220	1,106
Other adjustments	(16)	23
Income tax expense of discontinued operations	1,204	1,129

Tax is calculated at domestic tax rates applicable in the respective countries. The weighted average applicable tax rate was 25% for the year ended March 31, 2022 (March 31, 2021: 25%). The movement in weighted average tax rate is mainly on account of variation in profitability of the Group's subsidiaries in the respective countries. There have been no significant changes in tax rates applicable to the Group's subsidiaries during the year.

(c) Tax losses

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The group did not recognise deferred income tax assets in respect of losses amounting to INR 45,286 million (March 31, 2021: INR 32,950 million) that can be carried forward against future taxable income. These losses can be carried-forward as below.

	March 31, 2022	March 31, 2021
Losses without expiration date	39,469	28,472
Losses with expiration date	5,817	4,478
	45,286	32,950



(d) Certain subsidiaries, joint ventures and associates of the group have undistributed retained earnings (excluding retained earnings for entities where there is no tax liability to the group on dividend distribution) amounting to INR 42,017 million (March 31, 2021: INR 48,803 million), which if distributed out as dividend would result in tax liability of group. Keeping in view that, no profit is proposed to be distributed in the immediate future by way of dividend out of such undistributed retained earnings, no deferred tax liabilities has been recognised.

Temporary differences arose as a result of the translation of the financial statements of the group's subsidiaries outside India. However, deferred tax liability has not been recognised as the liability will only crystallise in the event of disposal of the subsidiary, and no such disposal is expected in the foreseeable future. Refer note 16 for Foreign currency translation reserve balance.

34. Earnings per share

For continuing operations

a) Basic

	March 31, 2022	March 31, 2021
Net profit after tax available for equity Shareholders of parent entity	5,096	7,124
Weighted Average number of equity shares used to compute basic earnings per share	3,493,197,800	3,157,934,237
Basic earnings (in INR) per share of INR 1 each (March 31, 2021: INR 1 each)	1.46	2.26

b) Diluted

Net profit after tax available for equity Shareholders of parent entity	5,096	7,124
Weighted average number of Equity Shares of INR 1 each (March 31, 2021 : INR 1 each)	3,493,197,800	3,157,934,237
Diluted earnings (in INR) per share of INR 1 each (March 31, 2021: INR 1 each)	1.46	2.26

For discontinued operations

a) Basic

Net profit after tax available for equity Shareholders of parent entity	3,642	3,267
Weighted Average number of equity shares used to compute basic earnings per share ¹	3,493,197,800	3,157,934,237
Basic earnings (in INR) per share of INR 1 each (March 31, 2021: INR 1 each)	1.04	1.03

b) Diluted

Net profit after tax available for equity Shareholders of parent entity	3,642	3,267
Weighted average number of Equity Shares of INR 1 each (March 31, 2021 : INR 1 each)	3,493,197,800	3,157,934,237
Diluted earnings (in INR) per share of INR 1 each (March 31, 2021: INR 1 each)	1.04	1.03

For continuing and discontinued operations

a) Basic

Net profit after tax available for equity Shareholders of parent entity	8,739	10,392
Equity shares outstanding at the beginning of the year	3,157,934,237	3,157,934,237
Add: Weighted average number of shares issued	335,263,563	-
Weighted Average number of equity shares used to compute basic earnings per share ¹	3,493,197,800	3,157,934,237
Basic earnings (in INR) per share of INR 1 each (March 31, 2021: INR 1 each)	2.50	3.29

b) Diluted

Net profit after tax available for equity Shareholders of parent entity	8,739	10,392
Weighted average number of Equity Shares of INR 1 each (March 31, 2021 : INR 1 each)	3,493,197,800	3,157,934,237
Diluted earnings (in INR) per share of INR 1 each (March 31, 2021: INR 1 each)	2.50	3.29

Calculation of weighted average number of shares:

The Company allotted 1,359,680,007 net equity shares having face value of INR 1/- each to the share holders of erstwhile Samvardhana Motherson International Limited as per the Composite Scheme (refer note 51) as on January 26, 2022. Since the Group has accounted effect of merger from December 31, 2021 weighted average number of share is calculated from that date.

		March 31, 2022	March 31, 2021
Opening shares	A	3,157,934,237	3,157,934,237
Additional Share Issued to shareholders of erstwhile Samvardhana Motherson International Limited(refer note 51)		1,359,680,007	-
Weighted average number of shares	B	335,263,563	-
Weighted average number of equity shares used to compute earnings per share	A+B	3,493,197,800	3,157,934,237



(All amounts in INR Million, unless otherwise stated)

35. Ratio Analysis and its elements	For the year ended		% change	Reason for variance
	March 31, 2022 (Refer note (i))	March 31, 2021 (Refer note (i))		
Current Ratios (Current Assets / Current Liabilities)	1.01	1.04	-2.0%	(Refer note (i))
Debt- Equity Ratio [(Long term borrowing including current maturities + short term borrowing + lease liabilities) / Shareholders equity]	0.69	0.96	-28.3%	(Refer note (i) & (ii))
Debt Service Coverage ratio [(Earnings before interest, depreciation, dividend income, interest income, loss on sale of FA and exceptional items but after tax) / (Interest expense on short term and long term borrowings + scheduled principal repayment of long term borrowing during the year)]	3.17	2.26	40.5%	(Refer note (i) & (iii))
Return on Equity ratio (Net Profits after taxes / Average Shareholder's Equity)	5.22%	14.18%	-63.2%	(Refer note (i) & (iv))
Inventory Turnover ratio (Cost of goods sold / Average inventories)	6.54	6.20	5.5%	(Refer note (i))
Trade Receivable Turnover Ratio (Revenue from contract with customers / Average trade receivables)	7.91	8.28	-4.4%	(Refer note (i))
Trade Payable Turnover Ratio (Purchase of goods / Average trade payable)	3.38	3.13	8.0%	(Refer note (i))
Net Capital Turnover Ratio (Revenue from contract with customers / Average working capital)	116.17	185.15	-37.3%	(Refer note (i) & (v))
Net Profit ratio (Profit / (loss) for the period / Revenue from operations)	1.3%	2.6%	-49.6%	(Refer note (i) & (vi))
Return on Capital Employed (Earnings before interest and taxes / Average capital employed)	5.9%	7.6%	-21.7%	(Refer note (i))
Return on Investment (In %) [(Dividend income + Group's share in net profit / (loss) of associates and joint ventures accounted for using the equity method) / Average Investment]	0.5%	10.3%	-95.6%	(Refer note (i) & (vii))

Note:

- (i) Considering the impact of accounting for Composite Scheme (refer note 51), above ratios have been calculated with the following approach.
-For the periods upto March 31, 2021, all relevant amounts pertaining to continuing and discontinued operations have been considered
-For the periods after March 31, 2021, only relevant amounts pertaining to continuing operations have been considered.

Considering that the Composite Scheme (refer note 51) has been accounted for with effect from December 31, 2021, having impact on every accounting captions, through demerger and merger, the above financial ratios are not fully comparable, hence the explanation for the significant variances, cannot be practically furnished.

- (ii) Gross debt has increased by INR 16,424 million and total equity has increased by INR 74,059 million (net of amount transferred to MSWL) because of the Composite Scheme (refer Note 51). Increase in total equity due to the Composite Scheme is higher than increase in total debt.
(iii) During current year and previous year, the Group has made payment of certain long term loan and issued NCD in India with lower effective interest rate, which has decreased interest expenses. Also long term borrowings payable within one year has decreased during current financial year due to higher maturity period of outstanding borrowings, which has resulted in improvement in debt service coverage ratio even though there was decrease in Earnings compared to previous year.
(iv) There is increase in shareholder's equity during current financial year due to the Composite Scheme (refer note 51) effective Q4 FY2021-22. Disruption in supply chain has resulted in increase in raw material cost and also changes in manufacturing schedules of OEMs, which, further impacted employee cost and overall profitability of the group. Both of these impacts have adversely effected the return on equity ratio.
(v) The Group was maintaining higher level of inventory, which has contributed to overall increase in working capital, thus impacted net capital turnover ratio.
(vi) Disruption in supply chain has resulted in increase in raw material cost and also changes in manufacturing schedules of OEMs, which, further impacted employee cost and overall profitability of the group. Further, during the previous year ended March 31, 2021, the Group recognized higher deferred tax assets, including deferred tax assets on carried-forward tax losses for prior years (refer note 33), which had resulted in higher profit after tax for previous year.
(vii) During the current financial year, pursuant to the Composite Scheme (refer note 51), additional investments have been recorded on a fair value basis. These additional investments, since recorded during the last quarter of current financial year, has impacted this ratio.



36. Fair value measurements

Financial instruments by category

	March 31, 2022			March 31, 2021		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets						
Investments	-	1,970	-	-	1,299	-
Trade receivables	-	-	80,247	-	-	71,877
Loans	-	-	325	-	-	717
Cash and cash equivalents	-	-	48,775	-	-	58,994
Bank balances other than above	-	-	1,219	-	-	68
Derivative financial assets	30	2,200	-	35	1,218	-
Other financial assets	-	-	31,461	-	-	24,016
Total financial assets	30	4,170	162,027	35	2,517	155,672
Financial Liabilities						
Borrowings including current maturities	-	-	127,609	-	-	106,632
Lease liabilities	-	-	13,688	-	-	12,664
Derivative financial liabilities	231	114	-	86	1,760	-
Trade payable	-	-	113,603	-	-	111,406
Other financial liabilities	-	-	37,645	-	-	35,056
Total financial liabilities	231	114	292,545	86	1,760	265,758

I. Fair value hierarchy

Financial assets and liabilities measured at fair value-recurring fair value measurements as at March 31, 2022

	Notes	Level 1	Level 2	Level 3	Total
Financial asset					
Financial investments at FVOCI					
Listed equity investments	6(a), 6(b)	105	-	-	105
Unquoted equity investments	6(a), 6(b)	-	1,069	796	1,865
Derivatives designated as hedges					
Foreign exchange forward contracts	9	-	1,960	-	1,960
Cross currency interest rate swap	9	-	240	-	240
Derivatives not designated as hedges					
Foreign exchange forward contracts	9	-	-	30	30
Total		105	3,269	826	4,200
Financial liabilities					
Derivatives designated as hedges					
Foreign exchange forward contracts	18	-	114	-	114
Total		-	114	-	114

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2021

	Notes	Level 1	Level 2	Level 3	Total
Financial asset					
Financial investments at FVOCI					
Listed equity investments	6(a), 6(b)	12	-	-	12
Unquoted equity investments	6(a), 6(b)	-	1,092	195	1,287
Derivatives designated as hedges					
Foreign exchange forward contracts	9	-	1,197	-	1,197
Cross currency interest rate swap	9	-	21	-	21
Derivatives not designated as hedges					
Foreign exchange forward contracts	9	-	-	35	35
Total		12	2,310	230	2,552
Financial liabilities					
Derivatives designated as hedges					
Cross currency interest rate swap	18	-	1,633	-	1,633
Foreign exchange forward contracts		-	127	-	127
Total		-	1,760	-	1,760

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

	Level 1	Level 2	Level 3	Total
At March 31, 2022				
Financial liabilities				
Borrowings ^{1 & 2}	24,067	43,233	59,315	126,615
Total financial liabilities	24,067	43,233	59,315	126,615
At March 31, 2021				
Financial liabilities				
Borrowings ^{1 & 2}	26,159	26,220	54,319	106,698
Total financial liabilities	26,159	26,220	54,319	106,698



Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

Other financial assets and liabilities which are measured at amortised cost are disclosed in sub-note iv below. Fair values for these financial assets and liabilities are Level 3 valuations.

Due to the short-term nature of cash and cash equivalents and the short-term maturities of trade receivables, loans, other current receivables, trade payables and other financial liabilities, their fair values are equal to their carrying amounts.

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.

¹ Includes 3.7% senior secured notes due 2025 amounting to EUR 100 million, [INR 8,194 million (March 31, 2021: INR 8,327 million)] which are held by limited set of investors and are not very actively traded on the stock exchange, as a result fair value of these notes is based on computed prices and hence fall in level 3 hierarchy.

² The Company has taken interest rate swap amounting to INR 39,650 million (March 31, 2021: INR 29,800 million) and a borrowing with fixed interest rate amounting INR 5,150 million (March 31, 2021: INR 5,000 million).

ii. Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

iii. Fair value measurements using significant unobservable inputs (level 3)

	Unquoted Equity securities
As at April 01, 2020	1,612
Addition	73
Exchange gain / (loss)	44
Gains / (losses) recognised in other comprehensive income	(442)
As at March 31, 2021	1,287
Addition	65
Converted as subsidiary (Refer note 51)	(146)
Additions on account of business combination	810
Exchange gain / (loss)	(20)
Gains / (losses) recognised in other comprehensive income	(131)
As at March 31, 2022	1,865

iv. Fair value of financial assets and liabilities measured at amortised cost

	March 31, 2022		March 31, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Loans	36	36	445	445
Trade receivables	14,516	14,516	14,946	14,946
Other financial assets	909	909	493	493
	15,461	15,461	15,884	15,884
Financial liabilities				
Borrowings	127,609	126,615	106,632	106,698
Lease liabilities	13,688	13,688	12,664	12,664
Other financial liabilities	4,806	4,806	6,004	6,004
	146,103	145,109	125,300	125,366

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.

v. Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (ii) above for the valuation techniques adopted:

Particulars	Fair value as at	
	March 31, 2022	March 31, 2021
Unquoted equity shares	796	195
Significant unobservable inputs*		
Earnings growth rate	-	4%
Risk adjusted discount rate	-	16%
Impact of change in risk adjusted discount rate*		
Decrease in discount rate by 0.50%	-	19
Increase in discount rate by 0.50%	-	(17)
Impact of change in earning growth rate*		
Decrease in growth rate by 0.50%	-	(14)
Increase in growth rate by 0.50%	-	16

* There were no significant inter-relationships between unobservable inputs that materially affect fair values

* Holding all the other variable constant, for other significant investment, fair valuation was not performed as at reporting date since the acquisition is made close to reporting period or there is recent investment by other investors and thus transaction value represents fair value, hence sensitivity analysis has not been considered.



37. Financial risk management

The Group, as an internationally active supplier for the automobile industry 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 risk in which the group is exposed to and how it manages the risk.

A. Market risk:

Market risk is the risk that the fair value of future cashflows of a financial instruments will fluctuate because of changes in market price/ rate. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

a. Price risk:

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the group in its various products segment. Pricing pressure from major OEMs to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the group. The group has set up Global Sourcing Procurement (GSP) at Sharjah which gives leverage of bulk buying and helps in controlling prices to a certain extent.

The key raw material for the group's wiring harness business is copper. There is substantial fluctuations in prices of copper. The group has arrangements with its major customers for passing on the price impact. The group has also entered into forward contracts to hedge copper prices at the behest of the customers.

The major raw materials used by Polymer Division of the group are polypropylenes, polycarbonates and various grades of nylons and resins. The group is having arrangement with major customers for actualization of raw material price variations periodically. Motherson Polymer Solutions has been established with a view of taking leverage on group's bulk consumption on major grades. The group will further achieve operational synergies through the horizontal and vertical integration of SMP's operations and products, by sourcing raw materials, inputs like wiring harnesses and smaller plastic parts etc. from its group companies where possible. The setting up of GSP further strengthens the procurement function.

The main inputs for the group's mirror business are glass actuators, powerfolds, glass, electrochromatic glass ("EC glass"), wiring harnesses, electronics, electrical parts, die casting, plastic parts and resins. The group has arrangements with its major customers for passing on the price impact.

The group is regularly taking initiatives like VA-VE (value Addition , value engineering) to reduce its raw material costs to meet targets set up by the customers for cost downs. In respect of customer nominated parts, the group has back to back arrangements for cost savings with its suppliers.

b. Foreign currency risk:

Foreign currency risk arise from monetary receivables and obligations expressed in a currency other than functional currency of each entity in the group. The group has operations in 41 countries, largely catering domestic customers in the country of its operation. Primarily the group is catering to customers in their local currency resulting in natural hedge. However in certain geographies wherein there are certain foreign currency expenditure, the group companies obtain hedge against those material foreign currency risk exposures which aligns to group's risk management policies. The group's major exposure in foreign currency is in respect of borrowings which is availed based on consideration of optimisation of overall cost of borrowing. The group has entered into fixed cross currency interest rate swap to hedge said foreign currency exposure.



The derivative instruments exposure is as follows:

(i) Derivatives outstanding as at the reporting date

Particulars/ Purpose	Currency	Amounts in million	
		March 31, 2022	March 31, 2021
Forward Contract (Buy)	MXP : USD	MXP 3,636; INR 12,669	MXP 1,383; INR 4,552
	HUF : EUR	HUF 50,824; INR 10,650	HUF 9,120; INR 2,126
	CNY : EUR	CNY 45; INR 489	-
	USD : MXP	USD 5; INR 409	USD 150; INR 11,000
	CNY : KRW	CNY 95; INR 1,125	-
	USD : EUR	-	USD 8; INR 557
	EUR : THB	EUR 20; INR 1,726	-
	EUR : MXP	EUR 0; INR 1	-
	USD : MXP	USD 1; INR 43	-
	EUR : USD	EUR 0; INR 35	-
Forward Contract (Sell)	CNY : EUR	-	CNY 52; INR 542
	EUR : THB	-	EUR 6; INR 512
	USD : AUD	USD 4; INR 323	USD 1; INR 80
	USD : MXP	USD 2; INR 137	-
	EUR : MXP	EUR 0; INR 27	-
Cross currency swap	USD : EUR	-	USD 80; INR 6,361
	INR : EUR	-	INR 5,750; EUR 81
	INR : EUR	INR 5,197; EUR 60.00	INR 5,197; EUR 60.00
	INR : EUR	INR 2,596; EUR 30.00	INR 2,596; EUR 30.00
	INR : EUR	INR 2,595; EUR 30.00	INR 2,595; EUR 30.00
	INR : EUR	INR 2,607; EUR 30.00	INR 2,607; EUR 30.00
	INR : USD	INR 2,198; USD 30.00	INR 2,198; USD 30.00
	INR : USD	INR 2,204; USD 30.00	INR 2,204; USD 30.00
	INR : USD	INR 1,469; USD 20.00	INR 1,469; USD 20.00
	INR : USD	INR 2,427; USD 33.00	INR 2,427; USD 33.00
	INR : EUR	INR 3,448; EUR 40.00	INR 3,448; EUR 40.00
	INR : EUR	INR 2,595; EUR 30.00	INR 2,595; EUR 30.00
	INR : EUR	INR 2,593; EUR 30.00	INR 2,593; EUR 30.00
	INR : EUR	INR 2,500; EUR 29.88	-
	INR : EUR	INR 2,500; EUR 29.88	-
	INR : EUR	INR 2,500; EUR 29.88	-
	INR : EUR	INR 2,350; EUR 27.47	-
	USD : BRL	USD 16.50; BRL 88.00	-
	USD : EUR	-	USD 85.00; EUR 74.32
	EUR : USD	EUR 1.53; USD 2.86	EUR 1.71; USD 2.07
	EUR : USD	EUR 111.39; USD 125.86	-

Sensitivity

Due to vary nature of our contracts with major OEMs any significant change in foreign currency on imported purchase are passed on to customers. In respect of borrowings the management expects natural hedge as earnings in foreign currency will be utilised for repayment of borrowings and thus no material impacts.

c. Interest rate risk:

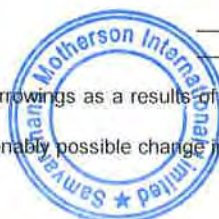
Interest rate is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long term debt obligation at floating interest rates.

The group's approximately 92% (previous year 82%) of long term debt (i.e. more than 79% of gross debt) is borrowed at a fixed rate of interest in a range of 0.5% p.a. to 7.84% p.a. (March 31, 2021: 0.5% p.a. to 7.84% p.a.)

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

	March 31, 2022	March 31, 2021
Variable rate borrowings	26,533	22,519
Fixed rate borrowings	101,076	84,113
Total borrowings	127,609	106,632

Profit / loss is sensitive to higher / lower interest expense from borrowings as a results of changes in interest rates. Holding all other variable constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rate on floating portion of borrowings.



(All amounts in INR Million, unless otherwise stated)

	Impact on profit before tax	
	March 31, 2022	March 31, 2021
Interest rates-increase by 50 basis points*	(133)	(113)
Interest rates-decrease by 50 basis points*	133	113

* Holding all other variables constant

B. Credit risk:

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.

Trade receivables

The Group has developed guidelines for the management of credit risk from trade receivables. The Group's primary customers are major automobile manufacturers (OEMs) with good credit ratings. Non-OEM 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 and impairment.

Financial instruments and cash deposits

The Group has deposited liquid funds at various banking institutions. Primary banking institutions are major international banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due over past years.

C. 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 entities of the group and aggregated by Group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements on the basis of future cashflow projections 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.

(a) Financing arrangements

The Group has access to the following undrawn borrowing facilities, which are in nature of working capital loans, at the end of the reporting period.

	March 31, 2022	March 31, 2021
Floating rate	49,304	66,777

(b) 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

Contractual maturities of financial liabilities

Year Ending March 31, 2022	Less than 1 Year	Between 1 and 5 years	More than 5 Years	Total
Non-derivatives				
Borrowings	44,893	86,955	252	132,100
Lease liabilities	4,130	8,729	2,108	14,967
Trade payables	113,603	-	-	113,603
Other financial liabilities	32,839	4,806	-	37,645
Total non-derivative liabilities	195,465	100,490	2,360	298,315
Derivatives (net settled)				
Foreign exchange forward contracts	340	5	-	345
Total derivative liabilities	340	5	-	345
Year Ending March 31, 2021	Less than 1 Year	Between 1 and 5 years	More than 5 Years	Total
Non-derivatives				
Borrowings	34,413	78,823	425	113,661
Lease liabilities	3,953	8,868	2,140	14,961
Trade payables	111,406	-	-	111,406
Other financial liabilities	29,052	6,004	-	35,056
Total non-derivative liabilities	178,824	93,695	2,565	275,084
Derivatives (net settled)				
Foreign exchange forward contracts	1,774	72	-	1,846
Total derivative liabilities	1,774	72	-	1,846



Impact of hedging activities

a Disclosure of effects of hedge accounting on financial position

Cash flow hedge:

Type of hedge and risks	Nominal value	Carrying amount of hedging instruments	Maturity date	Hedge ratio	Weighted average strike price / rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities				
March 31, 2022 :							
(i) Foreign exchange forward contracts							
MXP 761	161	-	Apr'2022 - Mar'2023	1:1	USD:MXP : 21.6106	161	(161)
MXP 54	11	-	May'2022 - Sep'2022	1:1	USD:MXP : 21.3857	11	(11)
MXP 1,961	298	-	Apr'2022 - Mar'2023	1:1	USD:MXP : 21.296	298	(298)
HUF 50,824	172	34	Apr'2022 - Mar'2024	1:1	EUR:HUF : 400.19	139	(139)
AUD 6	21	-	Sep'2022 - Dec'2022	1:1	USD:AUD : 1.42	21	(21)
EUR 20	28	5	Apr'2022 - Jan'2024	1:1	THB:EUR : 0.03	23	(23)
CNY 45	39	-	Jul'2022 - Dec'2022	1:1	EUR:CNY : 7.79	39	(39)
USD 52	-	9	Dec'2022	1:1	MXP:USD : 0.0442	(9)	9
MXP 861	180	-	Apr'2022 - Dec'2023	1:1	USD:MXP : 22.65	180	(180)
EUR 0.4	-	3	Oct'2022	1:1	USD:EUR : 0.82	(3)	3
(ii) Cross currency interest rate swap							
USD 383	240	64	Apr'2022 - Aug'2023	1:1	EUR:USD : 1.13	176	(176)
USD 80	-	-	Mar'2022	1:1	EUR:USD : 1.0783	-	-
INR 5,750	-	-	Mar'2022	1:1	EUR:INR : 70.5900	-	-
INR 8,636	253	-	Oct'2025	1:1	EUR:INR : 86.3590	253	317
INR 12,995	669	-	Sep'2023	1:1	EUR:INR : 86.6321	669	322
INR 8,298	67	-	Sep'2023	1:1	USD:INR : 74.4326	67	(137)
INR 2,500	18	-	Nov'2026	1:1	EUR:INR : 83.67	18	(18)
INR 2,500	20	-	Nov'2026	1:1	EUR:INR : 83.67	20	(20)
INR 2,500	2	-	Nov'2024	1:1	EUR:INR : 83.67	2	(2)
INR 2,350	20	-	Dec'2024	1:1	EUR:INR : 85.55	20	(20)
March 31, 2021 :							
(i) Foreign exchange forward contracts							
MXP 819	93	-	Apr'2021 - Mar'2022	1:1	USD:MXP : 21.4924	93	(93)
MXP 88	8	-	Apr'2021 - Mar'2022	1:1	USD:MXP : 21.2708	8	(8)
MXP 1,670	96	-	Apr'2021 - Mar'2022	1:1	USD:MXP : 21.1779	96	(96)
HUF 16,456	17	-	May'2021 - Feb'2022	1:1	EUR:HUF : 367.33	17	(17)
AUD 7	-	6	Apr'2021 - Jul'2021	1:1	USD:AUD : 1.2938	(6)	6
MXP 313	211	-	Apr'2021 - Mar'2022	1:1	USD:MXP : 26.1038	211	(211)
CNY 33	31	-	Apr'2021 - Oct'2021	1:1	EUR:CNY : 1.2721	31	(31)
USD 11	4	1	Dec'2022 - Mar'2023	1:1	MXP:USD : 0.0442	2	(2)
USD 52	368	-	Apr'2021 - Mar'2022	1:1	MXP:USD : 0.0432	368	(368)
MXP 476	(183)	-	Jun'2021 - Mar'2022	1:1	USD:MXP : 23.7957	(183)	183
EUR 8	-	12	Apr'2021 - Mar'2022	1:1	USD:EUR : 0.8308	(12)	12
(ii) Cross currency interest rate swap							
USD 7	-	37	Dec'2021	1:1	EUR:USD : 1.0900	(40)	40
USD 60	21	7	Aug'2023	1:1	EUR:USD : 1.1676	(337)	342
USD 80	-	498	Mar'2022	1:1	EUR:USD : 1.0783	431	(431)
INR 5,750	-	1,135	Mar'2022	1:1	EUR:INR : 70.5900	328	(328)
INR 8,636	-	64	Oct'2025	1:1	EUR:INR : 86.3590	(64)	64
INR 12,995	347	-	Sep'2023	1:1	EUR:INR : 86.6321	347	(347)
INR 8,298	204	-	Sep'2023	1:1	USD:INR : 74.4326	204	(204)



38. Capital management

(a) Risk management

The group's objectives when managing capital are to safeguard their ability to continue as a going concern and also their ability to fund inorganic growth, 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: Net debt (total borrowings including lease liabilities net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs plus exceptional expense less interest income).

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	91,372	60,876
EBITDA	48,399	50,212
Net Debt to EBITDA	1.89	1.21

[^] Net Debt and EBITDA is inclusive of discontinued operations

(i) Loan covenants

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

(b) Dividends

	March 31, 2022	March 31, 2021
On Equity shares of INR 1 each		
Dividend		
Amount of dividend paid	4,737	-
Dividend per equity share	1.50	-

39 Distribution made and proposed

Cash dividends on equity shares declared and paid
Final cash dividend for the year ended on March 31, 2021:
1.50 per share (March 31, 2020: Nil) per share

	March 31, 2022	March 31, 2021
	4,737	-
	4,737	-

Proposed dividends on Equity shares

Final cash dividend for the year ended on March 31, 2022:
INR 0.65 (March 31, 2021: INR 1.50) per share

	March 31, 2022	March 31, 2021
	2,936	4,737
	2,936	4,737

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31.

The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.



(All amounts in INR Million, unless otherwise stated)

40. Related Party Disclosures

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

a. Promoters / Entities with joint control over the Company

Name	Place of incorporation	Ownership interest	
		March 31, 2022	March 31, 2021
1 Erstwhile Samvardhana Motherson International Limited (upto December 31, 2021, refer note 51)	India	-	33.43%
2 Sumitomo Wiring Systems Limited, Japan	Japan	17.55%	25.10%

b. Joint Ventures:

- 1 Motherson Sumi Wiring India Limited*
- 2 Kyungshin Industrial Motherson Private Limited
- 3 Calsonic Kansei Motherson Auto Products Private Limited
- 4 Ningbo SMR Huaxiang Automotive Mirrors Co. Limited
- 5 Chongqing SMR Huaxiang Automotive Products Limited
- 6 Tianjin SMR Huaxiang Automotive Part Co. Limited
- 7 Nanchang JMCJG SMR Huaxiang Mirror Co. Ltd
- 8 Eissmann SMP Automotive interieur Slovakia s.r.o.
- 9 Anest Iwata Motherson Coating Equipment Private Limited*
- 10 Anest Iwata Motherson Private Limited*
- 11 Valeo Motherson Thermal Commercial Vehicles India Limited*
- 12 Matsui Technologies India Limited*
- 13 Frigel Intelligent Cooling Systems India Private Limited*
- 14 Fritzmeier Motherson Cabin Engineering Private Limited*
- 15 Nissin Advanced Coating Indo Co. Private Limited*
- 16 Motherson Bergstrom HVAC Solutions Private Limited*
- 17 Marelli Motherson Automotive Lighting India Private Ltd *
- 18 Motherson Auto Solutions Limited*
- 19 Marelli Motherson Auto Suspension Parts Pvt Ltd*
- 20 Youngshin Motherson Auto Tech Limited*

* considered as joint venture entities from the effective date of the Composite Scheme referred under note 51.

c. Associate Companies:

- 1 Saks Ancillaries Limited (became subsidiary during financial year ended March 31, 2022) (Refer Note 51)
- 2 Hubei Zhengao PKC Automotive Wiring Company Ltd
- 3 AES (India) Engineering Limited

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

Key management personnel compensation

	March 31, 2022	March 31, 2021
Short-term employee benefits	318	292
Directors commission/sitting fees	28	40
Post-employment benefits payable	67	50
Long-term employee benefits payable	21	16

Terms and conditions:

Transactions relating to sales and purchase of goods with related parties during the year are based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions and at market rates. There is no significant allowance for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties. Outstanding balances are unsecured and are repayable in cash.



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motherson

(All amounts in INR Million, unless otherwise stated)

Transactions with related parties

S. No.	Particulars	Associate companies		Joint Ventures		Key management personnel		Joint control over the entity		Other related parties	
		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	Sale of products	69	-	12,754	5,799	5	-	0	1	252	286
2	Sales of services	5	-	887	488	1	16	7	39	50	135
3	Rent income	-	-	30	25	-	-	-	-	74	45
4	Sale of property, plant and equipment	-	-	-	-	-	-	-	0	-	0
5	Purchase of goods	0	-	4,629	5,134	-	-	5,320	5,803	10,985	10,189
6	Purchase of property, plant and equipment & Right of-use assets	-	-	158	-	-	-	49	34	1,021	529
7	Purchase of services	-	-	117	0	-	2	259	356	2,874	3,183
8	Rent expense	-	-	-	-	6*	5*	20	40	312	169
9	Payment of lease liability	-	-	-	-	-	-	-	-	137	192
10	Payment of interest on lease liabilities	-	-	-	-	-	-	-	-	34	80
11	Reimbursement made	-	-	6	0	0	-	4	7	72	88
12	Reimbursement received	-	0	2,125	0	-	-	1	5	28	12
13	Royalty	-	-	-	-	-	-	273	279	-	-
14	Dividend paid	-	-	-	-	135**	0**	2,757	-	5	48
15	Dividend received	-	-	-	-	-	-	-	-	-	-

**Dividend of INR 135 million (March 31, 2021 : Nil) paid to Mr. V. C. Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, Ms. Neelu Mehra, Ms. Geeta Soni, Mr. Pankaj Mittal, Mr. G.N. Gauba, Ms. Geeta Mathur, Mr. Naveen Ganzu, Arjun Puri, Alok Goel and Mr. Gauram Mukherjee.

Note: Pursuant to the Composite Scheme, relationship with certain entities has got changed from the effective date of Composite Scheme, hence, the above disclosure in respect of transactions entered into with those entities have been presented based on the relationship on the date of transaction.

Outstanding balances arising from sales / purchases of goods and services

S. No.	Particulars	Associate companies		Joint Venture		Key Management personnel		Joint control over the entity		Other related parties	
		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 Payable	2	-	494	756	10	0	195	2,045	676	949
2	Trade Receivable	-	-	5,632	1,168	-	-	-	10	1	128
3	Capital advances	-	-	-	-	-	-	-	-	-	31
4	Advances recoverable	-	-	1	-	-	-	-	-	56	95
5	Investments*	-	-	-	-	-	-	-	-	-	14
6	Advances from customer	-	-	26	3	-	-	0	1	0	-

* Investment in joint venture and associates companies are not disclosed in above table. Refer note 48 for investment in joint ventures and associates.



(All amounts in INR Million, unless otherwise stated)

Loans & advances to / from related parties

S. No.	Particulars	Associate Companies		Joint Venture		Key Management personnel		Joint control over the entity		Other related parties	
		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
i.	Security deposits given:										
	Beginning of the year	-	-	-	-	-	-	-	-	440	480
	Security deposit given	-	-	-	-	-	-	-	-	133	68
	Security deposits received back	-	-	-	-	-	-	-	-	(89)	(108)
	End of the year	-	-	-	-	-	-	-	-	484	440
ii.	Security Deposit Received:										
	Beginning of the year	-	34	35	-	-	-	-	-	17	15
	Security deposits received	-	290	-	-	-	-	-	-	(2)	2
	Security deposits repaid	-	-	(1)	-	-	-	-	-	-	-
	End of the year	-	324	34	-	-	-	-	-	15	17
iii.	Loans given:										
	Beginning of the year	-	-	-	-	-	-	-	-	585	222
	Addition on account of business combination	-	66	-	-	-	-	-	-	-	-
	Loans given	-	-	-	-	-	-	-	-	75	396
	Interest income	-	4	-	-	-	-	-	-	41	31
	Loans & interest received back	-	(14)	-	-	-	-	-	-	(701)	(64)
	End of the year	-	56	-	-	-	-	-	-	-	585
iv.	Loans taken:										
	Beginning of the year	-	-	-	-	-	-	-	-	628	2,484
	Loans received	-	-	-	-	-	-	-	500	-	3,858
	Interest expense	-	-	-	-	-	-	-	18	-	88
	Loans repaid & interest paid	-	-	-	-	-	-	-	(518)	(828)	(5,802)
	End of the year	-	-	-	-	-	-	-	-	-	628



41. Segment Information:

(a) Description of segments and principal activities

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 categorized in to following segments:

Segments	Description
SAMIL Standalone	Represents standalone operations of Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited), engaged mainly in the business of manufacturing and trading of automobile parts for commercial and passenger vehicles.
SMR	Represents subsidiaries of Samvardhana Motherson Reflectec Group Holdings Limited which are engaged in development, manufacture and supply of rear view mirrors and drive assistance systems.
SMP	Represents subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. (SMRP BV) (an overseas subsidiary of the Company) which are engaged in manufacturing and supplies of plastic parts and system modules for vehicle interiors and exteriors.
PKC	Represents PKC Group Plc including its subsidiaries. PKC is engaged in designing, manufacturing and integrating electrical distribution systems, electronics and related components for commercial vehicle industries, rolling stock manufacturers and other related segments.
Others	Comprise other subsidiaries of the Company (excluding SMR, SMP and PKC defined above) that are below the thresholds for separate reporting as operating segments.

The CODM primarily uses a measure of revenue from operation and earnings before interest, tax, depreciation, amortisation and exceptional item (EBITDA) to assess the performance of the operating segments on monthly basis.

Unallocated:

Revenue, expenses, assets and liabilities have been identified to a segment on the basis of relationship to operating activities of the segment. Assets and liabilities which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed under unallocated.

Inter Segment transfer:

Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

(b) Revenue from operation

Interest income, rental income, dividend income, income recognised on sales of assets and investment are excluded from segment revenue. Transactions between segments are carried out at arm's length and are eliminated on consolidation. The segment revenue is measured in the same way as in the statement of profit or loss.

Revenue from operation:

	March 31, 2022	March 31, 2021
SAMIL Standalone	53,448	36,692
SMR	114,950	113,630
SMP	321,289	306,476
PKC	108,331	90,056
Others	55,794	41,286
Total	663,812	598,140
Segment revenue from discontinued operation (SAMIL Standalone segment) (refer note 51)	39,735	41,382
Less: Intersegment	32,026	27,568
Total revenue from operation as per statement of profit and loss	661,521	601,954

Disaggregated revenue from external customer information

Continuing operations		
India	82,373	31,308
Germany	129,729	128,390
Spain	25,858	28,140
USA	115,515	91,196
China	64,655	68,898
Others*	203,774	212,993
Discontinued operations (refer note 51)		
India	39,568	40,996
China	43	24
Others*	6	9
	661,521	601,954

* None of the other countries contribute materially to the revenue of the group.



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Type of goods or Services	March 31, 2022	March 31, 2021
Continuing operations		
Sales of Components	563,970	509,161
Tool development	44,169	42,226
Assembly of components	2,088	2,176
Others operating revenue	4,661	3,176
Discontinued operations (refer note 51)		
Sales of Components	39,004	40,465
Assembly of components	181	282
Others operating revenue	6	67
Total revenue from contracts with customers	654,079	597,554
Timing of revenue recognition	March 31, 2022	March 31, 2021
Continuing operations		
As a point in time	573,820	514,852
Over a period of time	41,068	41,888
Discontinued operations (refer note 51)		
As a point in time	39,191	40,814
Total revenue from contracts with customers	654,079	597,554

(c) EBITDA

	March 31, 2022	March 31, 2021
SAMIL Standalone	7,345	4,892
SMR	10,400	12,209
SMP	20,182	17,932
PKC	4,442	5,827
Others	6,107	4,286
Total	48,476	45,146
EBITDA from discontinued operations (SAMIL Standalone segment) (refer note 51)	5,319	4,984
Add: unallocated income / (expenses)		
Dividend income	6	0
Interest income from continuing and discontinued operations	1,173	656
Less: Intersegment	82	(80)
Total EBITDA	54,892	50,668
Depreciation	(29,964)	(29,764)
Finance costs	(5,426)	(5,113)
Company's share in net profit / (loss) of associates and joint ventures accounted for using the equity method	160	849
Income tax expense	(6,069)	694
Finance costs - discontinued operations	(93)	(89)
Income tax expense - discontinued operations	(1,204)	(1,129)
Profit after tax	11,816	15,693

Interest and dividend income was allocated to segment EBITDA, which is considered as unallocated income in above table. Previous year number is also reclassified based on new classification of segment EBITDA.

(d) Segment Assets

Segment assets are allocated based on the operations of the segment and the physical location of the asset. Assets not used directly in operations of the segment like investments, other common assets are reported as unallocated assets.

	March 31, 2022	March 31, 2021
SAMIL Standalone	68,331	60,439
SMR	77,509	100,520
SMP	235,795	235,530
PKC	63,334	55,732
Others	142,227	149,184
Total	587,196	601,405
Add: Discontinued operation (SAMIL Standalone segment) (refer note 51)	-	17,530
Less: Intersegment	108,347	160,160
Unallocated:		
Deferred Tax	11,486	10,224
Non-current Tax	2,507	1,843
Deferred Tax - discontinued operations	-	259
Other corporate assets and investments	69,859	9,747
Total	582,781	480,850



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Total of non-current assets other than financial instruments, investments accounted for using equity methods and deferred tax assets broken down by location of the assets, is shown below

	March 31, 2022	March 31, 2021
India	41,988	24,564
Germany	37,008	42,716
Spain	10,047	11,741
USA	26,554	27,005
China	18,565	13,557
Others*	106,814	104,011
	240,976	223,594

* None of the other countries contribute materially to the non-current assets other than financial instruments, investments accounted for using equity methods and deferred tax assets of the group.

Capital expenditure

	March 31, 2022	March 31, 2021
SAMIL Standalone	2,581	1,904
SMR	2,852	2,796
SMP	13,129	11,342
PKC	3,852	2,989
Others	1,949	294
	24,363	19,325

(e) Segment liabilities

Segment liabilities are allocated based on the operations of the segment. Liabilities not used directly in operations of the segment common liabilities like borrowings are reported as unallocated liabilities.

	March 31, 2022	March 31, 2021
SAMIL Standalone	88,168	59,590
SMR	50,845	48,826
SMP	188,700	216,582
PKC	43,209	36,068
Others	34,831	38,726
Total	386,753	399,792
Add: Discontinued operation (SAMIL Standalone segment) (refer note 51)	-	8,353
Less: Intersegment	107,072	159,792
Deferred Tax	5,445	3,383
Current Tax	3,901	3,342
Other common / unallocated liabilities	51,028	58,953
Total	339,866	315,011



42. Capital and Other Commitments

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

	March 31, 2022	March 31, 2021
Property, plant and equipment		
Estimated value of contracts in capital account remaining to be executed, (Net of Advances of INR 2,238 million (March 31, 2021: INR 1,302 million))	3,514	4,580
Estimated value of contracts of discontinued operations in capital account remaining to be executed (net of advances of Nil (March 31, 2021: INR 8 million))	-	135
Total	3,514	4,715
Other Commitments		
Bank Guarantee	493	315
Others	135	72

Above commitments on property, plant and equipment includes group share of commitments of associates and joint ventures entities.
For capital expenditure contracted relating to associates and joint ventures refer to note 48

43. Contingent Liabilities:

In the ordinary course of business, the Group faces claims and assertions by various parties. The Group assesses such claims and assertions and monitors the legal environment on an on-going basis, with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its consolidated financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the consolidated financial statements but does not record a liability in its accounts unless the loss becomes probable.

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.

Claims against the Group not acknowledged as debts

	March 31, 2022	March 31, 2021
Excise, sales tax and service tax matters *	147	95
Other tax matters	94	83
Claims made by workmen	229	169
Income tax matters	326	150
Unfulfilled export commitment under EPCG scheme	9	28
Others (refer note 'c' below)	3,360	2,821

* Against which Group has given bank guarantees amounting to INR 2 million (March 31, 2021 : Nil)

- 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 of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- The Group has acted as surety in respect of subsidy received by one of its subsidiary, which limits the total liability of the Group to 1.2x of the amount of subsidy granted. As per the conditions of subsidy received from the local government the subsidiary is required to incur certain level of capital expenditure along with maintaining the headcount at certain level for a period of 5 years. As of March 31, 2022, both the conditions have been fulfilled however headcount level needs to be sustained for 5 years therefore the Group may be contingently liable for INR 2,463 million (March 31, 2021: INR 2,518 million) in the event of non-compliance of subsidy conditions by the subsidiary in the future.
- Above contingent liability includes group share of contingent liability of the associates and joint ventures entities.

For contingent liabilities relating to associates and joint ventures refer to note 48



(All amounts in INR Million, unless otherwise stated)

44. Assets pledged as security

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

	March 31, 2022	March 31, 2021
Current:		
Financial assets		
Cash and cash equivalents	15,320	21,330
Inventories	20,456	24,787
Receivables	32,582	23,598
Other current assets	12,062	18,527
Total current assets pledged as security	80,420	88,242
Non Current:		
Freehold land	219	3,035
Buildings	3,290	28,182
Plant & Machinery	41,989	39,042
Investment Property	257	835
Other non current assets	7,908	8,087
Investment accounted as per equity methods	13,046	-
Total non current assets pledged as security	66,709	79,182
Total assets pledged as security	147,129	167,424

Further, loan amounting to Nil (March 31, 2021: INR 12,010 million) has been obtained against security of pledge of shares of an overseas subsidiary company which has been eliminated on consolidation and additional loan amounting INR 9,468 million (March 31, 2021: INR 8,457 million) loan has been taken during the financial year for which, pledge of shares of same subsidiary is to be created.

45. Ind AS 116 Revenue from contracts with customers

The transaction price allocated to the remaining performance obligations related to tool development (unsatisfied or partially unsatisfied) are, as follows:

	March 31, 2022	March 31, 2021
Within one year	32,869	31,087
More than one year	32,533	30,199
Total	65,422	61,286

Table below provides information on revenue recognised from:

	March 31, 2022	March 31, 2021
Amounts included in contract liabilities at the beginning of the year	5,125	5,543
Performance obligations partly satisfied in previous years	16,641	19,289

The table below represents summary of contract assets and liabilities relating to contracts with customers:

	March 31, 2022	March 31, 2021
Receivables	80,247	71,877
Contract assets	27,920	22,041
Contract liabilities	8,561	6,097

Contract assets are initially recognised for revenue earned from development of tools and secondary equipment as receipt of consideration is conditional on successful completion and acceptance by the customer. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. The expected credit loss on contract assets is considered very low and hence no provision for credit loss is recorded in respect of contract assets.



(All amounts in INR Million, unless otherwise stated)

46. Ind AS 116 Leases

The Group elected to apply Indian Accounting Standard 116 ('Ind AS 116'). Leases, with effect from April 01, 2019, using the modified retrospective method. The Group assesses each lease contract and if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Group recognised right to use assets and lease liabilities for those lease contracts except for short-term lease and lease of low-value assets.

Current lease liabilities
Non-current lease liabilities

March 31, 2022	March 31, 2021
3,618	3,242
10,070	9,422
13,688	12,664

Refer note 37 (C) for maturity analysis of lease liabilities and note 3 (b) for right-to-use assets recognised. The Company has total cash outflow of INR 3,391 million (March 31, 2021: INR 4,624 million).

Amount recognised in Statement of Profit and Loss during the year:

Interest expense on lease liabilities (included in finance cost)
Depreciation of Right of Use assets
Lease expense derecognised

March 31, 2022	March 31, 2021
769	760
4,113	4,283
3,391	4,624
3,050	2,411

Short term and low value lease payments

47. Hyperinflation

With the effect from July 1, 2018, the Argentine economy was considered to be hyperinflationary in accordance with the criteria in Ind AS 29 "Financial Reporting in Hyperinflationary Economies" ("Ind AS 29"). This standard requires that the entity or components financial information whose functional currency is that of an economy considered hyperinflationary be restated using a general price index that reflects changes in general purchasing power. The inflation index used in Argentina was a synthetic index with the following characteristics: i) The Internal Wholesale Price Index (IPIM) until December 2016 and ii) after that date, the National Consumer Price Index (IPC). Additionally, due to the lack of national index on November and December 2015, Consumer Price Index of City of Buenos Aires (IPC CABA) was used.

The results and financial position of Argentine subsidiary SMRC Automotive Tech Argentina S.A., whose functional currency is the currency of a hyperinflationary economy, are first restated in accordance with Ind AS 29 and are then translated into the presentation currency.

All balance sheet items of Argentine subsidiary have been segregated into monetary and nonmonetary items. Monetary items are units of currency held, and assets and liabilities to be received or paid, in fixed or determinable number of units of currency. These monetary items are not restated because they are already expressed in terms of the current monetary unit. In a period of inflation, an entity holding an excess of monetary assets over monetary liabilities loses purchasing power, and an entity with an excess of monetary liabilities over monetary assets gains purchasing power, to the extent the assets and liabilities are not linked to a price level. The gain or loss on the net monetary position is included in profit or loss. The effect of inflation on the net monetary position of the Argentine subsidiary for the year ended March 31, 2022 has been a gain of INR 19 million (March 31, 2021: gain of INR 85 million).

Non-monetary assets and liabilities (items which are not already expressed in terms of the monetary unit) are restated by applying the relevant index. After the Ind AS 29 restatement of nonmonetary assets, it is necessary to consider whether the restated amount of the asset might exceed its recoverable amount. Additionally, the application of Ind AS 29 results in the creation of temporary differences because while the book value of non-monetary assets is adjusted for inflation but not equivalent adjustment is made for tax purpose; the effect of such a temporary difference is a deferred tax liability.



48. Interest in other entities

A. 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	MSSL Mauritius Holdings Limited (MMHL)	Mauritius	100%	100%	0%	0%	March 31, 2022
2	Motherson Electrical Wires Lanka Private Limited	Sri Lanka	100%	100%	0%	0%	March 31, 2022
3	MSSL Mideast (FZE)	UAE	100%	100%	0%	0%	March 31, 2022
4	MSSL (S) Pte Limited	Singapore	100%	100%	0%	0%	March 31, 2022
5	Motherson Innovations Tech Limited (esrt MSSL Automobile Component Limited)	India	100%	100%	0%	0%	March 31, 2022
6	Samvardhana Motherson Polymers Limited (SMPL)	India	100%	51%	0%	49%	March 31, 2022
7	MSSL (GB) Limited (Jointly held by the Company and MSSL Mideast (FZE))	UK	100%	100%	0%	0%	March 31, 2022
8	Motherson Wiring System (FZE) (held by MSSL Mideast (FZE))	UAE	100%	100%	0%	0%	March 31, 2022
9	MSSL Tooling (FZE) (held by MSSL Mideast (FZE))	UAE	100%	100%	0%	0%	March 31, 2022
10	MSSL GmbH (held by MSSL Mideast (FZE))	Germany	100%	100%	0%	0%	March 31, 2022
11	Samvardhana Motherson Invest Deutschland GmbH (held by MSSL GmbH)	Germany	100%	100%	0%	0%	March 31, 2022
12	MSSL Advanced Polymers s r o (held by MSSL GmbH)	Czech Republic	100%	100%	0%	0%	March 31, 2022
13	Motherson Techno Precision GmbH (held by MSSL GmbH)	Germany	100%	100%	0%	0%	March 31, 2022
14	MSSL s r l Unipersonale (held by MSSL (GB) Limited)	Italy	100%	100%	0%	0%	March 31, 2022
15	Motherson Techno Precision México, S.A. de C.V. (held by Motherson Techno Precision GmbH)	Mexico	100%	100%	0%	0%	March 31, 2022
16	MSSL Manufacturing Hungary KR (held by MSSL GMBH)	Hungary	100%	100%	0%	0%	March 31, 2022
17	Motherson Air Travel Pvt Ltd (held by MSSL Mideast (FZE))	Ireland	100%	100%	0%	0%	March 31, 2022
18	MSSL Australia Pty Limited (held by MSSL Mauritius Holdings Limited)	Australia	80%	80%	20%	20%	March 31, 2022
19	Motherson Elastomers Pty Limited (held by MSSL Australia Pty Limited)	Australia	100%	100%	0%	0%	March 31, 2022
20	Motherson Investments Pty Limited (held by MSSL Australia Pty Limited)	Australia	100%	100%	0%	0%	March 31, 2022
21	MSSL Ireland Private Limited (held by MSSL (GB) Limited)	Ireland	100%	100%	0%	0%	March 31, 2022
22	MSSL Global RSA Module Engineering Limited (held by MSSL Mauritius Holdings Limited)	South Africa	100%	100%	0%	0%	March 31, 2022
23	MSSL Japan Limited (held by MSSL (S) Pte Limited)	Japan	100%	100%	0%	0%	March 31, 2022
24	Vacuform 2000 (Proprietary) Limited (held by MSSL Mauritius Holdings Limited)	South Africa	51%	51%	49%	49%	March 31, 2022
25	MSSL México, S.A. De C.V. (held by MSSL (S) Pte Limited)	Mexico	100%	100%	0%	0%	March 31, 2022
26	MSSL WH System (Thailand) Co., Ltd (held by MSSL (S) Pte Ltd)	Thailand	100%	100%	0%	0%	March 31, 2022
27	MSSL Korea WH Limited (held by MSSL (S) Pte Ltd)	South Korea	100%	100%	0%	0%	March 31, 2022
28	MSSL Consolidated Inc. (held by MSSL (GB) Ltd)	USA	100%	100%	0%	0%	March 31, 2022
29	MSSL Wiring System Inc (held by MSSL Consolidated Inc.)	USA	100%	100%	0%	0%	March 31, 2022
30	Alphabet de Mexico, S.A. de C.V. (held by MSSL (GB) Ltd)	Mexico	100%	100%	0%	0%	March 31, 2022
31	Alphabet de Mexico de Monclova, S.A. de C.V. (held by MSSL (GB) Ltd)	Mexico	100%	100%	0%	0%	March 31, 2022
32	Alphabet de Saltillo, S.A. de C.V. (held by MSSL (GB) Ltd)	Mexico	100%	100%	0%	0%	March 31, 2022
33	MSSL Wirings Juarez, S.A. de C.V. (held by MSSL (GB) Ltd)	Mexico	100%	100%	0%	0%	March 31, 2022
34	Samvardhana Motherson Global Holdings Ltd (SMGHL) (jointly held by MSSL Mauritius Holdings Limited & Samvardhana Motherson Holding (M) Pvt. Ltd.)	Cyprus	100%	51%	0%	49%	March 31, 2022
35	Samvardhana Motherson Automotive Systems Group B.V. (SMRPBV) (held by SMGHL and SMPL)	Netherlands	100%	100%	0%	0%	March 31, 2022
36	Samvardhana Motherson Reflectec Group Holdings Limited (SMR) (held by SMRPBV)	Jersey	98.45%	98.45%	1.55%	1.55%	March 31, 2022
37	SMR Automotive Technology Holding Cyprus Limited (held by SMR)	Cyprus	100%	100%	0%	0%	March 31, 2022
38	SMR Automotive Mirror Parts and Holdings UK Ltd (held by SMR)	UK	100%	100%	0%	0%	March 31, 2022
39	SMR Automotive Holding Hong Kong Limited (held by SMR)	Hong Kong	100%	100%	0%	0%	March 31, 2022



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED
(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)



Notes to the consolidated financial statements

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			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
40	SMR Automotive Systems India Limited (Jointly held by the Company and SMR Automotive Technology Holding Cyprus Limited)	India	100%	100%	0%	0%	March 31, 2022
41	SMR Automotive Systems France S.A. (held by SMR Automotive Technology Holding Cyprus Limited)	France	100%	100%	0%	0%	March 31, 2022
42	SMR Automotive Mirror Technology Holding Hungary Kft (held by SMR Automotive Technology Holding Cyprus Limited)	Hungary	100%	100%	0%	0%	March 31, 2022
43	SMR Patents S à r l. (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Luxembourg	100%	100%	0%	0%	March 31, 2022
44	SMR Automotive Technology Valencia S.A.U. (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Spain	100%	100%	0%	0%	March 31, 2022
45	SMR Automotive Mirrors UK Limited (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	UK	100%	100%	0%	0%	March 31, 2022
46	SMR Automotive Mirror International USA Inc. (held by SMR Mirrors UK Limited)	USA	100%	100%	0%	0%	March 31, 2022
47	SMR Automotive Systems USA Inc. (held by SMR Automotive Mirror International USA Inc.)	USA	100%	100%	0%	0%	March 31, 2022
48	SMR Automotive Beijing Company Limited (held by SMR Automotive Holding Hong Kong Limited)	China	100%	100%	0%	0%	March 31, 2022
49	SMR Automotive Yancheng Co. Limited (held by SMR Automotive Holding Hong Kong Limited)	China	100%	100%	0%	0%	March 31, 2022
50	SMR Automotive Mirror Systems Holding Deutschland GmbH (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Germany	100%	100%	0%	0%	March 31, 2022
51	SMR Holding Australia Pty Limited (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Australia	100%	100%	0%	0%	March 31, 2022
52	SMR Automotive Australia Pty Limited (held by SMR Holding Australia Pty Ltd.)	Australia	100%	100%	0%	0%	March 31, 2022
53	SMR Automotive Mirror Technology Hungary BT (held by SMR Automotive Technology Holding Cyprus Limited)	Hungary	100%	100%	0%	0%	March 31, 2022
54	Motherson Business Service Hungary Kft. (held by SMR Automotive Mirror Technology Holding Hungary BT)	Hungary	100%	100%	0%	0%	March 31, 2022
55	SMR Automotive Modules Korea Ltd. (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	South Korea	100%	100%	0%	0%	March 31, 2022
56	SMR Automotive Beteiligungen Deutschland GmbH (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	Germany	100%	100%	0%	0%	March 31, 2022
57	SMR Hyosang Automotive Ltd. (held by SMR Automotive Modules Korea Ltd.)	South Korea	100%	100%	0%	0%	March 31, 2022
58	SMR Automotive Mirrors Stuttgart GmbH (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	Germany	100%	100%	0%	0%	March 31, 2022
59	SMR Automotive Systems Spain S.A.U. (held by SMR Automotive Mirrors Stuttgart GmbH)	Spain	100%	100%	0%	0%	March 31, 2022
60	SMR Automotive Vision Systems Mexico S.A. de C.V. (Jointly held by SMR Automotive Mirrors Stuttgart GmbH and SMR Automotive Systems Spain S.A.U.)	Mexico	100%	100%	0%	0%	March 31, 2022
61	Samvardhana Motherson Corp Management Shanghai Co Ltd. (held by SMR Automotive Mirrors Stuttgart GmbH)	China	100%	100%	0%	0%	March 31, 2022
62	SMR Grundbesitz GmbH & Co. KG (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	Germany	93.07%	93.07%	6.93%	6.93%	March 31, 2022
63	SMR Automotive Brasil Ltda. (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Brazil	100%	100%	0%	0%	March 31, 2022
64	SMR Automotive System (Thailand) Limited (held by SMR Automotive Technology Holding Cyprus Limited)	Thailand	100%	100%	0%	0%	March 31, 2022
65	SMR Automotive Systems Macedonia Dooel Skopje (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Macedonia	100%	100%	0%	0%	March 31, 2022
66	SMR Automotive Operations Japan K.K. (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Japan	100%	100%	0%	0%	March 31, 2022
67	SMR Automotive (Langfang) Co. Ltd. (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	China	100%	100%	0%	0%	March 31, 2022
68	SMR Automotive Vision System Operations USA INC (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	USA	100%	100%	0%	0%	March 31, 2022
69	SMR Mirror UK Limited (held by SMR Automotive Vision System Operations USA INC.)	UK	100%	100%	0%	0%	March 31, 2022
70	Motherson Innovations Company Limited (held by SMR)	UK	100%	100%	0%	0%	March 31, 2022



(All amounts in INR Million, unless otherwise stated)

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			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
71	Motherson Innovations Deutschland GmbH (held by Motherson Innovations Company Limited)	Germany	100%	100%	0%	0%	March 31, 2022
72	Motherson Innovations LLC (held by Motherson Innovations Company Limited)	USA	100%	100%	0%	0%	March 31, 2022
73	Samvardhana Motherson Global (FZE) (held by SMR)	UAE	100%	100%	0%	0%	March 31, 2022
74	SMR Automotive Industries RUS Limited Liability Company jointly held by SMR Automotive Mirror Technology Holding Hungary Kft & SMR Automotive Technology Holding Cyprus Ltd.)	Russia	100%	100%	0%	0%	March 31, 2022
75	SMR Plastik Met Molds and Tools Turkey Kalip Imalat Anonim Sirketi (held by SMR Automotive Mirrors Stuttgart GmbH)	Turkey	75%	0%	25%	0%	March 31, 2022
76	SMR Plastik Met Automotive Tec Turkey Plastik Imalat Anonim Sirketi (held by SMR Automotive Mirrors Stuttgart GmbH)	Turkey	75%	0%	25%	0%	March 31, 2022
77	Samvardhana Motherson Peguform GmbH (SMP) (held by SMRPBV)	Germany	100%	100%	0%	0%	March 31, 2022
78	SMP Automotive Interiors (Beijing) Co. Ltd. (held by SMRPBV)	China	100%	100%	0%	0%	March 31, 2022
79	SMP Deutschland GmbH (held by Samvardhana Motherson Peguform GmbH and SMGHL)	Germany	100%	100%	0%	0%	March 31, 2022
80	SMP Logistik Service GmbH (held by SMP Deutschland GmbH)	Germany	100%	100%	0%	0%	March 31, 2022
81	SMP Automotive Solutions Slovakia s r.o. (held by SMP Deutschland GmbH)	Slovakia	100%	100%	0%	0%	March 31, 2022
82	Changchun Peguform Automotive Plastics Technology Co., Ltd. (held by SMP Deutschland GmbH)	China	50% +1share	50% +1share	50% -1share	50% -1share	March 31, 2022
83	Foshan Peguform Automotive Plastics Technology Co. Ltd. (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2022
84	Shenyang SMP Automotive Plastic Component Co. Ltd. (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2022
85	Tianjin SMP Automotive Component Company Limited (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2022
86	Shenyang SMP Automotive Trim Co. Ltd. (held by Changchun Peguform Automotive Plastics Technology Co. Ltd.)	China	100%	100%	0%	0%	March 31, 2022
87	SMP Automotive Technology Management Services (Changchun) Co. Ltd. (held by SMP Deutschland GmbH)	China	100%	100%	0%	0%	March 31, 2022
88	SMP Automotive Technology Iberica S.L. (held by SMRPBV)	Spain	100%	100%	0%	0%	March 31, 2022
89	Samvardhana Motherson Peguform Barcelona S.L.U. (held by SMP Automotive Technology Iberica S.L.)	Spain	100%	100%	0%	0%	March 31, 2022
90	SMP Automotive Technologies Teruel Sociedad Limitada (held by SMP Automotive Technology Iberica S.L.)	Spain	100%	100%	0%	0%	March 31, 2022
91	Samvardhana Motherson Peguform Automotive Technology Portugal S.A. (held by SMP Automotive Technology Iberica S.L.)	Portugal	100%	100%	0%	0%	March 31, 2022
92	SMP Automotive Systems Mexico S.A. de C.V. (held by SMP Automotive Technology Iberica S.L.)	Mexico	100%-1share	100%-1share	0%	0%	March 31, 2022
93	SMP Automotive Produtos Automotivos do Brasil Ltda. (held by SMP Automotive Technology Iberica S.L.)	Brazil	100%-1share	100%-1share	0%	0%	March 31, 2022
94	SMP Automotive Exterior GmbH (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2022
95	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2022
96	Samvardhana Motherson Innovative Autosystems Holding Company BV (held by SMR)	Netherlands	100%	100%	0%	0%	March 31, 2022
97	SM Real Estate GmbH (held by SMGHL & SMP Automotive Exterior GmbH)	Germany	100%	100%	0%	0%	March 31, 2022
98	Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V. (held jointly by SMR & SMP)	Mexico	100%	100%	0%	0%	March 31, 2022
99	SMP Automotive Systems Alabama Inc. (held by SMR Automotive Mirror International USA Inc.)	USA	100%	100%	0%	0%	March 31, 2022
100	Celulosa Fabril (Cefal) S.A. (held by SMP automotive technology Iberica S.L.)	Spain	50%	50%	50%	50%	March 31, 2022
101	Modulos Ribera Alta S.L. Unipersonal (held by Celulosa Fabril (Cefal) S.A.)	Spain	100%	100%	0%	0%	March 31, 2022
102	Motherson Innovations Lights GmbH & Co KG (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2022



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			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
103	Motherson Innovations Lights Verwaltungs GmbH (held by Motherson Innovations Lights GmbH & Co KG)	Germany	100%	100%	0%	0%	March 31, 2022
104	SMP Automotive Interior Modules d.o.o. Cuprija (held by SMRC Automotive Holdings Netherlands B.V.)	Serbia	100%	100%	0%	0%	March 31, 2022
105	MSSL Estonia WH OU (held by MSSL (GB) Limited)	Estonia	100%	100%	0%	0%	March 31, 2022
106	PKC Group Oy (held by MSSL Estonia WH OU)	Finland	100%	100%	0%	0%	March 31, 2022
107	PKC Wiring Systems Oy (held by PKC Group Oy)	Finland	100%	100%	0%	0%	March 31, 2022
108	PKC Group Poland Sp. z o.o. (held by PKC Eesti AS)	Poland	100%	100%	0%	0%	March 31, 2022
109	PKC Wiring Systems Ltd (held by PKC Wiring Systems Oy)	Serbia	100%	100%	0%	0%	March 31, 2022
110	PKC Group APAC Limited (held by PKC Wiring Systems Oy)	Hong Kong	100%	100%	0%	0%	March 31, 2022
111	PKC Group Canada Inc. (held by PKC Wiring Systems Oy)	Canada	100%	100%	0%	0%	March 31, 2022
112	PKC Group USA Inc. (held by PKC Wiring Systems Oy)	USA	100%	100%	0%	0%	March 31, 2022
113	PKC Group Mexico S.A. de C.V. (held by PKC Wiring Systems Oy)	Mexico	100%	100%	0%	0%	March 31, 2022
114	Project del Holding S a r l. (held by PKC Wiring Systems Oy)	Luxembourg	100%	100%	0%	0%	March 31, 2022
115	PK Cables do Brasil Ltda (jointly held by PKC Wiring Systems Oy & Project Del Holding S a r l.)	Brazil	100%	100%	0%	0%	March 31, 2022
116	PKC Eesti AS (held by PKC Wiring Systems Oy)	Estonia	100%	100%	0%	0%	March 31, 2022
117	TKV-sariat Oy (held by PKC Wiring Systems Oy)	Finland	100%	100%	0%	0%	March 31, 2022
118	Motherson Rolling Stocks S. de R. L. de C. V. (Jointly held by TKV-sariat Oy and MSSL (GB) Limited)	Mexico	100%	100%	0%	0%	March 31, 2022
119	PKC SEGU Systemelektronik GmbH (held by PKC Wiring Systems Oy)	Germany	100%	100%	0%	0%	March 31, 2022
120	Groclin Luxembourg S a r l. (held by PKC Group Poland Holding Sp. z o.o.)	Luxembourg	100%	100%	0%	0%	March 31, 2022
121	PKC Vehicle Technology (Suzhou) Co., Ltd. (held by PKC Group APAC Limited)	China	100%	100%	0%	0%	March 31, 2022
122	AEES Inc. (held by PKC Group USA Inc.)	USA	100%	100%	0%	0%	March 31, 2022
123	PKC Group Lithuania UAB (held by PKC Eesti AS)	Lithuania	100%	100%	0%	0%	March 31, 2022
124	PKC Group Poland Holding Sp. z o.o. (held by PKC Wiring Systems Oy)	Poland	100%	100%	0%	0%	March 31, 2022
125	OOO AEK (jointly held by PKC Eesti AS & TKV sariat Oy)	Russia	100%	100%	0%	0%	March 31, 2022
126	Kabel-Technik-Polska Sp. z o.o. (held by Groclin Luxembourg S a r l.)	Poland	100%	100%	0%	0%	March 31, 2022
127	T.I.C.S. Corporation (held by AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2022
128	AEES Power Systems Limited partnership (jointly held by T.I.C.S. Corporation & AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2022
129	Fortitude Industries Inc. (held by AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2022
130	AEES Manufacturera. S. De R. L. de C. V. (held by Project del Holding S a r l.)	Mexico	100%	100%	0%	0%	March 31, 2022
131	Cableados del Norte II, S. de R. L. de C. V. (held by Project del Holding S a r l.)	Mexico	100%	100%	0%	0%	March 31, 2022
132	Manufacturas de Componentes Electricos de Mexico S. de R. L. de C. V. (held by Project del Holding S a r l.)	Mexico	100%	100%	0%	0%	March 31, 2022
133	Arneses y Accesorios de México. S. de R. L. de C. V. (held by Project del Holding S a r l.)	Mexico	100%	100%	0%	0%	March 31, 2022
134	Asosona Mexicana Empresarial, S. de R. L. de C. V. (held by Project del Holding S a r l.)	Mexico	100%	100%	0%	0%	March 31, 2022
135	Arneses de Ciudad Juarez, S. de R. L. de C. V. (held by Project del Holding S a r l.)	Mexico	100%	100%	0%	0%	March 31, 2022
136	PKC Group de Piedras Negras, S. de R. L. de C. V. (held by Project del Holding S a r l.)	Mexico	100%	100%	0%	0%	March 31, 2022
137	PKC Group AEES Commercial S. de R. L. de C. V. (held by Project del Holding S a r l.)	Mexico	100%	100%	0%	0%	March 31, 2022
138	Jiangsu Huakai-PKC Wire Harness Co., Ltd. (held by PKC Group APAC Limited)	China	50%	50%	50%	50%	March 31, 2022
139	PKC Vehicle Technology (Hefei) Co., Ltd. (held by PKC Group APAC Limited)	China	50%	50%	50%	50%	March 31, 2022
140	PKC Vehicle Technology (Fuyang) Co., Ltd. (held by PKC Vehicle Technology (Hefei) Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2022
141	Shangdong Huakai-PKC Wire Harness Co., Ltd. (held by Jiangsu Huakai-PKC Wire Harness Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2022
142	Motherson Rolling Stock Systems GB Limited (held by Kabel Technik Polska Sp. z o.o.) (incorporated on February 01, 2019)	UK	100%	100%	0%	0%	March 31, 2022
143	Motherson PKC Harness Systems FZ-LLC (held by PKC Eesti AS) (incorporated on July 7, 2019)	UAE	100%	100%	0%	0%	March 31, 2022
144	Global Environment Management (FZC) (held by MSSL Mauritius Holdings Limited)	UAE	100%	100%	0%	0%	March 31, 2022



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED
(formerly known as MOTHERSON SUMI SYSTEMS LIMITED)



Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

S.No	Name of the Company	Country of Incorporation	Ownership interest held by the group		Ownership interest held by the non-controlling		Reporting Dates used for Consolidation
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
145	SMRC Automotive Holdings B.V. (held by SMRPBV, jointly held by SMRPBV and SMRC Automotive Interiors Management B.V. till March 24, 2021)	Netherlands	100%	100%	0%	0%	March 31, 2022
146	SMRC Automotive Holdings Netherlands B.V. (held by SMRC Automotive Holdings B.V.)	Netherlands	100%	100%	0%	0%	March 31, 2022
147	SMRC Automotives Techno Minority Holdings B.V. (held by SMRC Automotive Holdings Netherlands B.V.)	Netherlands	100%	100%	0%	0%	March 31, 2022
148	SMRC Smart Automotive Interior Technologies USA LLC (liquidated w.e.f. May 07, 2021)	USA	100%	100%	0%	0%	March 31, 2022
149	SMRC Automotive Modules France SAS (held by SMRC Automotive Holdings Netherlands B.V.)	France	100%	100%	0%	0%	March 31, 2022
150	Samvardhana Motherson Reydel Automotive Parts Holding Spain S.L.U. (held by SMRC Automotive Holdings Netherlands B.V.)	Spain	100%	100%	0%	0%	March 31, 2022
151	SMRC Automotive Interiors Spain S.L.U. (held by Reydel Automotive Holding Spain S.L.U.)	Spain	100%	100%	0%	0%	March 31, 2022
152	SMRC Automotive Interior Modules Croatia d.o.o. (held by SMRC Automotive Holdings Netherlands B.V.)	Croatia	100%	100%	0%	0%	March 31, 2022
153	Samvardhana Motherson Reydel Autotelec Morocco SAS (held by SMRC Automotive Holdings Netherlands B.V.)	Morocco	100%	100%	0%	0%	March 31, 2022
154	SMRC Automotive Technology RU LLC (held by SMRC Automotive Holdings Netherlands B.V.)	Russia	100%	100%	0%	0%	March 31, 2022
155	SMRC Smart Interior Systems Germany GmbH (held by SMRC Automotive Holdings Netherlands B.V.)	Germany	100%	100%	0%	0%	March 31, 2022
156	SMRC Automotive Interiors Products Poland SA (liquidated w.e.f. April 06, 2021)	Poland	100%	100%	0%	0%	March 31, 2022
157	SMRC Automotive Solutions Slovakia s.r.o. (held by SMRC Automotive Holdings Netherlands B.V.)	Slovakia	100%	100%	0%	0%	March 31, 2022
158	SMRC Automotive Holding South America B.V. (held by SMRC Automotive Holdings Netherlands B.V.)	Netherlands	100%	100%	0%	0%	March 31, 2022
159	SMRC Automotive Modules South America Minority Holdings B.V. (held by SMRC Automotive Holdings Netherlands B.V.)	Netherlands	100%	100%	0%	0%	March 31, 2022
160	SMRC Automotive Tech Argentina S.A. (jointly held by SMRC Automotive Holding South America B.V. & SMRC Automotive Modules South America Minority Holdings B.V.)	Argentina	100%	100%	0%	0%	March 31, 2022
161	SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda. (held by SMRC Automotive Holding South America B.V.)	Brazil	100%	100%	0%	0%	March 31, 2022
162	SMRC Automotive Products India Limited (held by SMRC Automotive Holdings Netherlands B.V.)	India	100%	100%	0%	0%	March 31, 2022
163	SMRC Automotive Smart Interior Tech (Thailand)	Thailand	100%	100%	0%	0%	March 31, 2022
164	SMRC Automotive Interiors Japan Ltd. (held by SMRC Automotive Holdings Netherlands B.V.)	Japan	100%	100%	0%	0%	March 31, 2022
165	Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd. (held by SMRC Automotive Holdings Netherlands B.V.)	China	100%	100%	0%	0%	March 31, 2022
166	PT SMRC Automotive Technology Indonesia (jointly held by SMRC Automotive Holdings Netherlands B.V. & SMRC Automotives Techno Minority Holdings B.V.)	Indonesia	100%	100%	0%	0%	March 31, 2022
167	Yujin SMRC Automotive Techno Corp. (held by SMRC Automotive Holdings Netherlands B.V.)	South Korea	50.9%	50.9%	49.1%	49.1%	March 31, 2022
168	SMRC Automotives Technology Phil Inc. (held by SMRC Automotive Holdings Netherlands B.V.)	Philippines	100%	100%	0%	0%	March 31, 2022
169	Motherson Ossia Innovations LLC (held by Motherson Innovations LLC)	USA	51%	51%	49%	49%	March 31, 2022
170	Re-time Pty Limited (held by SMR Automotive Australia Pty Limited)	Australia	71.4%	71.4%	28.6%	28.6%	March 31, 2022
171	Wisetime Oy (held by PKC Wiring Systems Oy) (become subsidiary w.e.f. March 6, 2020)	Finland	100%	100%	0%	0%	March 31, 2022
172	Motherson Consultancies Service Limited	India	100%	-	0%	-	March 31, 2022
173	Samvardhana Motherson Finance Service Cyprus Limited	Cyprus	100%	-	0%	-	March 31, 2022
174	Samvardhana Motherson Holding (M) Private Limited	Mauritius	100%	-	0%	-	March 31, 2022
175	Samvardhana Motherson Auto Component Private Limited	India	100%	-	0%	-	March 31, 2022
176	MS Global India Automotive Private Limited	India	100%	-	0%	-	March 31, 2022
177	Samvardhana Motherson Maadhyam International Limited	India	100%	-	0%	-	March 31, 2022
178	Samvardhana Motherson Global Camers Limited	India	100%	-	0%	-	March 31, 2022
179	Samvardhana Motherson Innovative Solutions Limited	India	100%	-	0%	-	March 31, 2022
180	Samvardhana Motherson Refrigeration Product Limited (held by Samvardhana Motherson Innovative Solutions Limited)	India	100%	-	0%	-	March 31, 2022



(All amounts in INR Million, unless otherwise stated)

S.No	Name of the Company	Country of incorporation	Ownership interest held by the group		Ownership interest held by the non-controlling		Reporting Dates used for Consolidation
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
181	Motherson Machinery and Automations Limited (held by Samvardhana Motherson Innovative Solutions Limited)	India	100%	-	0%	-	March 31, 2022
182	Samvardhana Motherson Auto System Private Limited (held by Samvardhana Motherson Innovative Solutions Limited)	India	100%	-	0%	-	March 31, 2022
183	Motherson Sintmetal Technology B.V. (held by Samvardhana Motherson Innovative Solutions Limited)	Netherlands	100%	-	0%	-	March 31, 2022
184	Motherson Invenzen XLab Private Limited	India	100%	-	0%	-	March 31, 2022
185	Motherson Technology Services Limited (formerly known as MothersonSumi Infotech & Designs Limited)	India	62.9%	9.2%	37.1%	-	March 31, 2022
186	MSID US Inc (held by Motherson Technology Services Limited)	USA	100%	-	0%	-	March 31, 2022
187	MothersonSumi Infotekk and Designs GmbH (held by Motherson Technology Services Limited)	Germany	100%	-	0%	-	March 31, 2022
188	MothersonSumi Infotech and Designs S.G. Pte. Limited (held by Motherson Technology Services Limited)	Singapore	100%	-	0%	-	March 31, 2022
189	MothersonSumi Infotech & Designs KK (held by MothersonSumi Infotech and Designs S.G. Pte. Limited)	Japan	85.7%	-	14.3%	-	March 31, 2022
190	Motherson Infotech Designs Mid East FZ-LLC (held by Motherson Technology Services Limited)	UAE	100%	-	0%	-	March 31, 2022
191	Motherson Infotech and Solutions UK Ltd (held by Motherson Technology Services Limited)	UK	100%	-	0%	-	March 31, 2022
192	Motherson Auto Engineering Service Limited (held by Motherson Technology Services Limited)	India	100%	-	0%	-	March 31, 2022
193	Samvardhana Motherson Health Solutions Limited (held by Motherson Technology Services Limited)	India	100%	-	0%	-	March 31, 2022
194	SMI Technologies Inc. (held by Motherson Technology Services Limited)	USA	100%	-	0%	-	March 31, 2022
195	Motherson Information Technologies Spain S.L.U. (held by Motherson Technology Services Limited)	Spain	100%	-	0%	-	
196	Samvardhana Motherson Virtual Analysis Limited (held by Motherson Technology Services Limited)	India	100%	-	0%	-	March 31, 2022
197	SAKS Ancillaries Limited (held by Samvardhana Motherson Innovative Solutions Limited)	India	98.3%	40.2%	1.7%	-	March 31, 2022
198	Samvardhana Motherson Hamakyorex Engineered Logistics Limited	India	50%	-	50%	-	March 31, 2022
199	Motherson Techno Tools Limited (held by Samvardhana Motherson Innovative Solutions Limited)	India	60%	-	40%	-	March 31, 2022
200	Motherson Techno Tools Mideast FZE (held by Motherson Techno Tools Limited)	UAE	100%	-	0%	-	March 31, 2022
201	Motherson Molds and Diecasting Limited (jointly held by the Company and CTM India Limited)	India	71%	-	29%	-	March 31, 2022
202	Motherson Air Travel Agencies Limited	India	74%	-	26%	-	March 31, 2022
203	CTM India Limited	India	41%	-	59%	-	March 31, 2022
204	Motherson Sumi Wiring India Limited (refer note 51)	India	-	100%	-	0%	March 31, 2022
205	SMRC Automotive Interiors Management B.V. (held by SMRPBV) (liquidated w.e.f. March 24, 2021)	Netherlands	-	0%	-	0%	March 31, 2022
206	MSSL M Tooling Ltd (liquidated w.e.f. 30.10.2020)	Mauritius	-	0%	-	0%	March 31, 2022

B. Non-controlling interests (NCI)

Set out below the summarised financial information for subsidiary that has non-controlling interests that are material to the group.

**Samvardhana Motherson Automotive Systems Group
B.V. & other step down non controlling interest**

Summarised balance sheet	March 31, 2022	March 31, 2021
Current assets	128,460	131,017
Current liabilities	143,569	139,672
Net current assets	(15,109)	(8,655)
Non-current assets	173,428	173,692
Non-current liabilities	85,213	95,879
Net non-current assets	88,215	77,813
Net Assets	73,106	69,158
Accumulated Non controlling Interest	9,441	35,623



(All amounts in INR Million, unless otherwise stated)

Samvardhana Motherson Automotive Systems Group S.V. & other step down non controlling interest		
Summarised statement of profit and loss	March 31, 2022	March 31, 2021
Revenue	438,184	421,444
Profit for the year	4,095	7,539
Other comprehensive income	1,936	935
Total comprehensive income	6,031	8,474
Profit allocated to non controlling interest	3,136	4,731
Dividend paid to NCI	1,627	1,503

Samvardhana Motherson Automotive Systems Group S.V.		
Summarised cash flows	March 31, 2022	March 31, 2021
Cash flows from operating activities	38,030	38,882
Cash flows from investing activities	(13,015)	(13,438)
Cash flows from financing activities	(17,173)	(17,730)
Net increase / (decrease) in cash and cash equivalents	7,842	7,714

C. Interest in associates companies consolidated using equity method of accounting

Name of the Company	Country of Incorporation	% of ownership interest March 31, 2022	Quoted fair value		Carrying amount	
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
SAKS Ancillaries Limited (refer note 51)	India		-*	-*	-	44
Huber Zhengao PKC Automotive Wiring Company Ltd. (held by PKC Group APAC Limited)	China	40%	-*	-*	954	1,074
AES (India) Engineering Limited (held by Samvardhana Motherson Innovative Solutions Limited)	India	26%		-	46	-

* Unlisted entity - no quoted price available

D. Interest in Joint ventures companies consolidated using equity method of accounting

Name of the Company	Country of Incorporation	% of ownership interest March 31, 2022	Quoted fair value		Carrying amount	
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Kyungshin Industrial Motherson Private Limited	India	50%	-*	-*	1,045	2,060
Calsonic Kansei Motherson Auto Products Private Limited	India	49%	-*	-*	778	745
Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd (through SMR Automotive Mirror Systems Holding Deutschland GmbH) (Includes Chongqing SMR Huaxiang Automotive Products Limited, Tianjin SMR Huaxiang Automotive Part Co. Limited & Nanchang JMCG SMR Huaxiang Mirror Co. Ltd)	China	50%	-*	-*	3,796	3,243
Eissmann SMP Automotive Interieur Slovensko s.r.o (through SMP Deutschland GmbH)	Slovakia	49%	-*	-*	-	(0)
Motherson Sumi Wiring India Limited	India	33%	68,043	-	36,651	-
Anest Iwata Motherson Coating Equipment Private Limited (through Samvardhana Motherson Innovative Solutions Limited)	India	49%	-*	-	399	-
Anest Iwata Motherson Private Limited (through Samvardhana Motherson Innovative Solutions Limited)	India	49%	-*	-	1,526	-
Marelli Motherson Automotive Lighting India Private Ltd	India	50%	-*	-	10,417	-
Marelli Motherson Auto Suspension Parts Pvt Ltd	India	50%	-*	-	1,279	-
Valeo Motherson Thermal Commercial Vehicles India Limited	India	49%	-*	-	1,037	-
Matsui Technologies India Limited	India	50%-1 share	-*	-	1,204	-
Frige Intelligent Cooling Systems India Private Limited (held by Matsui Technologies India Limited)*	India	25%	-*	-	25	-
Fritzmeier Motherson Cabin Engineering Private Limited	India	50%	-*	-	1,201	-
Nissan Advanced Coating Indo Co. Private Limited (through Samvardhana Motherson Innovative Solutions Limited)	India	49%	-*	-	70	-
Motherson Bergstrom HVAC Solutions Private Limited	India	50%	-*	-	71	-
Motherson Auto Solutions Limited (through Samvardhana Motherson Innovative Solutions Limited)	India	66%	-*	-	2,046	-
Youngshin Motherson Auto Tech Limited	India	50%	-*	-	103	-

* Unlisted entity - no quoted price available

1. Chongqing SMR Huaxiang Automotive Products Limited is 100% subsidiary of Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd., Tianjin SMR Huaxiang Automotive Part Co. Limited is 100% subsidiary of Chongqing SMR Huaxiang Automotive Products Limited & Nanchang JMCG SMR Huaxiang Mirror Co. Ltd is 60% subsidiary of Ningbo Huaxiang Automotive Mirrors Co. Ltd

2. Matsui Technologies India Limited holds 50% shares in Frige Intelligent Cooling Systems India Private Limited. Effective holding to the group is 25%



(All amounts in INR Million, unless otherwise stated)

E. Summarised financial information of joint ventures

The table below provide summarised financial information for those joint venture that are material to the group.

Summarised balance sheet	Kyungstun Industrial Motherson Private Limited		Calsonic Kansai Motherson Auto Products Private Limited		Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Current assets						
Cash and cash equivalents	0	545	17	260	3,382	2,961
Other assets	5,121	5,486	2,315	1,830	9,760	7,255
Total current assets	5,121	7,041	2,332	2,090	13,142	10,216
Total non-current assets	2,125	2,289	1,448	1,587	3,054	2,688
Current liabilities						
Financial liabilities (excluding trade payables)	331	328	321	358	169	-
Other liabilities	4,509	4,440	1,475	1,271	7,936	6,228
Total current liabilities	4,840	4,768	1,796	1,629	8,105	6,228
Total non-current liabilities	316	440	430	527	400	191
Consolidation adjustments and currency translation adjustment	-	-	-	-	(100)	(0)
Net assets	2,090	4,122	1,555	1,521	7,591	5,485
Reconciliation to carrying amounts:						
Opening net assets	4,121	4,151	1,521	1,399	6,485	4,791
Profit for the year	(2,023)	(46)	152	135	1,595	1,446
Impairment / Consolidation adjustments	-	-	(118)	-	-	-
Other comprehensive income	(8)	16	1	(13)	-	-
Exchange gain / (loss)	-	-	-	-	(1,601)	248
Dividend paid	-	(0)	-	-	1,112	-
Closing net assets	2,090	4,121	1,555	1,521	7,591	5,485
Group's share in %	50%	50%	49%	49%	50%	50%
Group's share in INR	1,045	2,060	778	745	3,796	3,243
Carrying amount	1,045	2,060	778	745	3,796	3,243
Summarised statement of profit and loss						
Revenue	14,568	14,550	5,784	4,659	21,151	19,547
Interest income	29	203	9	68	64	26
Depreciation and amortisation	303	257	391	431	570	450
Interest expense	35	38	51	77	8	1
Income tax expense	1	54	54	46	169	214
Profit from continuing operation	(2,023)	(46)	152	135	1,595	1,446
Other comprehensive income	(8)	16	1	(13)	-	-
Total comprehensive income	(2,031)	(30)	153	122	1,595	1,446



(All amounts in INR Million, unless otherwise stated)

Summarised balance sheet	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2022	March 31, 2022
			Elasmann SMP Automotive Interieur Slovensko s.r.o	Marelli Motherson Automotive Lighting India Private Ltd.	Motherson Sumi Wiring India Limited
Current assets					
Cash and cash equivalents	1	0	724	234	2,933
Other assets	647	828	4,320	3,338	16,794
Total current assets	648	828	5,044	3,572	19,727
Total non-current assets	439	613	3,275	294	5,860
Current liabilities					
Financial liabilities (excluding trade payables)	-	-	368	4	2,296
Other liabilities	994	1,223	3,132	27	9,655
Total current liabilities	994	1,223	3,500	31	11,951
Total non-current liabilities	12	0	129	26	2,520
Consolidation adjustments and currency translation adjustment	-	(219)	16,143	(710)	98,488
Net assets	81	(0)	20,833	3,089	109,634
Reconciliation to carrying amounts:					
Opening net assets	(0)	545	-	-	-
Fair value of assets as on date of acquisition	(138)	(353)	20,446	3,103	109,644
Profit for the year	(61)	(213)	364	(4)	26
Impairment / Consolidation adjustments	-	-	-	-	-
Other comprehensive income	219	21	3	0	(36)
Exchange gain / (loss)	-	-	-	-	-
Closing net assets	0	(0)	20,833	3,089	109,634
Group's share in %	49%	49%	50%	66%	33.43%
Group's share in INR	0	(0)	10,417	2,046	36,851
Carrying amount	0	(0)	10,417	2,046	36,851
Summarised statement of profit and loss					
Revenue	4,463	5,054	3,571	8	16,615
Interest income	-	-	5	3	17
Depreciation and amortisation	170	177	222	3	1,259
Interest expense	-	2	3	1	192
Income tax expense	-	-	(127)	(2)	151
Profit from continuing operation	(138)	(353)	384	(4)	26
Other comprehensive income	-	-	3	0	(36)
Total comprehensive income	(138)	(353)	387	(4)	(10)

* Summarised statement of profit and loss amount is relating to post acquisition period, as considered in consolidated financial statements.



Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

F. Individually immaterial Joint Ventures

The group has interests in a number of individually immaterial Joint Venture that are accounted for using equity method. The group share of investment and profit is disclosed below

Aggregate carrying amount of individually immaterial associates

Aggregate amounts of the group's share of:

Profit / (loss) from continuing operations

	March 31, 2022	March 31, 2021
Aggregate carrying amount of individually immaterial associates	6,484	-
Profit / (loss) from continuing operations	25	-

F. Summarised financial information of Associate

The table below provide summarised financial information for associate that is material to the group

Summarised balance sheet

Hubel Zhengao PKC Automotive
Wining Company Ltd.

	March 31, 2022	March 31, 2021
Current assets	3,683	5,099
Non-current assets	371	405
Total assets	4,054	5,504
Non-current liabilities	1	0
Current liabilities	1,604	2,810
Total liabilities	1,604	2,810
Net assets	2,450	2,694
Group Share %	40%	40%

Reconciliation to carrying amounts:

Opening net assets

Investment during the year

Profit for the year

Exchange gain / (loss)

Dividend paid

Carrying amount

Opening net assets	1,074	875
Investment during the year	-	-
Profit for the year	50	358
Exchange gain / (loss)	(401)	(9)
Dividend paid	231	(150)
Carrying amount	954	1,074

G. Individually immaterial associates

The group has interests in a number of individually immaterial associates that are accounted for using equity method. The group share of investment and profit is disclosed below

Aggregate carrying amount of individually immaterial associates

Aggregate amounts of the group's share of:

Profit / (loss) from continuing operations

	March 31, 2022	March 31, 2021
Aggregate carrying amount of individually immaterial associates	46	44
Profit / (loss) from continuing operations	2	2

H. Commitments and contingent liabilities in respect of associates and joint ventures

Share of joint venture's contingent liabilities in respect of:

Excise matters

Other tax matters

Income tax matters

Unfulfilled export commitments under EPCG Scheme

Others

Excise matters	46	42
Other tax matters	24	-
Income tax matters	43	-
Unfulfilled export commitments under EPCG Scheme	-	28
Others	2	13

Commitments - joint ventures

Share of joint venture's estimated value of contracts in capital account remaining to be executed, (Net of Advances)

Share of joint venture's estimated value of contracts in capital account remaining to be executed, (Net of Advances)	280	50
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(All amounts in INR Million, unless otherwise stated)

49. Statutory group information required by Schedule III

Sl. No.	Name of entity	March 31, 2022:				March 31, 2021:											
		Share in profit or (loss) ¹		Share in other comprehensive income ³		Share in total comprehensive income ¹		Share in other comprehensive income ³		Share in total comprehensive income ¹							
		As a % of Consolidated Net Asset ¹	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)			
1	Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited)	138	309,310	99	11,639	12	262	85	11,901	41	67,429	33	5,207	(7)	(235)	26	4,972
	Subsidiaries:																
	Indian:																
2	Samvardhana Motherson Polymers Limited	0*	525	0*	(0)	-	-	0*	(0)	0*	529	0*	(0)	-	-	0*	(0)
3	Motherson Innovations Tech Limited (erst MSSL Automobile Component Limited)	0*	8	0*	5	-	-	0*	5	0*	3	0*	1	-	-	0*	1
4	SMR Automotive Systems India Ltd.	1	3,060	2	277	(2)	(48)	2	228	2	2,811	1	107	(1)	(38)	0*	71
5	SMRC Automotive Products India Limited	1	1,663	1	172	0*	(6)	1	166	1	1,496	0*	(15)	0*	11	0*	(16)
6	Motherson Sumi Wiring India Limited	-	-	0*	-	-	-	-	-	0*	0	0*	4	-	-	0*	4
7	Samvardhana Motherson Innovative Solutions Limited	3	7,729	0*	(58)	0*	1	0*	(57)								
8	Samvardhana Motherson Auto System Private Limited	0*	(93)	0*	7	0*	0	0*	7								
9	SACS Ancillaries Limited	0*	118	0*	1	-	-	0*	1								
10	Motherson Machinery and Automations Limited	0*	13	0*	1	0*	0	0*	1								
11	Samvardhana Motherson Refrigeration Product Limited	0*	(289)	0*	(5)	-	-	0*	(5)								
12	Motherson Consultancies Service Limited	0*	79	0*	8	0*	1	0*	9								
13	Motherson Molds and Diecasting Limited	0*	150	0*	(14)	0*	(0)	0*	(15)								
14	Samvardhana Motherson Auto Component Private Limited	0*	(547)	0*	(57)	0*	0	0*	(57)								
15	MS Global India Automotive Private Limited	0*	(585)	0*	(42)	0*	4	0*	(38)								
16	Samvardhana Motherson Global Camers Limited	0*	334	0*	(18)	0*	(0)	0*	(19)								
17	Samvardhana Motherson Hamahyrex Engineered Logistics Limited	0*	702	0*	(9)	0*	0	0*	(9)								
18	Samvardhana Motherson Maadhyam International Limited	0*	(17)	0*	(0)	-	-	0*	(0)								
19	Motherson Invenzen XLab Private Limited	0*	(318)	0*	(5)	0*	0	0*	(5)								
20	CTM India Limited	0*	1,075	0*	(2)	0*	1	0*	(0)								
21	Motherson Air Travel Agencies Limited	0*	360	0*	14	0*	0	0*	14								
22	Motherson Technology Services Limited (formerly known as Motherson Sumi Infotech & Designs Limited)	0*	429	3	382	(1)	(16)	3	386								
23	Motherson Auto Engineering Service Limited	0*	2	0*	0	-	-	0*	0								
24	Samvardhana Motherson Virtual Analysis Limited	0*	10	0*	(0)	-	-	0*	(0)								
25	Samvardhana Motherson Health Solutions Limited	0*	(186)	1	67	0*	0	0*	67								
26	Motherson Techno Tools Limited	1	1,365	2	257	0*	1	2	257								
	Foreign:																
27	Samvardhana Motherson Reflectec Group Holdings Limited	8	18,621	(35)	(4,158)	-	-	(30)	(4,158)	14	23,062	19	2,980	-	-	16	2,980



Sl. No.	Name of entity	March 31, 2022:					March 31, 2021:				
		Net Assets ¹		Share in profit or (loss) ¹		Share in total comprehensive income ¹	Net Assets ¹		Share in profit or (loss) ¹		Share in total comprehensive income ¹
		As a % of Consolidated Net Asset	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)
28	SMR Automotive Technology Holding, Cyrosus Ltd.	2	3,359	1	141	1	3	4,242	1	197	1
29	SMR Automotive Brasil LTDA.	0*	881	0*	32	0*	0*	715	1*	(98)	(3)
30	SMR Automotive Mirror Technology Holding Hungary KFT	1	2,131	0*	0	(43)	1	2,078	2	363	(39)
31	SMR Holding Australia Pty Limited	1	1,872	0*	0	-	1	1,834	2	361	-
32	SMR Automotive Australia Pty Limited	1	1,580	1	131	1	1	1,408	2	316	0*
33	SMR Automotive Mirror Technology, Hungary BT	2	4,462	16	1,914	7	2	2,509	10	1,575	17
34	SMR Automotive Systems, France S.A.	0*	(23)	(3)	(318)	(1)	0*	184	(3)	(444)	(2)
35	SMR Automotive System (Thailand) Limited	0*	785	1	110	2	0*	582	0*	47	-
36	SMR Automotive Mirror Parts and Holdings, UK Ltd.	5	11,184	11	1,258	(1)	6	10,238	2	276	2
37	SMR Patents S&A.L	0*	0	0*	16	-	0*	153	0*	25	-
38	SMR Automotive Technology Valencia S.A.U.	0*	205	0*	2	-	0*	207	0*	2	-
39	SMR Automotive Mirrors UK Limited	0*	1,057	0*	(39)	-	1	1,238	2	276	-
40	SMR Automotive Mirror Systems Holding Deutschland GmbH	1	3,084	5	537	-	2	2,702	1	90	-
41	SMR Hwasang Automotive Ltd.	1	2,242	1	126	(1)	1	2,205	0*	86	-
42	SMR Automotive Modules Korea Ltd.	1	2,957	(5)	(533)	(17)	3	4,826	(1)	(227)	0*
43	SMR Automotive Beteiligungen Deutschland GmbH	0*	121	1	61	-	0*	115	0*	51	-
44	SMR Automotive Systems Spain S.A.U.	1	1,310	6	664	-	1	1,575	4	550	-
45	SMR Automotive Vision Systems Mexico S.A. de C.V.	1	2,175	4	472	1	2	2,848	1	221	6
46	SMR Automotive Mirrors Surboard GmbH	0*	1,058	9	1,118	(5)	0*	273	2	274	-
47	SMR Grundbesitz GmbH & Co. KG	0*	268	0*	47	-	0*	293	0*	43	-
48	SMR Mirror UK Limited	1	2,339	(10)	(1,172)	-	2	3,558	21	3,326	-
49	SMR Automotive Systems USA Inc.	3	5,995	14	1,670	-	3	4,184	19	3,048	-
50	SMR Automotive Mirror International USA Inc.	7	15,807	0*	13	6	9	15,209	21	3,346	3
51	SMR Automotive Vision System Operations USA INC.	8	14,407	7	792	-	8	13,120	28	4,362	-
52	SMR Automotive Beijing Company Limited	0*	468	0*	11	4	0*	425	0*	12	3
53	SMR Automotive Yancheng Co. Limited	1	1,137	0*	23	3	1	1,016	1	215	2
54	SMR Automotive Holding Hong Kong Limited	0*	479	0*	(2)	-	0*	491	0*	5	-
55	SMR Automotive Operations Japan k.k.	0*	(40)	0*	17	-	0*	(60)	0*	(1)	-
56	SMR Automotive (Landfang) Co. Limited	0*	427	0*	12	-	0*	283	1	218	-
57	SMR Automotives Systems Macedonia Doool Skopje	0*	(14)	0*	-	-	0*	(15)	0*	(0)	-
58	SMR Automotive Industries RUS Limited Liability Company	0*	21	0*	1	-	0*	21	0*	2	-
59	Samvardhana Motherson Corp Management Shanghai Co. Ltd	0*	178	0*	21	-	0*	148	0*	19	-
60	Re-time Pty Limited (Refer note 50)	0*	9	0*	(5)	-	0*	14	0*	(5)	-
61	Samvardhana Motherson Global (FZE)	0*	54	0*	15	-	0*	128	1	80	-
62	Motherson Innovations Company Limited	0*	1,113	(4)	(510)	-	1	1,090	(3)	(488)	-
63	Motherson Innovations Deutschland GmbH	0*	56	0*	5	-	0*	53	0*	4	-



Sl. No.	Name of entity	March 31, 2022:			March 31, 2021:			(All amounts in INR Million, unless otherwise stated)		
		Net Assets ¹		Share in profit or (loss) ²	Share in other comprehensive income ³		Share in total comprehensive income ⁴		Share in other comprehensive income ⁵	
		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	As a % of Consolidated Profit / (loss)
64	Motherson Innovations LLC	-	-	0*	-	-	-	0*	-	-
65	Motherson Business Service Hungary Kft	0*	1	0*	(10)	0*	(10)	0*	-	(3)
66	SMP Plast Met Molds and Tools Turkey Kapi Imalat Anonim Sirketi	0*	111	(*)	(131)	-	(1)	(131)	-	-
67	SMP Plast (Met Automotive) Tec Turkey Plastik Imalat Anonim Sirketi	0*	3*9	0*	(47)	-	0*	(47)	-	-
68	Samvardhana Motherson Peguform GmbH	1	1,377	5	580	-	4	580	-	2
69	SMP Automotive Exterior GmbH	1	2,882	5	547	-	4	547	-	1
70	SMP Deutschland GmbH	4	9,644	(22)	(2,578)	(3)	(61)	(19)	(2,639)	(8)
71	SMP Lonsak Service GmbH	0*	49	0*	0	-	0*	0	-	0
72	SMP Automotive Solutions Slovakia s.r.o.	(1)	(2,248)	(4)	(448)	-	(3)	(148)	-	(2)
73	Changchun Peguform Automotive Plastics Technology Co. Ltd	4	9,881	17	1,979	-	14	1,979	-	14
74	Poshan Peguform Automotive Plastics Technology Co. Ltd	1	1,428	2	281	-	2	281	-	2
75	Shenyang SMP Automotive Plastic Component Co. Ltd	0*	252	0*	(14)	-	0*	(14)	-	0*
76	SMP Automotive Technology Management Services (Changchun) Co. Ltd	-	-	1	64	-	-	0*	64	0*
77	SMP Automotive Interiors (Beijing) Co. Ltd	1	2,114	9	1,080	-	8	1,080	-	8
78	SMP Automotive Technology Iberica S.L	5	11,327	16	1,942	-	14	1,942	-	14
79	SMP Automotive Technologies Teruel Sociedad Limitada	0*	293	0*	17	-	0*	17	-	0*
80	Samvardhana Motherson Peguform Barcelona S.L.U	0*	605	1	113	-	1	113	-	1
81	SMP Automotive Productos Automotivos do Brasil Ltda	(1)	(2,483)	1	130	-	1	130	-	(6)
82	SMP Automotive Systems Mexico, S.A. de C.V.	3	5,704	2	264	8	177	3	440	(4)
83	Samvardhana Motherson Peguform Automotive Technology Portugal S.A.	0*	667	6	672	-	5	672	-	3
84	Celulosa Fabril (Cefal) S.A.	1	2,564	3	320	-	2	320	-	2
85	Modulos Ribera Alta S.L. Unica Social	2	3,833	3	412	-	3	412	-	4
86	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	0*	828	(20)	(2,373)	-	(17)	(2,373)	-	(7)
87	Samvardhana Motherson Innovative Autosystems Holding Company B.V.	0*	6	0*	2	-	0*	2	-	0*
88	Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V.	-	-	0*	-	-	-	-	-	1
89	SMP Real Estate GmbH	0*	262	1	61	-	0*	61	-	0*
90	Motherson Innovations Lights GmbH & Co. KG	0*	2	0*	(10)	-	0*	(10)	-	0*
91	Motherson Innovations Lights Verwallungs GmbH	0*	3	0*	0	-	0*	0	-	0*
92	SMP Automotive Systems Alabama Inc.	5	12,139	(3)	(362)	-	(3)	(362)	-	(6)
93	Tianjin SMP Automotive Components Co. Ltd	0*	480	1	141	-	1	141	-	1
94	Shenyang SMP Automotive Trim Co., Ltd	0*	397	(2)	(178)	-	(1)	(178)	-	(16)



Sl. No.	Name of entity	March 31, 2022:				March 31, 2021:			
		Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
128	Triv-Sanari Oy	0*	9	0*	1	0*	0*	0*	(1)
129	OOO A&K	0*	332	0*	(10)	0*	345	0*	(66)
130	PKC Group Lithuania UAB	0*	850	0*	1	0*	773	0*	304
131	PK Cables do Brasil Ltda	0*	989	5	646	2	39	35	(549)
132	PKC Group Canada Inc.	0*	325	0*	1	0*	320	0*	2
133	PKC Group Mexico S.A. de C.V.	0*	153	0*	1	0*	143	0*	2
134	Proiect Del Holding S.A.R.L.	1	1,232	0*	(1)	0*	1,395	0*	(2)
135	AEES Manufactura S. De R.L. de C.V.	0*	955	1	139	0*	788	0*	59
136	Arneses de Ciudad Juarez S. de R.L. de C.V.	0*	83	0*	31	0*	5	0*	18
137	Arneses y Accesorios de Mexico S. de R.L. de C.V.	0*	394	2	184	0*	221	1	149
138	Cableados del Norte II S. de R.L. de C.V.	0*	452	1	131	0*	300	0*	73
139	Asesoria Mexicana Empresarial S. de R.L. de C.V.	0*	184	0*	46	0*	132	0*	16
140	Manufacturas de Componentes Electricos de Mexico S. de R.L. de C.V.	0*	3	0*	(0)	0*	3	0*	-
141	PKC Group de Piedras Negras S. de R.L. de C.V.	0*	132	0*	36	0*	95	0*	28
142	PKC Group AEES Comercial S. de R.L. de C.V.	0*	65	0*	16	0*	46	0*	4
143	PKC Group USA Inc.	(2)	(3,924)	(4)	(455)	(3)	(11,708)	(7)	955
144	AEES Inc.	2	3,990	9	1,030	(39)	(863)	7	(1,576)
145	AEES Power Systems Limited Partnership	1	1,858	(3)	(322)	(2)	1,218	0*	7
146	Fortrade Industries Inc.	0*	739	(1)	(130)	(1)	840	0*	14
147	PKC Vehicle Technology (Hefei) Co., Ltd.	1	1,325	0*	24	0*	1,254	2	249
148	PKC Vehicle Technology (Suzhou) Co., Ltd.	0*	34	(1)	(60)	4	119	0*	30
149	Jiangsu Huakai-PKC Wire Harness Co., Ltd.	2	4,869	(2)	(192)	4	4,738	3	524
150	Shandong Huakai-PKC Wire Harness Co., Ltd.	1	1,757	1	140	0*	1,500	2	279
151	PKC Group APAC Ltd	(1)	(3,169)	(3)	(360)	(4)	(2,735)	(2)	(1,177)
152	Kabel Techniek Polska Sp. z o.o.	1	1,787	0*	53	0*	1,800	6	981
153	PKC Group Poland Holding Sp. z o.o.	0*	689	0*	(42)	0*	745	0*	(37)
154	Groclin Luxembourg S.A.R.L.	1	1,871	0*	(2)	0*	1,915	0*	(2)
155	Motherson Rolling Stock Systems GB Limited	1	1,670	2	247	2	1,647	3	470
156	Motherson Rolling Stocks S. de R.L. de C.V.	0*	1	0*	2	0*	0	0*	0
157	PKC Vehicle Technology (Fuyang) Co., Ltd.	0*	37	0*	(9)	0*	32	0*	(23)
158	MSL MidEast (PZ)E	9	21,037	3	341	15	23,629	3	468
159	MSL (38) Limited	17	37,382	5	601	22	37,237	1	200
160	MSL Maunabo Holdings Limited	7	15,304	6	653	9	14,991	5	714
161	Samvardhana Motherson Global Holdings Limited Cyprus	33	74,694	0*	38	46	76,330	0*	50
162	MSL ISI Pre Limited	1	1,245	0*	9	1	1,202	0*	48
163	Motherson Electrical Wires Lanka Private Limited	0*	711	2	219	0*	651	1	223
164	MSL Consolidated Inc. USA	1	1,653	4	490	1	1,635	0*	(62)
165	MSL Winno System Inc.	3	6,904	14	1,600	2	5,457	6	907
								5	175
								6	1,081



Sl. No.	Name of entity	March 31, 2022:				March 31, 2021:			
		Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
165	Alphabet De Mexico S.A. de C.V.	0*	145	1	115	1	115	0*	20
167	Alphabet De Sahllo S.A. de C.V.	0*	(33)	0*	24	0*	24	0*	27
168	Alphabet De Mexico de Monclova S.A. de C.V.	0*	67	1	82	1	82	0*	14
169	MSSL Winos Juarez S.A. de C.V.	0*	5	0*	1	0*	1	0*	1
170	MSSL Jaran Limited	0*	(10)	0*	(28)	0*	(28)	0*	(9)
171	MSSL Mexico S.A. de C.V.	0*	892	1	112	1	112	0*	63
172	MSSL WH System (Thailand) Co. Ltd	0*	910	4	421	3	421	0*	107
173	MSSL Korea WH Limited	0*	(16)	0*	(7)	0*	(7)	0*	4
174	MSSL Ireland Private Limited	0*	34	0*	2	0*	2	0*	(1)
175	MSSL s.r.l. Unpersonele	0*	20	0*	1	0*	1	0*	4
176	MSSL Estaria WH OU	15	33 007	14	1 645	12	1 645	10	1 854
177	MSSL Australia Pty Limited	0*	323	1	116	1	116	0*	124
178	Motherson Elastomers Pty Limited	0*	521	1	127	1	127	0*	163
179	Motherson Instruments Pty Limited	0*	31	0*	7	0*	7	0*	7
180	MSSL Global RSA Module Engineering Limited	2	3 431	8	958	7	958	4	881
181	vacuform 2000 (Proprietary) Limited	0*	13	0*	(0)	0*	(0)	0*	(23)
182	MSSL GmbH	0*	1 055	(1)	(170)	(1)	(170)	0*	(2)
183	Samvardhana Motherson Invest Deutschland GmbH	0*	69	0*	(2)	0*	(2)	0*	0
184	MSSL Advanced Polymers s.r.o.	0*	345	(2)	(208)	(1)	(208)	0*	19
185	Motherson Techno Precision GmbH	0*	4	0*	(17)	0*	(17)	0*	(37)
186	Motherson Techno Precision Mexico, S.A. de C.V.	0*	(23)	0*	44	0*	44	0*	52
187	MSSL Manufacturing Hunan Kf	0*	(157)	(1)	(95)	(1)	(95)	0*	(108)
188	Motherson Air Travel Pvt Ltd	0*	(651)	(1)	(109)	0*	(109)	0*	(30)
189	MSSL Tooling (FZE)	1	2 796	5	629	4	629	3	539
190	Motherson Wingo System (FZE)	0*	(100)	0*	8	0*	8	0*	9
191	Global Environment Management (FZE)	0*	(9)	0*	26	0*	26	0*	26
192	Samvardhana Motherson Automotive Systems Group B.V.	44	98 870	20	2 307	16	2 307	31	4 858
193	MSSL M Tooling Ltd (liquidated w.e.f. 30.10.2020)							8	288
194	Motherson Ossia Innovations Inc.	-	-	0*	-	-	-	-	-
195	Samvardhana Motherson Finance Service Cyprus Limited	0*	714	0*	(56)	(2)	(34)	-	-
196	Samvardhana Motherson Holding (M) Private Limited	(2)	(4 656)	0*	(34)	-	-	-	-
197	Motherson Sintermetal Technology B.V.	(2)	(4 305)	0*	(41)	-	-	-	-
198	MSSD US Inc.	0*	(8)	0*	37	0*	37	0*	37
199	MothersonSumi Intolek and Designs GmbH	0*	156	0*	6	0*	6	0*	6
200	MothersonSumi Intolek and Designs S.G. Pte. Limited	0*	(87)	1	65	0*	65	0*	65
201	MothersonSumi Intolek & Designs KK	0*	(318)	1	97	1	97	0*	81
202	Motherson Intolek and Solutions UK Ltd	0*	(87)	1	81	1	81	0*	10
203	Sumi Technologies Inc.	0*	(117)	0*	10	0*	10	0*	(7)
204	Motherson Information Technologies Spain S.L.U.	0*	15	0*	(7)	-	-	0*	59
205	Motherson Intolek Designs Mid East F.Z. LLC	0*	(51)	1	59	-	-	0*	59



March 31, 2021:

¹ The aforementioned amounts are before consolidation adjustments and intercompany eliminations, and is below the rounding off norm adopted by the Company

The aforementioned amendments are before consolidation adjustments and intercompany eliminations.

* is below the rounding off norm adopted by the Company



50. Business combination

i) Acquisition of Plast Met group

On January 18, 2021 the Group through its subsidiary SMR Automotive Mirrors Stuttgart GmbH signed share purchase agreement for acquisition of 75% stake in Plast Met Plastik Metal San. ImalatveTic.A.Ş. (PM-Bursa) and Plast Met Kalıp San.veTic.A.Ş. (PM-Istanbul) together known as Plast Met group (Turkey) and the transaction was completed on April 29, 2021.

Plast Met is a large automotive supplier in Turkey for injection moulded parts and sub-assemblies, and also owns a state of art commercial tool room engaged in manufacture and supplying of high-end injection moulding tools to customers worldwide.

The group is based out of Turkey and is an important supplier of plastic moulded parts, related subassemblies, and injection moulding tools. Plast Met has two facilities located at Istanbul and Bursa in Turkey. Building on the capabilities of Plast Met group, SMRP BV will be able to support its customers in the European region more efficiently.

Assets and Liabilities recognized as result of acquisition are as follows:

Particulars	Amount in INR Million
ASSETS / (LIABILITIES)	
Property, plant and equipment	183
Right-to-use assets	469
Intangible assets	681
Inventories	500
Trade receivables	321
Cash and cash equivalents	520
Other receivables	38
Lease liabilities	(465)
Trade payables	(206)
Other liabilities	(307)
Deferred tax liabilities	(159)
Net identifiable assets acquired	1,575
Attributable to non controlling interest	394
Total identifiable assets attributable to the group	1,181

Calculation of goodwill / (gain on bargain purchase)

	Amount in INR Million
Purchase consideration	1,724
Net identifiable assets acquired	1,181
Goodwill	543

The share sale and purchase agreement provides for a put as well as call option for remaining 25% shares of the Plast Met entities which can be exercised by either parties after a period of 5 years from the date of closing of the transaction for a price to be determined based on fair value at that time. Due to the existence of options, the 25% interest is excluded from non-controlling interest and a financial redemption liability has been recognised based on expected fair value at the end of 5 years.

ii) Acquisition by Fortitude Industries Inc.

Fortitude Industries Inc., a subsidiary of the group, has successfully completed the acquisition of assets and activities of Electrical Wiring Interconnection Systems (EWIS) performed at Bombardier Transportation's manufacturing site in Hueshuetoca, Mexico (BT Ensambles México) on April 30, 2021. Fortitude is part of the Rolling Stock Division which designs and manufactures electrical cabinets, power packs and electrical distribution systems for leading rolling stock manufacturers.

Assets and Liabilities recognized as result of acquisition are as follows:

Particulars	Amount in INR Million
ASSETS / (LIABILITIES)	
Property, plant and equipment	159
Inventories	369
Trade payables	(17)
Net identifiable assets acquired	511

Calculation of goodwill / (gain on bargain purchase)

	Amount in INR Million
Purchase consideration	556
Net identifiable assets acquired	511
Goodwill	45



III) Acquisition of CIM Tools Private Limited

On October 08, 2021 the Group signed share purchase agreement for acquisition of 55% stake in CIM Tools Private Limited (CIM). CIM in turn holds 83% stake in Aero Treatment Private Limited (ATPL) and 49.99% in Lauak CIM Aerospace (JV with Lauak International, LCA), together known as CIM Group for a total purchase consideration of INR 1,609 Mn (subject to final adjustments). CIM Tools is engaged in specialised machining and sub-assembly of components for the aerospace industry. ATPL is a vertically integrated unit engaged in surface treatment of machined parts. This acquisition marked Group's entry into the Aerospace industry and provides it with access to an existing and well established customer base as well as additional specialised capabilities to serve the aerospace industry through its four dedicated facilities. The successful closure of this acquisition is another step forward in the diversification strategy of Motherson.

As the initial accounting and a detailed study into allocation of purchase price over the fair value assets and liabilities assumed on acquisition is still in progress as at the date of this report, the disclosures generally applicable for a business combination are therefore not produced, however this has no impact on the consolidated financial statements for the year ended March 31, 2022 as the transaction has been completed in the month of April 2022.



51. The Composite Scheme of Amalgamation and Arrangement

The Board of Directors in its meeting dated July 02, 2020, approved a group reorganization plan with the objective of creating value for the shareholders of the Company. The reorganization plan approved by the respective Boards of the Company and erstwhile Samvardhana Motherson International Limited ("erstwhile SAMIL") among other things, entails demerger of Domestic Wiring Harness ("DWH") business from the Company into a new company Motherson Sumi Wiring India Limited ("MSWIL") and subsequent merger of erstwhile SAMIL into the Company to consolidate 100% shareholding in Samvardhana Motherson Automotive Systems Group BV ("SMRP BV") as well as to bring all auto component and allied businesses in erstwhile SAMIL under the Company.

The Hon'ble National Company Law Tribunal, Mumbai Bench ("Hon'ble NCLT") vide its order dated December 22, 2021 approved the Composite Scheme of Amalgamation and Arrangement ("the Scheme") between the Company, Motherson Sumi Wiring India Limited ("MSWIL"), erstwhile Samvardhana Motherson International Limited (erstwhile SAMIL) and their respective shareholders, thereby making the scheme effective. Considering that all necessary and substantive approvals were received, the Company had given effect to the merger and demerger accounting from December 31, 2021 in accordance with the accounting treatment prescribed in the Scheme and relevant accounting principles.

A Demerger of Domestic Wiring Harness (DWH) Business

As per the Scheme, 3,157,934,237 equity shares having face value of INR 1/- each, were allotted by MSWIL, in the ratio of 1 equity share of MSWIL of face value INR 1/- each for every 1 equity share of the Company of face value INR 1/- each, to the shareholders of the Company as on January 19, 2022, being the record date fixed by the Company. The carrying amount of net assets amounting to INR 10,721 million, as on December 31, 2021, pertaining to DWH Business transferred to MSWIL was adjusted against retained earnings of the Company. Till the date of transfer, results of DWH Business were reflected as Discontinued Operation and accordingly presented in the consolidated financial statement.

The listing process for these allotted shares of MSWIL has now been also completed on March 28, 2022 after completing all necessary regulatory approvals and procedures.

(i) The results of DWH business are presented below:

	From April 01, 2021 to December 31, 2021	For the year ended March 31, 2021
Revenue from contract with customers	39,309	41,167
Other operating revenue	426	215
Revenue from operations	39,735	41,382
Other income	207	275
Total expenses	35,096	37,261
Profit/(loss) before tax for the period	4,846	4,396
Tax expense/ (credit)	1,204	1,129
Profit / (loss) for the period	3,642	3,267

The income and expenses of continuing operation includes transactions with discontinued operation, which does not have impact on "Profit / (loss) for the year from continuing and discontinued operations" as disclosed in consolidated statement of profit and loss. Revenue from contract with customers on account of transaction between continuing operations and discontinued operations is as follows.

	From April 01, 2021 to December 31, 2021	For the year ended March 31, 2021
Amount included in continuing operation	13,315	12,774
Amount included in discontinued operation	258	353



(All amounts in INR Million, unless otherwise stated)

(ii) The major classes of assets and liabilities of DWH business classified as held for distribution as on March 31, 2021, and book value of assets and liabilities transferred as on effective date of scheme are presented below:

	December 31, 2021	March 31, 2021
ASSETS		
Non-current assets		
Property, plant and equipment	1,697	1,559
Right-of-use assets	324	138
Capital work in progress	4	1
Financial assets		
i. Loans	31	26
ii. Other financial assets	89	82
Deferred tax assets (net)	271	259
Other non-current assets	87	151
Non-current tax assets (net)	31	0
Total non-current assets	2,534	2,216
Current assets		
Inventories	9,788	7,986
Financial assets		
i. Trade receivables*	7,688	6,749
ii. Cash and cash equivalents	7	372
iii. Loans	21	12
iv. Other financial assets	77	103
Other current assets	626	455
Total current assets	18,207	15,677
Total assets	20,741	17,893
LIABILITIES		
Non current liabilities		
Financial Liabilities		
i. Borrowings	103	139
ii. Lease liabilities	292	100
iii. Other financial liabilities	76	75
Employee benefit obligations	146	211
Government grants	199	222
Total non-current liabilities	816	747
Current liabilities		
Financial Liabilities		
i. Borrowings	47	675
ii. Lease liabilities	78	45
iii. Trade payables	7,309	7,516
iii. Other financial liabilities	754	831
Provisions	12	8
Employee benefit obligations	481	494
Government grants	30	30
Other current liabilities	493	447
Total current liabilities	9,204	10,046
Total liabilities	10,020	10,793
Net Assets directly associated with DWH business	10,721	7,100
*March 31, 2021 balance includes below balances with related parties		
Trade receivables from related parties		56
Trade payable to related parties		1,614

Assets and liabilities are disclosed after netting off of below mentioned amount of receivable and payable between continuing operation and discontinued operation in consolidated balance sheet.

	March 31, 2021
Amount receivable from discontinued operation	2,441
Amount payable to discontinued operation	104



(All amounts in INR Million, unless otherwise stated)

(iii) Net cash flows attributable to the DWH business are as follows:

	From April 01, 2021 to December 31, 2021	For the year ended March 31, 2021
Net cash generated from / (used in) operating activities	916	(29)
Net cash used in investing activities	(452)	(299)
Net cash generated from financing activities	(840)	384
Net increase in cash and cash equivalents	(376)	55

B Amalgamation of erstwhile Samvardhana Motherson International Limited

In accordance with the Scheme, 1,359,680,007 net equity shares having face value of INR 1/- each were allotted by the Company in the ratio of 51 equity shares of the Company of face value INR 1/- each for every 10 equity shares of erstwhile SAMIL of face value INR 10/- each to the shareholders of erstwhile SAMIL as on January 28, 2022, being the record date fixed in terms of the Scheme. This translated into a net consideration for the transaction at INR 241,827 million, Goodwill of INR 8,572 million in case of subsidiaries, being excess of net consideration over fair value of identifiable assets and liabilities of subsidiary entities assumed through merger with erstwhile SAMIL and adjustment through debit to capital reserve of INR 159,300 million represented by the difference in fair value of the 49% stake acquired in SMRP BV (existing subsidiary of the Company) & Non-controlling interests amount already recorded in consolidated financial statement as on December 31, 2021. The fair values used for the accounting have been determined based on a purchase price allocation in accordance with IND AS 103 – "Business Combination".

(i) Assets and Liabilities recognized as result of above scheme are as follows:

Particulars	Amount in INR Million
ASSETS	
Non-current assets	
Property, plant and equipment	6,471
Right-of-use assets	2,644
Capital work in progress	545
Investment properties	208
Other Intangible assets	566
Intangible assets under development	53
Investment accounted as per equity methods ^o	55,930
Financial assets	
i. Investments	725
ii. Other financial assets	264
Deferred tax assets (net)	23
Other non-current assets	267
Non-current tax assets (net)	366
Total non-current assets	68,062
Current assets	
Inventories	1,845
Financial assets	
i. Investments	129
ii. Trade receivables	2,330
iii. Cash and cash equivalents	695
iv. Bank balances other than (iii) above	922
v. Loans	407
vi. Other financial assets	887
Other current assets	542
Total current assets	7,757
Total assets	75,819



(All amounts in INR Million, unless otherwise stated)

LIABILITIES	
Non current liabilities	
Financial Liabilities	
i. Borrowings	3,932
ii. Lease liabilities	676
iii. Other financial liabilities	4
Employee benefit obligations	582
Deferred tax liabilities (net)	360
Government grants	10
Other non-current liabilities	70
Total non-current liabilities	5,634
Current liabilities	
Financial Liabilities	
i. Borrowings	12,513
ii. Lease liabilities	263
iii. Trade payables	1,955
iv. Other financial liabilities	788
Provisions	29
Employee benefit obligations	138
Current tax liabilities (net)	63
Other current liabilities	1,254
Total current liabilities	17,003
Total liabilities	22,637
Net identifiable assets acquired	
Attributable to non controlling interest	(4,851)
Total identifiable assets attributable to the group	48,331

(ii) Calculation of goodwill / (gain on bargain purchase)

Amount in INR Million

Purchase consideration	
Issue of equity share capital to share holders of erstwhile SAMIL	1,360
Security premium recognised	240,467
Total purchase consideration	241,827
Less: Fair value attributable to SMRP BV 49% stake (refer iii below)	188,734
Add: Investment already recorded in the book of the Company (refer iv below)	198
Purchase consideration to acquire stake in subsidiary and JV entities	53,291
Net identifiable assets acquired	48,331
Net impact (Refer note b below)	4,960
a Investment accounted as per equity methods includes effect of group share of fair valuation of Property, plant and equipments amounting INR 947 Million, customer relationship amounting to INR 9,493 million and Goodwill amounting to INR 38,661 million.	
b Net impact comprises of Goodwill amounting to INR 8,572 million recognised pursuant to purchase price allocation recognised in the consolidated financial statement while consolidating subsidiaries of erstwhile SAMIL and Gain on bargain purchase amounting to INR 3,612 million recognised through standalone financial statements.	

iii. Acquiring of stake of non controlling interest:

The Group had recognised non controlling interest in consolidated financial statement as on effective date of the scheme for shares held by erstwhile SAMIL in subsidiary companies of the Group. Calculation of reserve recognised on acquisition of stake of non controlling interest is given below

Particulars	Amount in INR Million
Carrying value of non controlling interest as on effective date of the scheme	29,435
Fair value attributable to non controlling interest (mainly 49% stake in SMRP BV business)	188,735
Reserve on acquisition of non controlling interest	(159,300)

iv. Step up acquisition:

The Group had holdings in two subsidiaries of erstwhile SAMIL as on effective date of scheme, namely SAKS Ancillaries Limited and Motherson Sumi Infotech & Designs Limited. Before the merger, investment in SAKS Ancillaries Limited was accounted as per equity methods and investment in Motherson Sumi Infotech & Designs Limited was recognised at fair value through other comprehensive income. In accordance with applicable accounting principle, previously held equity interest have been fair valued as on the effective date of the scheme and the entities have been consolidated thereafter.



(All amounts in INR Million, unless otherwise stated)

- v. During the current year, the Group has incurred expenses amounting to INR 481 million (March 31, 2021: INR 199 million) (net of amount to be recovered / allocated) in connection with the implementation of the scheme of arrangement, which have been disclosed as exceptional expenses in statement of profit and loss.

Considering the impact of Composite Scheme accounting, the financial statement for the current year are not fully comparable with previous year.

52. Other Informations

A Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Group's operations have been impacted partially by the outbreak of COVID-19 pandemic and the consequent lockdown announced by governments in many of the jurisdictions, the Group operates. Accordingly, the figures presented in the consolidated financial statements are not strictly comparable.

B Uncertainties arising out of Geo-Political situation in Ukraine

The ongoing geopolitical tensions in Europe leading to economic sanctions imposed by various countries have restricted economic transactions with Russia. Our presence in Russia is very limited, hence impact to the the group, is not material. Indirect impacts due to supply chain restrictions and impact on energy and commodity prices are short term in nature and Group's long-term earnings are expected to generally remain unchanged. The situation however is dynamic, and the management will keep on monitoring its impact on the Group and will take necessary measures in the best interests of its stakeholders.

C Other Statutory Information

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
(ii) The Group do not have any transactions with companies struck off.
(iii) The Group do 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 Group (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 Group 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 institutions.

53. Offsetting Financial Assets and Financial Liabilities:

The following table present the Group's financial assets and liabilities that are subject to offsetting, enforceable master netting arrangements and similar agreements:

	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the Balance sheet	Net amounts of financial assets presented in the balance sheet
Trade Receivable			
As on March 31, 2022	85,100	4,853	80,247
As on March 31, 2021	76,938	5,061	71,877
	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the Balance sheet	Net amounts of financial assets presented in the balance sheet
Unbilled Revenue			
As on March 31, 2022	29,833	1,913	27,920
As on March 31, 2021	27,776	5,735	22,041



(All amounts in INR Million, unless otherwise stated)

54. During the financial year 2020-21, the Group issued 6.65% Non convertible debentures with maturity of 3 years of INR 21,300 million. These funds were further loaned to Company's subsidiary MSSL Mauritius which was ultimately loaned to Samvardhana Motherson Automotive Group BV (SMRP BV). SMRP BV utilised these funds together with cash on the balance sheet, for prepayment of USD 375 million and bought back USD 17.6 million senior secured notes, out of its USD 400 million senior secured notes due in December 2021. SMRP BV incurred an expenditure of INR 424 million (EUR 4.9 million) towards prepayment premium and unamortised portion of bonds expenses, which was disclosed as exceptional expenses in previous year's consolidated financial statement.

55. Amounts appearing as zero "0" in financial are below the rounding off norm adopted by the Group.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per PANKAJ CHADHA
Partner
Membership No.: 091813



For and on behalf of the Board

V.C. SEHGAL
Chairman

Place: Mumbai
Date: May 26, 2022

Kunal Malani

KUNAL MALANI
Chief Financial Officer

Place: Mumbai
Date: May 26, 2022

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer
Place: Mumbai
Date: May 26, 2022

Alok Goel

ALOK GOEL
Company Secretary

Place: Noida
Date: May 26, 2022

Place: Noida
Date: May 26, 2022



INDEPENDENT AUDITOR'S REPORT

To the Members of Motherson Sumi Systems Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Motherson Sumi Systems Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, 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, 2021, its profit 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Demerger of Domestic wiring harness Business <i>(as described in note 51 of the standalone financial statements)</i>	
<p>The Board of directors in its meeting dated July 02, 2020 approved the demerger of its Domestic wiring harness business (DWH) in India to a newly set up subsidiary company, namely Motherson Sumi Wiring India Limited ("MSWIL") ('the Demerger') pursuant to a Scheme of Arrangement ('the Scheme') which is currently subject to regulatory approvals.</p> <p>The aforesaid Scheme has been assessed as highly probable by the management in accordance with the criteria prescribed under Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" and accordingly, the proposed demerger of DWH pursuant to the scheme has been disclosed as Discontinued Operations.</p> <p>The above transaction has been considered as significant given the exercise of management judgment and presentation & disclosure impacts in the standalone financial statements in accordance with the applicable accounting standard. Accordingly, this matter has been identified as a key audit matter.</p>	<p>The procedures performed by us included following:</p> <ol style="list-style-type: none"> Obtained an understanding and assessed the effectiveness of process followed by the management in assessing the Company's accounting policies in relation to discontinued operations; Evaluated the basis of the management's assessment of treating the proposed demerger as Discontinued operations in accordance with the applicable accounting standards; Obtained an update on the regulatory communications in this respect and current status of the approval from the regulatory authorities; Obtained and read the proposed Scheme for understanding the impact on the standalone financial statements including identification of the assets and liabilities to be transferred and assessment of the key estimates and judgement involved therein; Performed procedures on the disclosures relating to discontinued operations made in the standalone financial statements for assessing the compliance with disclosure requirements.
De-Recognition of trade receivables under factoring facilities <i>(as described in note 8 of the standalone financial statements)</i>	
<p>The Company enters into non-recourse factoring arrangements for its trade receivables with various banks/financial institutions.</p> <p>As at 31 March 2021 the Company had factoring facilities in place for trade receivables amounting to INR 512 million were de-recognized by using these facilities.</p> <p>The Company derecognizes the receivables from its books if it transfers substantially all the risks and rewards of ownership of the financial asset (i.e. receivables).</p> <p>The assessment of de-recognition of trade receivables under the factoring facilities is complex and requires significant judgement applied by the management.</p> <p>Accordingly, the matter has been identified as KAM.</p>	<p>The procedures performed included following:</p> <ol style="list-style-type: none"> Obtained an understanding of the process related to de-recognition of trade receivables; Evaluated the assessment made by management covering factoring contracts; For selected sample of new contracts entered during the year, tested their nature and evaluated whether key terms and conditions thereof are in line with the guidance prescribed under Ind AS 109, "Financial Instruments"; Read and assessed the disclosure made in the standalone financial statements for assessing compliance with disclosure requirements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities 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 charged with governance 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (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 43 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 37 to the standalone financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**PANKAJ
CHADHA**

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per Pankaj Chadha

Partner

Membership Number: 091813

UDIN: 21091813AAAADA9918

Place of Signature: Gurugram

Date: June 02, 2021

Annexure 1 referred to in paragraph 1 of “Report on Other Legal and Regulatory Requirements” of our report of even date**Re: Motherson Sumi Systems Limited (the “Company”)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (i)(b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (i)(c) According to the information and explanations given by the management and audit procedures performed by us, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2021 and no material discrepancies were noticed in respect of such confirmations.
- (iii)(a) The Company has granted loans to three Companies covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- (iii)(b) The Company has granted loans to Companies covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and accordingly, the amount is not yet due.
- (iii)(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of its products and related services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it.
- (vii) (b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (vii)(c) According to the records of the Company, the dues outstanding of income-tax, service tax, excise duty on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (INR million)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	13	A.Y. 2002-03	Supreme Court
Income Tax Act, 1961	Income Tax	2	A.Y. 2004-05	High Court, Delhi
Income Tax Act, 1961	Income Tax	2	A.Y. 2010-11	Income tax appellate Tribunal
Income Tax Act, 1961	Income Tax	19	A.Y. 2011-12	Transfer Pricing Officer
Income Tax Act, 1961	Income Tax	6	A.Y. 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961 **	Income Tax	0	A.Y. 2015-2016	Income tax appellate Tribunal
Income Tax Act, 1961	Income Tax	1	A.Y. 2016-2017	Dispute Resolution Panel
Central Excise Act, 1944 **	Excise	0	A.Y. 2011-12	CESTAT
Finance Act, 1994	Service tax	6	A.Y. 2010-11	Additional Commissioner
Finance Act, 1994 **	Service tax	0	A.Y. 2009-10 to 2014-15	Commissioner (Appeals)
Finance Act, 1994	Service tax	2	A.Y. 2002-03 to 2003-04 & 2010-11	Commissioner
Finance Act, 1994	Service tax	6	A.Y. 2002-2004, 2007-08, 2009-10 to 2014-15, & 2015-16,	CESTAT

* The amounts are net of deposits made by the Company under protest.

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

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a bank.
- (ix) In our opinion and according to the information and explanations given by the management and audit procedures performed by us, the Company has utilized the monies raised by way of debt instruments in the nature of non-convertible debentures and term loans for the purposes for which they were raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management and audit procedures performed by us, 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 standalone financial statements, as required by the applicable accounting standards.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

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per Pankaj Chadha

Partner

Membership Number: 091813

UDIN: 21091813AAAADA9918

Place of Signature:

Date: June 2, 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MOTHERSON SUMI SYSTEMS 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 Sumi Systems Limited ("the Company") as of March 31, 2021 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, 2021, 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

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per Pankaj Chadha

Partner

Membership Number: 091813

UDIN: 21091813AAAADA9918

Place of Signature: Gurugram

Date: June 2, 2021

Motherson Sumi Systems Limited Standalone Financial Statements 2020-21

(All amounts in INR Million, unless otherwise stated)

	Notes	As At March 31, 2021	As At March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	14,304	15,819
Right-of-use assets	3(b)	2,455	2,716
Capital work in progress	3(a)	281	903
Investment properties	4	835	747
Intangible assets	5	0	0
Investment in subsidiaries, joint ventures and associate	6(a)	55,663	46,632
Financial assets			
i. Investments	6(a)	186	186
ii. Loans	7	23,752	176
iii. Other financial assets	9 (a)	664	138
Deferred tax assets (net)	11	401	450
Other non-current assets	10	182	387
Non-current tax assets (net)	23	104	594
Total non-current assets		98,827	68,748
Current assets			
Inventories	12	5,544	9,931
Financial assets			
i. Investments	6(b)	12	6
ii. Trade receivables	8	5,185	8,675
iii. Cash and cash equivalents	13	2,495	2,300
iv. Bank balances other than (iii) above	14	61	66
v. Loans	7	3,056	89
vi. Other financial assets	9 (b)	1,461	1,050
Other current assets	10	916	1,164
Total current assets		18,730	23,281
Assets classified as held for distribution	51	17,872	-
Total assets		135,429	92,029
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	3,158	3,158
Other equity			
Reserves and surplus	16(a)	64,393	59,153
Other reserves	16(b)	(121)	133
Total equity		67,430	62,444
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	17(a)	34,265	11,915
ii. Lease liabilities		600	791
iii. Other financial liabilities	18	178	226
Employee benefit obligations	21	277	485
Government grants	22	25	275
Total non-current liabilities		35,345	13,692
Current liabilities			
Financial Liabilities			
i. Borrowings	17(b)	1,525	2,279
ii. Lease liabilities		122	137
iii. Trade payables			
Total outstanding dues of micro, small and medium enterprises	19	369	155
Total outstanding dues of creditors other than micro, small and medium enterprises	19	5,870	8,901
iv. Other financial liabilities	18	15,503	2,584
Provisions	20	18	11
Employee benefit obligations	21	210	579
Government grants	22	1	34
Other current liabilities	24	572	1,213
Total current liabilities		24,190	15,893
Liabilities directly associated with the assets held for distribution	51	8,464	-
Total liabilities		67,999	29,585
Total equity and liabilities		135,429	92,029
Summary of significant accounting policies	2		

This is the Balance Sheet referred to in our report of even date

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

For and on behalf of the Board

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

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per PANKAJ CHADHA

Partner

Membership No.: 091813

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ChairmanGaya Nand
GaubaDigitally signed by
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Chief Financial OfficerPANKAJ MITAL
Whole-time Director/
Chief Operating OfficerALOK GOEL
Company SecretaryAlok
Goel
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by Alok Goel
Date: 2021.06.02
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Date: June 02, 2021Place: Noida
Date: June 02, 2021

(All amounts in INR Million, unless otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Continuing Operations:			
Revenue			
Revenue from contract with customers	25 (a)	36,353	39,411
Other operating revenue	25 (b)	339	439
Total revenue from operations		36,692	39,850
Other income	26	1,104	3,723
Total income		37,796	43,573
Expenses			
Cost of materials consumed	27	21,793	22,255
Purchase of stock-in-trade		701	985
Changes in inventory of finished goods, work-in-progress and stock in trade	28	(649)	78
Employee benefits expense	29	5,025	5,134
Depreciation and amortisation expense	32	1,983	2,313
Finance costs	31	897	248
Other expenses	30	5,415	5,852
Total expenses		35,165	36,865
Profit before exceptional items and tax from continuing operations		2,631	6,708
Exceptional (income) / expenses	51	199	-
Profit before tax from continuing operations		2,432	6,708
Tax expenses			
-Current tax	33	609	1,453
-Deferred tax expense/ (credit)		(118)	(130)
Total tax expense		491	1,323
Profit for the year from continuing operations		1,941	5,385
Discontinued operations:			
Revenue from operations	51	41,382	39,439
Other income		275	64
Total expenses		37,261	34,597
Profit before tax from discontinued operations		4,396	4,906
Tax expense/ (credit) of discontinued operations		1,129	1,303
Profit for the year from discontinued operations		3,267	3,603
Profit for the year from continuing and discontinued operations		5,207	8,988
Other comprehensive income from continuing operations			
Items to be reclassified to profit or loss			
Deferred gain / (losses) on cash flow hedges		(346)	-
Deferred tax on cash flow hedges		87	-
Items not to be reclassified to profit or loss			
Changes in fair valuation of FVOCI equity investment		6	(4)
Deferred tax on fair valuation of FVOCI equity investment		(1)	1
Remeasurements of employment benefit obligations		36	(60)
Deferred tax on remeasurements of employment benefit obligations		(9)	15
Other comprehensive income from discontinued operations			
Items not to be reclassified to profit or loss			
Remeasurements of employment benefit obligations		(11)	(86)
Deferred tax on remeasurements of employment benefit obligations		3	22
Total other comprehensive income from continuing and discontinued operations		(235)	(112)
Total comprehensive income for the year, net of tax		4,972	8,876
Earnings per share			
Nominal value per share: INR 1/- (Previous year : INR 1/-)	34		
Earnings per share for continuing operations			
Basic and Diluted		0.61	1.71
Earnings per share for discontinued operations			
Basic and Diluted		1.03	1.14
Earnings per share for continuing and discontinued operations			
Basic and Diluted		1.65	2.85
Summary of significant accounting policies			
2			
This is the Statement of Profit and Loss referred to in our report of even date		The above Standalone statement of profit and loss should be read in conjunction with the accompanying notes	

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**

Partner

Membership No.: 091813

**PANKAJ
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Place: Gurugram

Date: June 02, 2021

For and on behalf of the Board

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V.C. SEHGAL
Chairman

**Gaya Nand
Gauba**

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G.N. GAUBA
Chief Financial Officer

Place: Noida

Date: June 02, 2021

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PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

Alok Goel

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ALOK GOEL
Company Secretary

(All amounts in INR Million, unless otherwise stated)

(All amounts in INR million, unless otherwise stated)

A. Equity share capital		Notes	Amount
As at April 01, 2019			3,158
Issue of equity share capital		15	-
As at March 31, 2020			3,158
Issue of equity share capital		15	-
As at March 31, 2021			3,158

B. Other equity		Reserves and surplus					Items of OCI		Total
Notes	Securities premium	Reserve on amalgamation	Capital Reserve	General Reserve	Retained Earnings	FVOCI equity investments	Hedge Reserve		
Balance as at April 01, 2019	26,226	1,663	-	3,363	29,836	136	-	61,224	
Profit for the year	-	-	-	-	8,988	-	-	8,988	
Other comprehensive income	-	-	-	-	(109)	(3)	-	(112)	
Total comprehensive income for the year	-	-	-	-	8,879	(3)	-	8,876	
Additions during the year									
Bonus Issue	16 (a)	-	-	-	-	-	-	-	
Dividend paid	16 (a)	-	-	-	(9,474)	-	-	(9,474)	
Tax on Dividend	16 (a)	-	-	-	(1,340)	-	-	(1,340)	
Balance at March 31, 2020	26,226	1,663	-	3,363	27,901	133	-	59,286	
Effect of merger of MotherSON Polymers Compounding Solution Ltd (refer note 50)	-	110	80	-	(176)	-	-	14	
Balance as at April 01, 2020	26,226	1,773	80	3,363	27,725	133	-	59,300	
Profit for the year	-	-	-	-	5,207	-	-	5,207	
Other comprehensive income	-	-	-	-	19	5	(259)	(235)	
Total comprehensive income for the year	-	-	-	-	5,226	5	(259)	4,972	
Balance at March 31, 2021	26,226	1,773	80	3,363	32,951	138	(259)	64,272	

Summary of significant accounting policies	2
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The above statement of changes in equity should be read in conjunction with the accompanying notes

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

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per PANKAJ CHADHA

Partner

Membership No.: 091813

Place: Gurugram

Date: June 02, 2021

For and on behalf of the Board

VIVEK CHAAND SEHGAL

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V.C. SEHGAL
Chairman

Gaya Nand Gauba

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G.N. GAUBA
Chief Financial Officer

Place: Noida

Date: June 02, 2021

PANKAJ MITAL

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PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

Alok Goel

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ALOK GOEL
Company Secretary

(All amounts in INR Million, unless otherwise stated)

	For the year Ended March 31, 2021	For the year Ended March 31, 2020
A. Cash flow from operating activities:		
Profit before tax from continuing operations	2,432	6,708
Profit before tax from discontinued operations	4,396	4,906
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and amortisation expense	2,485	2,883
Amortisation of government grant	(32)	(53)
Gain on disposal of property, plant and equipment & investment property (net)	(13)	(39)
Liabilities written back to the extent no longer required	(17)	(36)
Bad debts/ advances written off	0	1
Provision for doubtful debts/ advances	0	4
Interest income	(621)	(23)
Dividend income	(0)	(3,095)
Finance cost	984	306
Unrealised foreign exchange gain (net)	(41)	(76)
Operating profit before working capital changes	9,573	11,486
Change in working Capital:		
Increase/ (decrease) in Trade Payables	2,576	10
Increase/ (decrease) in Other Payables	(24)	(332)
Increase/ (decrease) in Other financial liabilities	17	150
(Increase)/ decrease in Trade Receivables	(3,518)	(397)
(Increase)/ decrease in Inventories	(3,600)	621
(Increase)/ decrease in other financial assets	(168)	770
(Increase)/ decrease in Other Receivables	(192)	636
Cash generated from operations	4,664	12,944
- Income taxes paid (net of refund)	(1,262)	(2,582)
Net cash generated from operations	3,401	10,362
Net cash flows from operating activities	3,401	10,362
B. Cash flow from Investing activities:		
Payments for property, plant and equipment and investment property (including capital work in progress)	(1,927)	(3,519)
Proceeds from sale of property, plant and equipment & investment property	23	49
Proceeds from sale / (payment for purchase) of investments (net)	(8,636)	-
Loan (to)/repaid by related parties (net)	(26,725)	(112)
Interest received	251	18
Dividend received from subsidiaries	-	2,963
Dividend received from others	0	104
(Investment)/ proceeds from maturity of deposits with remaining maturity for more than 3 months	0	0
Net cash used in investing activities	(37,014)	(497)
C. Cash flow from financing activities:		
Dividend paid to equity share holders	(5)	(9,457)
Dividend distribution tax	-	(1,340)
Interest paid	(299)	(371)
Proceeds from long term borrowings	34,690	111
Proceeds from short term borrowings	1,200	4,779
Repayment of long term borrowings	(0)	(17)
Repayment of short term borrowings	(1,279)	(2,502)
Payment of lease liabilities	(177)	(129)
Net cash generated from /(used in) financing activities	34,130	(8,926)

(All amounts in INR Million, unless otherwise stated)

	For the year Ended March 31, 2021	For the year Ended March 31, 2020
Net increase/(decrease) in Cash and Cash Equivalents	517	939
Net foreign exchange difference on balance with banks in foreign currency	50	28
Net Cash and Cash equivalents at the beginning of the year	2,300	1,333
Cash and cash equivalents as at year end	2,867	2,300
Cash and cash equivalents comprise of the following (Note 13)		
Cash and cash equivalent - discontinued operations (Refer note 51)	372	-
Cash on hand	2	10
Cheques/drafts on hand	41	5
Balances with banks	2,452	2,285
Cash and cash equivalents as at year end	2,867	2,300

Summary of significant accounting policies (Note 2)

Notes:

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

This is the Cash Flow Statement referred to in our report of even date

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

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**PANKAJ
CHADHA**

Digitally signed by PANKAJ CHADHA
DN: cn=PANKAJ CHADHA, c=IN,
o=Personal,
email=pankaj.chadha@srb.in
Reason: I am approving this document
Date: 2021.06.02 23:55:47 +05'30'

per PANKAJ CHADHA

Partner

Membership No.: 091813

Place: Gurugram

Date: June 02, 2021

For and on behalf of the Board

**VIVEK
CHAAND
SEHGAL**

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VIVEK CHAAND
SEHGAL
Date: 2021.06.02
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V.C. SEHGAL

Chairman

**Gaya Nand
Gaubha**

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Date: 2021.06.02
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G.N. GAUBA

Chief Financial Officer

Place: Noida

Date: June 02, 2021

**PANKAJ
MITAL**

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PANKAJ MITAL

Whole-time Director/
Chief Operating Officer

Alok Goel

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ALOK GOEL

Company Secretary

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

1. Corporate Information

Motherson Sumi Systems Limited (MSSL or 'the Company') was incorporated on December 19, 1986 and domiciled in India and is engaged primarily in the manufacture and sale of components to automotive original equipment manufacturers. The address of its registered office is Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra. The Company is a public limited company and is listed in the Bombay Stock Exchange and National Stock Exchange. The Company is a joint venture entity between Samvardhana Motherson International Limited (SAMIL) and Sumitomo Wiring Systems Limited, Japan.

The standalone financial statements were authorised for issue in accordance with a resolution of the Board of directors on June 02, 2021.

2.1 Significant accounting policies

(a) Basis of preparation

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 37
- Certain financial assets and liabilities measured at fair value (refer note I below for accounting policy regarding financial instruments)
- Defined benefit pension plans – plan assets measured at fair value, refer note 21

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The financial statements are presented in INR and all values are rounded to the nearest millions (INR 000,000), except when otherwise indicated.

(b) Current versus non-current classification

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

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

The Company classifies all other assets 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.

(c) Foreign currencies

(i) Functional and presentation currency

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

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

(ii) Transactions and balances

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

Foreign exchange differences on foreign currency borrowings 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.

(d) 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 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, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of components

Revenue from sale of components is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment.

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 equipment, 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).

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 components provide customers with a customary right of return in case of defects, quality issues etc. The rights of return give rise to variable consideration.

The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Warranty obligations

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Revenue from assembly of components

The Company has contracts with customers to assemble, on their behalf, customised components from various parts procured from suppliers identified by the customer. The Company is acting as an agent in these arrangements.

When another party is involved in providing goods or services to its customer, the Company determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Company is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Company's role is only to arrange for another entity to provide the goods or services, then the Company is an agent and will need to record revenue at the net amount that it retains for its agency services.

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

Revenue from development of tools

The Company develops customised tooling for its customers and recognises its revenue over time using an input method to measure progress towards complete satisfaction of the tool development.

The Company recognises revenue from development of tools over time if it can reasonably measure its progress towards complete satisfaction of the performance obligation.

Where the Company cannot reasonably measure the outcome of a performance obligation, but the Company expects to recover the costs incurred in satisfying the performance obligation. In those circumstances, the Company recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

Judgments applied in determining amount and timing of revenue

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

(i) Determining the timing of satisfaction of tooling development

The Company concluded that revenue for development of tooling is to be recognised over time because the Company's performance does not create asset with an alternative use to the Company since the tools are customised for each customer and the Company has a legally enforceable right to payment of fair value for performance completed to date.

The Company determined that the input method is the best method in measuring progress of the tooling development because there is a direct relationship between the Company's effort (i.e., costs incurred) and the transfer of tooling to the customer. The Company recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

(ii) Principal versus agent considerations

The Company enters into contracts with its customers to assemble, on their behalf, customised components using various parts procured from suppliers identified by the customer. Under these contracts, the Company provides assembly services (i.e., coordinating the procurement of various parts from the identified suppliers and combining or assembling them into components as desired by the customer). The Company determined that it does not control the goods before they are transferred to customers, and it does not have the ability to direct the use of the component or obtain benefits from the component. The following factors indicate that the Company does not control the goods before they are being transferred to customers. Therefore, the Company determined that it is an agent in these contracts.

- The Company is not primarily responsible for fulfilling the promise to provide the specified equipment.
- The Company does not have inventory risk before or after the specified component has been transferred to the customer as it purchases various parts on just-in-time basis and only upon contract of the customer.
- The Company has no discretion in establishing the price for the specified component. The Company's consideration in these contracts is only based on the difference between the maximum purchase price quoted by the customer and the cost of various parts purchased from the suppliers.
- In addition, the Company concluded that it transfers control over its services (i.e., assembling the component from various parts), at a point in time, upon receipt by the customer of the component, because this is when the customer benefits from the Company's agency service.

(iii) Consideration of significant financing component in a contract

The Company develops customised tooling and secondary equipment's for which the manufacturing lead time after signing the contract is usually more than one year. This type of contract includes two payment options for the customer, i.e., payment of the transaction price equal to the cash selling price upon delivery of the tooling or payment of the transaction price as part of the component's selling price. The Company concluded that there is a significant financing component for those contracts where the customer elects to pay along with the component's selling price considering the length of time between the transfer of tooling and secondary equipment and the recovery of transaction price from the customer, as well as the prevailing interest rates in the market, if any.

In determining the interest to be applied to the amount of consideration, the Company concluded that the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance) is appropriate because this is commensurate with the rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception.

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

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 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. Trade receivables are disclosed in Note 45.

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. The Company's contract assets are disclosed in Note 45 as Unbilled 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. Contract Liabilities are disclosed in Note 45 as Advances received from customers.

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.

(e) 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.

Rental Income

Rental income arising from investment properties given on 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.

Duty drawback and export incentives

Income from duty drawback and export incentives is recognized on an accrual basis.

Royalty income

Royalty income is recognized in Other operating income on an accrual basis in accordance with the substance of the relevant agreements.

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

(f) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

When government grants relating to loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

(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.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

Deferred tax assets and liabilities are 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.

Investment allowances and similar tax incentives:

The Company may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure. The Company accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense.

(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.

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

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.

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 insubstance 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 is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses including impairment on inventories, are recognised in the statement of profit and loss

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

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

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

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

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

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

(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 (d) 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.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

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

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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:

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

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.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind 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.

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

Derecognition

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

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

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

Impairment of financial assets

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

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b. Financial assets that are debt instruments and are measured as at FVTOCI
- c. Lease receivables under Ind AS 116
- d. 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
- e. Loan commitments which are not measured as at FVTPL
- f. Financial guarantee contracts which are not measured as at FVTPL

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

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

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

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

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

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

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at 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'

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

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

Loans and borrowings

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

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

This category generally applies to borrowings and other payables.

Financial guarantee contracts

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

Derecognition

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

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Embedded derivatives

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

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

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.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

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.

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(m) 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
- 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, 36 and 37)
- Quantitative disclosures of fair value measurement hierarchy (note 36)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (note 6, 7, 8, 9, 13, 17, 18, 19, 36 and 37)

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(n) Derivative financial instruments and hedge accounting

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.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking its hedge transactions.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

The Company has an interest rate swap that is used as a hedge for the exposure of changes in the fair value. See Note 37 for more details.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the

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cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

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

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.

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

Depreciation methods and useful lives

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

Assets	Useful lives(years)*
Leasehold improvements	Over the period of lease or useful life, whichever is lower
Buildings	30 years
Plant & Machinery:	
Plant & Machinery	7.5 years
Die & Moulds	6.17 years
Electric Installation	10 years
Furniture & fixtures	6 years
Office equipment	5 years
Computers:	
Server & Networks	3 years
End user devices, such as desktops, laptops, etc.	3 years
Vehicles	4 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.

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(p) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company depreciates building component of investment property over 30 years.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in notes 4.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

(q) Intangible assets

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

The useful live of intangible assets are as follows:

Asset	Useful lives (years)
Software	3 years

Intangible assets with finite lives are amortised over the useful economic life on straight line basis 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.

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.

Research and development 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

Cost incurred by the Company for Research and Development do not meet the recognition criteria and hence have been classified as research costs and are expensed of in the statement of profit and loss as and when these are incurred.

The amortisation methods, the usual useful lives and the residual values of intangible assets are checked annually.

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(r) 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.

(s) Provisions and contingent liabilities

Provisions

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

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

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

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

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.

Warranty provisions

In cases where the obligations include warranty liabilities, the Company provides warranties for general repairs of defects that existed at the time of sale, as required by law. Provisions related to these assurance-type warranties are recognised when the product is sold or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

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.

(t) 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.

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Superannuation fund

The Company has a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The Company contributes up to 12% of the eligible employees' salary or 100,000 / 150,000, whichever is lower, every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligations beyond this contribution.

Gratuity

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

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

(u) 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.

(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

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- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(w) Assets held for distribution to owners and discontinued operations

The Company classifies assets and disposal groups as held for distribution if their carrying amounts will be recovered principally through a distribution rather than through continuing use. Actions required to complete the distribution should indicate that it is unlikely that significant changes to the distribution will be made or that the decision to distribution will be withdrawn. Management must be committed to the distribution expected within one year from the date of classification.

The criteria for held for distribution classification is regarded met only when the assets or disposal group is available for immediate distribution in its present condition, subject only to terms that are usual and customary for distribution of such assets (or disposal groups), its distribution is highly probable; and it will genuinely be distributed, not abandoned. The Company treats distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to distribute the asset (or disposal group),
- The distribution is expected to qualify for recognition as a completed distribution within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to distribute. Assets and liabilities classified as held distribution are presented separately in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. Additional disclosures are provided in Note 51. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

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, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

- (i) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease.

- (ii) Revenue from contracts with customers

The Company applies the judgements in respect to transactions relating to tooling development, Principal versus agent consideration that significant financing component in a contract that significantly affect the determination of the amount and timing of revenue from contracts with customers. For more details, refer note 2.1 (d)

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

(iii) Discontinued operations

The Board of Directors in its meeting dated July 02, 2020, approved a group reorganization plan with the objective of creating value for the shareholders of the Company ("MSSL"). The reorganization plan approved by the respective Boards of the Company and Samvardhana Motherson International Limited ("SAMIL") among other things, entails demerger of Domestic Wiring Harness ("DWH") business in India from the Company into a new company Motherson Sumi Wiring India Limited ("MSWIL"). The operations of DWH business are considered as discontinued operation and classified as held for distribution to owners. The Board considered the Company to meet the criteria to be classified as held for distribution at that date for the following reasons:

- The operations of DWH business is available for immediate distribution and can be sold in its current condition.
- The actions to complete the distribution were initiated and expected to be completed within one year.
- The Company expects the secretarial and approval procedures to be completed by 30 September 2021.

For more details, refer to Note 51

Estimates and assumptions

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

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

The Company uses its technical expertise along with historical and industry trends for determining the economic useful 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 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 21**

(iii) Fair valuation of unlisted securities

When the fair value of unlisted securities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. **Refer Note 36 of the financials.**

(iv) Taxes

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

Valuation of recoverable income tax assets especially with respect to deferred tax assets on tax loss carry forwards. The Company is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

(v) Percentage completion of recognition of revenue

The Company uses the percentage-of-completion method in accounting for 'development of tools' contracts. 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

(vi) Provisions and liabilities

The Company estimates the provisions and liabilities and to the probability of expenses arising from warranty claims and claims from legal disputes that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

3(a) Property, plant and equipment

Particulars	Leasehold Land Refer note (v)	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery Refer note (iv)	Furniture & fixtures	Office equipments	Computers	Vehicles	Total	Capital work in progress
Year ended March 31, 2020											
Gross carrying amount											
As at April 01, 2019	1,658	987	105	8,006	13,456	205	208	374	58	25,057	907
Additions	-	-	4	683	827	24	31	57	10	1,636	1,004
Disposals	-	-	-	-	(31)	(1)	(8)	(21)	(27)	(88)	-
Reclassification on account of Ind AS 116	(1,658)	-	-	-	-	-	-	-	-	(1,658)	-
Transfer / Other adjustment	-	-	-	192	816	-	0	0	0	1,008	(1,008)
Closing gross carrying amount	-	987	109	8,881	15,068	228	231	410	41	25,955	903
Accumulated depreciation											
As at April 01, 2019	59	-	62	1,008	6,389	88	111	230	23	7,970	-
Depreciation charge during the year	-	-	13	324	1,799	32	33	89	15	2,305	-
Disposals	-	-	-	-	(26)	(1)	(8)	(21)	(24)	(80)	-
*Reclassification on account of Ind AS 116	(59)	-	-	-	-	-	-	-	0	(59)	-
Closing accumulated depreciation	-	-	75	1,332	8,162	119	136	298	14	10,136	-
Net carrying amount	-	987	34	7,549	6,906	109	95	112	27	15,819	903
Year ended March 31, 2021											
Gross carrying amount											
As at April 01, 2020	-	987	109	8,881	15,068	228	231	410	41	25,955	903
Effect of merger of Motherson Polymers Compounding Solution Ltd (refer note 50)	-	-	29	-	90	1	0	1	0	121	-
As at April 01, 2020	-	987	138	8,881	15,158	229	231	411	41	26,076	903
Additions	-	85	7	192	1,050	2	12	58	23	1,429	231
Disposals	-	-	(1)	-	(52)	-	-	-	(14)	(67)	-
Transferred to discontinued operations (refer note 51)	-	-	-	-	(3,505)	(27)	(79)	(250)	(11)	(3,872)	(1)
Transfer / Other adjustment	-	-	1	264	588	-	-	-	-	853	(852)
Closing gross carrying amount	-	1,072	145	9,337	13,239	204	164	219	39	24,419	281
Accumulated depreciation											
As at April 01, 2020	-	-	75	1,332	8,162	119	136	298	14	10,136	-
Effect of merger of Motherson Polymers Compounding Solution Ltd (refer note 50)	-	-	29	-	90	1	0	1	0	121	-
As at April 01, 2020	-	-	104	1,332	8,252	120	136	299	14	10,257	-
Depreciation charge during the year	-	-	13	348	1,720	27	33	73	14	2,228	-
Disposals	-	-	(1)	-	(44)	-	-	-	(12)	(57)	-
Transferred to discontinued operations (refer note 51)	-	-	-	-	(2,025)	(20)	(54)	(206)	(8)	(2,313)	-
Closing accumulated depreciation	-	-	116	1,680	7,903	127	115	166	8	10,115	-
Net carrying amount	-	1,072	29	7,657	5,336	77	49	53	31	14,304	281

(i) Refer to note 44 for information on property plant and equipment pledged as security by the Company.

(ii) Contractual obligations: Refer to note 42 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

(iii) Capital work-in-progress: Capital work-in-progress mainly comprise plant & machinery, building and furniture.

(iv) Includes depreciation of INR 17 million (March 31,2020: INR 11 million) capitalized during the year on assets used for the creation of self generated assets. (Refer Note. 32)

(v) Leasehold land represents land obtained on long term lease from various government authorities and considered as finance lease. (Refer note 46).

3(b) Right-of-use assets

Particulars	Land Refer note (i)	Buildings	Vehicles	Total
Year ended March 31, 2020				
Gross carrying amount				
Recognised as at April 01, 2019	90	493	340	923
Reclassification on account of Ind AS 116	1,658	-	-	1,658
Additions (Refer note 40)	411	165	87	663
Disposals	-	-	(1)	(1)
Closing gross carrying amount	2,159	658	426	3,243
Accumulated depreciation				
Reclassification on account of Ind AS 116	59	-	-	59
Depreciation charge during the year	223	104	141	468
Closing accumulated depreciation	282	104	141	527
Net carrying amount	1,877	554	285	2,716
Year ended March 31, 2021				
Gross carrying amount				
As at April 01, 2020	2,159	658	426	3,243
Additions (Refer note 40)	9	33	98	140
Disposals	-	-	(18)	(18)
Transferred to discontinued operations (refer note 51)	-	-	(278)	(278)
Closing gross carrying amount	2,168	691	228	3,087
Accumulated depreciation				
As at April 01, 2020	282	104	141	527
Depreciation charge during the year	26	107	115	248
Disposals	-	-	(3)	(3)
Transferred to discontinued operations (refer note 51)	-	-	(140)	(140)
Closing accumulated depreciation	308	211	113	632
Net carrying amount	1,860	480	115	2,455

(i) The Company has recognised impairment loss amounting to Nil (March 31,2020: INR 200 million). The impairment losses are included under 'Depreciation expense'.

4 Investment properties

	March 31, 2021	March 31, 2020
Gross carrying amount		
Opening gross carrying amount	972	979
Add: Additions during the year	113	-
Less: Deletions during the year	-	7
Closing gross carrying amount	1,085	972
Accumulated depreciation:		
Opening balance	225	107
Add: Depreciation for the year ¹	25	122
Less: Deletions during the year	-	(4)
Closing accumulated depreciation	250	225
Net carrying amount	835	747

¹ The Company has recognised impairment loss amounting to Nil (March 31,2020: INR 100 million). The impairment losses are included under 'Depreciation expense'.

(i) Amounts recognised in profit or loss for investment properties:

	March 31, 2021	March 31, 2020
Rental Income	17	19
Direct operating expenses from properties that did not generate rental income	(1)	(1)
Profit from investment properties before depreciation	16	18
Depreciation	25	122
Profit / (loss) from investment properties	(9)	(104)

(ii) Contractual obligations:

Refer note 42 for disclosure of contractual obligation towards purchase of investment properties.

(iii) Leasing arrangements:

Certain investment properties are leased to tenants under long-term and short-term cancellable operating leases with rentals payable monthly.

(iv) Fair value:

	March 31, 2021	March 31, 2020
Investment property	1,844	1,912

Estimation of fair value

The fair values of investment properties have been determined by independent valuer. The fair valuation is based on prevailing market prices/ price trend of the property in that locality/ city considering the location, size of plot, approach road, amenities, locality etc.

5 Intangible assets

	Software	
	March 31, 2021	March 31, 2020
Gross carrying amount		
Opening gross carrying amount	17	17
Additions	-	-
Closing gross carrying amount	17	17
Accumulated amortisation		
Opening balance	17	17
Amortisation charge during the year	-	-
Closing accumulated amortisation	17	17
Net carrying amount	0	0

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6 (a) Non-Current investments

Equity InvestmentsInvestment in subsidiaries, joint ventures and associate
(Unquoted instruments valued at cost unless stated otherwise)

Investment in Subsidiaries :

MSSL Mauritius Holdings Limited

37,820,080 (March 31, 2020: 37,820,080) equity shares of EUR 1 each fully paid-up	2,284	2,284
Net of provision for other than temporary diminution aggregating to INR 70 million (March 31, 2020 : INR 70 million)		

MSSL Mideast (FZE)

1 (March 31, 2020: 1) equity share of AED 150,000 equivalent to EUR 46,875 each fully paid-up	2	2
44,170,000 (March 31, 2020: 44,170,000) equity shares of EUR 1 each fully paid-up	3,111	3,111
50,000,000 (March 31, 2020: 50,000,000) equity shares of EUR 1 each fully paid-up at a premium of EUR 2.60 per share	12,719	12,719
Add: Effective portion of fair value hedge (refer note 37)	2,349	1,885

MotherSON Electrical Wires Lanka Private Limited

1,456,202 (March 31, 2020: 1,456,202) equity shares of LKR 10 each fully paid-up	7	7
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MSSL (S) PTE Limited

20,554,700 (March 31, 2020: 20,554,700) equity shares of SGD 1 each fully paid-up	960	960
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Samvardhana MotherSON Polymers Limited

522,750 (March 31, 2020: 522,750) equity shares of INR 10 each fully paid-up	5	5
1,351,500 (March 31, 2020: 1,351,500) equity shares of INR 10 each fully paid-up at a premium of INR 190 per share	270	270
46,920 (March 31, 2020: 46,920) equity shares of INR 10 each fully paid-up at a premium of INR 2,300 per share	108	108
510 (March 31, 2020: 510) equity shares of INR 10 each fully paid-up at a premium of INR 4,990 per share	3	3

SMR Automotive Systems India Limited

6,712,990 (March 31, 2020: 6,712,990) equity shares of INR 10 each fully paid-up	67	67
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MotherSON Innovations Tech Limited (formerly known as MSSL Automobile Component Limited)

50,000 (March 31, 2020: 50,000) equity shares of INR 10 each fully paid-up	1	1
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MSSL (GB) Limited

201,461,836 (March 31, 2020: 201,461,836) equity shares of GBP 1 each fully paid-up at a premium of GBP 0.50 per share. (These shares are pledged against borrowings, for further details refer note 17(a) and note 44)	24,705	24,705
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MotherSON Polymers Compounding Solution Limited (Merged with the Company, refer note 50)

Nil (March 31, 2020: 9,000,000) equity shares of INR 10 each fully paid-up	-	8
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MotherSON Sumi Wiring India Limited

500,000 (March 31, 2020: Nil) equity shares of INR 1 each fully paid-up	1	-
	(A) 46,592	46,135

Investment in joint ventures :

Kyungshin Industrial MotherSON Limited

17,200,000 (March 31, 2020: 17,200,000) equity shares of INR 10 each fully paid-up	86	86
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Calsonic Kansei MotherSON Auto Products Limited

30,930,836 (March 31, 2020: 30,930,836) equity shares of INR 10 each fully paid-up	400	400
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(B) 486	486
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Investment in Associate :

Saks Ancillaries Limited

1,000,000 (March 31, 2020: 1,000,000) equity shares of INR 10 each fully paid-up	11	11
	(C) 11	11

Investment in preference shares:**MSSL Mauritius Holdings Limited (Subsidiary)**

Compulsorily convertible preference shares aggregating to EUR 100 million (March 31, 2020: Nil)	8,636	-
Add / (Less): Exchange gain / (loss) on translation	(62)	
	(D) 8,574	-

Total Investment in subsidiaries, joint ventures and associate (A+B+C+D)

55,663	46,632
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Equity investments at FVOCI**Unquoted****MotherSON Sumi Infotech & Designs Limited**

1,200,000 (March 31, 2020: 1,200,000) equity shares of INR 10 each fully paid-up	185	185
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Echanda Urja Private Limited

120,645 (March 31, 2020: 120,645) equity shares of INR 10 each fully paid-up	1	1
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(E) 186	186
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TOTAL (A+B+C+D+E)

55,849	46,818
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Aggregate amount of quoted investments and market value thereof

-	-
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Aggregate amount of unquoted investments

55,919	46,888
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Aggregate amount of impairment in the value of investments

70	70
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6 (b) Current investments
Investment in equity instruments at FVOCI
Quoted
HDFC Bank Limited

4,070 (March 31, 2020: 4070) equity shares of INR 2 each fully paid up

Balrampur Chini Mills Limited

1,200 (March 31, 2020: 1,200) equity shares of INR 1 each fully paid up

JD Orgochem Ltd

100 (March 31, 2020: 100) equity shares of INR 10 each fully paid up

Meyer Apparel Limited

28,475 (March 31, 2020: 28,475) equity shares of INR 3 each fully paid up

Mahindra & Mahindra Limited

7,288 (March 31, 2020: 7,288) equity shares of INR 5 each fully paid up

Arcotech Limited

1,000 (March 31, 2020: 1,000) equity shares of INR 2 each fully paid up

Unquoted
Pearl Engineering Polymers Limited

3,160 (March 31, 2020: 3,160) equity shares of INR 10 each fully paid up

Daewoo Motors Limited

6,150 (March 31, 2020: 6,150) equity shares of INR 10 each fully paid up

Athena Financial Services Limited

66 (March 31, 2020: 66) equity shares of INR 10 each fully paid up

Inox Leasing & Finance Limited

100 (March 31, 2020: 100) equity shares of INR 10 each fully paid up

Total current investments

Aggregate amount of quoted investments and market value thereof

Aggregate amount of unquoted investments

Aggregate amount of impairment in the value of investments

March 31, 2021	March 31, 2020
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6	4
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0	0
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0	0
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0	0
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6	2
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0	0
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(0)	
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12	6
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12	6
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(All amounts in INR Million, unless otherwise stated)

7 Loans

	March 31, 2021		March 31, 2020	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loans to related parties (Refer note 40 & 49)	3,004	23,732	0	125
Loans to employees	52	20	89	51
Total	3,056	23,752	89	176

8 Trade receivables

	March 31, 2021	March 31, 2020
Unsecured, considered good	3,226	5,951
Trade receivables from related parties ¹ (Refer note 40)	1,959	2,724
Unsecured, credit impaired	2	25
	5,187	8,700
Less: Allowances for credit loss	2	25
Total	5,185	8,675

¹ Includes receivables from companies in which Director of the Company is also a Director 423 194

Note 1: The Company has derecognised trade receivables amounting INR 512 million (March 31, 2020: INR 1,010 million), in respect of continuing and discontinued operations as it had transferred the contractual right and substantially transferred all risks and rewards of ownership of these receivables to various financial institutions.

9(a) Other financial assets - Non Current

	March 31, 2021	March 31, 2020
Unsecured, considered good		
Security deposits	25	138
Interest receivable (Refer note 40)	88	-
Derivatives designated as cash flow hedge (Refer note 37)	551	-
Total	664	138

9(b) Other financial assets - Current

	March 31, 2021	March 31, 2020
Unsecured, considered good		
Security deposits ¹	448	580
Other advances receivable in cash (Refer note 40)	375	5
Unbilled revenue (Refer note 45)	473	423
Receivable from related parties (Refer note 40)	-	42
Others	165	0
Total	1,461	1,050

¹ Includes security deposit given to a partnership firm namely M/S Motherson in which Director of the Company is Partner 8 8

10. Other assets

	March 31, 2021		March 31, 2020	
	Current	Non-current	Current	Non-current
Unsecured, considered good, unless otherwise stated				
Capital advances	-	140	-	195
Advances recoverable	364	-	371	-
Prepaid expenses	29	42	60	86
Balances with government authorities	421	-	504	-
Subsidy receivable	102	-	229	106
Total	916	182	1,164	387

11 Deferred tax assets (net)

Deferred tax assets

	March 31, 2021	March 31, 2020
Derivatives designated as fair value hedge	411	220
Provision for employee benefit obligations	123	268
Provision for doubtful debts and advances	0	6
Government grants	7	31
Others	-	14

Deferred tax liabilities

FVOCI equity instruments	(42)	(41)
Property, plant and equipment and intangible assets & investment property and net of Right-of-use assets & lease liability	(33)	(48)
Derivatives designated as cash flow hedge	(64)	-
Others	(1)	-
Total	401	450

Movement in Deferred tax assets

	Property, plant and equipments and intangible assets & investment property and net of Right-of-use assets & lease liability	Derivatives designated as fair value hedge	Provision for employee benefits	Provisions for doubtful debts and advances	Government grants	FVOCI equity instruments	Derivatives designated as cash flow hedge	Other items	Total
At April 01, 2019	(220)	232	274	13	44	(42)	-	(5)	296
(Charged)/ credited:									
to profit or loss	172	(12)	(43)	(7)	(13)	(0)	-	19	116
to other comprehensive income	-	-	37	-	-	1	-	-	38
At March 31, 2020	(48)	220	268	6	31	(41)	-	14	450
(Charged)/ credited:									
to profit or loss	74	191	23	(6)	-	-	(151)	(15)	116
to other comprehensive income	-	-	(9)	-	-	(1)	87	-	77
to profit or loss - discontinued operations (refer note 51)	5	-	15	-	(6)	-	-	-	14
to other comprehensive income - discontinued operations (refer note 51)	-	-	3	-	-	-	-	-	3
Transferred to discontinued operations (refer note 51)	(64)	-	(177)	(0)	(18)	-	-	-	(259)
At March 31, 2021	(33)	411	123	0	7	(42)	(64)	(1)	401

(All amounts in INR Million, unless otherwise stated)

12 Inventories

	March 31, 2021	March 31, 2020
Raw materials	3,095	6,566
Work-in-progress	1,135	1,905
Finished goods	1,279	1,440
Stores and spares	35	20
Total	5,544	9,931

Inventory include inventory in transit of:

Raw materials	1,254	1,451
Finished goods	318	249

Amount recognised in profit or loss:

During the year ended March 31, 2021 write down of inventories on account of provision in respect of obsolete/ slow moving items amounted to INR 14 million (excluding discontinued operations) (March 31, 2020: write-back amounting INR 53 million). These were recognised as an expense during the year and included in changes in value of inventories of work-in-progress, stock-in-trade and finished goods in statement of profit or loss.

13 Cash and cash equivalents *

	March 31, 2021	March 31, 2020
Balances with banks:		
- in current accounts	2,250	2,231
- Deposits with original maturity of less than three months	202	54
Cheques/ drafts on hand	41	5
Cash on hand	2	10
Total	2,495	2,300

* There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior period. For asset pledged refer note 44.

Changes in liabilities arising from financing activities

	Non cash			
	March 31, 2020	Cash Flow	Fair value changes	Other non cash items*
Non current borrowings	11,915	34,690	(10)	(332)
Current borrowings	2,279	(561)	-	(207)
Lease liabilities	928	(177)	-	(29)
Total liabilities from financing activities	15,122	33,952	(10)	(568)

*other non cash items includes, in addition to transfer to discontinued operations, foreign exchange movements in borrowings and new leases taken or termination of lease contracts in case of lease liabilities.

14 Other bank balances

	March 31, 2021	March 31, 2020
Deposits with remaining maturity of more than three months but less than 12 months	5	5
Unpaid dividend account	56	61
Total	61	66

15 Share Capital

Authorised:

	March 31, 2021	March 31, 2020
6,050,000,000 (March 31, 2020 : 6,050,000,000) Equity shares of INR 1 each	6,050	6,050
25,000,000 (March 31, 2020 : 25,000,000) 8% Convertible Cumulative Preference Shares of INR 10 each	250	250

Issued, subscribed and Paid up:

3,157,934,237 (March 31, 2020 : 3,157,934,237) Equity Shares of INR 1 each	3,158	3,158
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a. Movement in equity share capital

	Numbers	Amount
As at April 01, 2019	3,157,934,237	3,158
Add: Changes during the year	-	-
As at March 31, 2020	3,157,934,237	3,158
Add: Changes during the year	-	-
As at March 31, 2021	3,157,934,237	3,158

b. Rights, preferences and restrictions attached to shares

Equity Shares:

The Company has only one class of equity shares having a par value of INR 1 per share. Each holder of equity is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

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

c. Aggregate number of Shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding March 31, 2021)

	Aggregate No of Shares issued in five years	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
Equity shares allotted as fully paid bonus shares by capitalisation of Securities Premium Account	1,754,407,910	-	-	1,052,644,746	701,763,164	-

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

	March 31, 2021		March 31, 2020	
	Nos.	%	Nos.	%
Equity shares:				
Samvardhana Motherson International Limited	1,055,750,653	33.43%	1,055,750,653	33.43%
Sumitomo Wiring Systems Limited	792,637,291	25.10%	792,637,291	25.10%

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.

16 (a) Reserves and surplus

	March 31, 2021	March 31, 2020
Reserve on amalgamation	1,773	1,663
Securities premium	26,226	26,226
Capital reserve	80	-
General reserve	3,363	3,363
Retained earnings	32,951	27,901
Total reserves and surplus	64,393	59,153

(i) Reserve on amalgamation

	March 31, 2021	March 31, 2020
Opening balance	1,663	1,663
Effect of merger of Motherson Polymers Compounding Solution Ltd (refer note 50)	110	-
Closing balance	1,773	1,663

(ii) Securities premium

	March 31, 2021	March 31, 2020
Opening balance	26,226	26,226
Utilisation during the year - issue of bonus shares	-	-
Closing balance	26,226	26,226

(iii) Capital reserve

	March 31, 2021	March 31, 2020
Opening balance	-	-
Effect of merger of Motherson Polymers Compounding Solution Ltd (refer note 50)	80	-
Closing balance	80	-

(iv) General reserve

	March 31, 2021	March 31, 2020
Opening balance	3,363	3,363
Closing balance	3,363	3,363

(v) Retained earnings

	March 31, 2021	March 31, 2020
Opening balance	27,901	29,836
Effect of merger of Motherson Polymers Compounding Solution Ltd (refer note 50)	(176)	-
Additions during the year	5,207	8,988
Remeasurements of post-employment benefit obligation, net of tax	19	(109)
Dividend paid ¹	-	(9,474)
Tax on dividend ¹	-	(1,340)
Closing balance	32,951	27,901

¹ During the financial year 2019-20, the Company paid final cash dividend for the financial year 2018-19 amounting INR 1.5 per share and Interim dividend for the financial year year 2019-20 amounting INR 1.5 per share to its shareholders. This has resulted in payment of dividend distribution tax (DDT) to the taxation authorities during March 31, 2020. The Company believes that DDT represents additional payment to taxation authorities on behalf of shareholders. Hence DDT paid is charged to equity. The interim dividend paid for FY 19-20 in March 2020 was taken as final dividend, hence no dividend was paid in during the financial year 2020-21.

16 (b) Other reserves

FVOCI equity investments

	March 31, 2021	March 31, 2020
Opening balance	133	136
Change in fair value of FVOCI equity instruments	5	(3)
Closing balance	138	133

Cash flow hedging reserve

	March 31, 2021	March 31, 2020
Opening balance	-	-
Change in fair value of hedging instruments (net of tax)	(259)	-
Closing balance	(259)	-

Total other reserves

	(121)	133
--	--------------	------------

Reserve on amalgamation

This reserve was created at the time of amalgamation and mergers carried out in earlier years and current year. The reserve will be utilised in accordance with the provisions of the Act.

Securities premium

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

Capital reserve

This reserve is created at the time of merger of Motherson Polymers Compounding Solution Private Limited (MPCSL) with the Company (refer note 50). The reserve will be utilised in accordance with the provisions of the Act.

General reserve

General reserve is the retained earnings of the Company which are kept aside out of the Company's profits to meet future (known or unknown) obligations.

FVOCI equity investments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investment reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(All amounts in INR Million, unless otherwise stated)

17 (a) Non-current borrowings

	Non Current Portion		Current Maturities	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Secured ⁽ⁱ⁾				
Non-convertible debentures	4,990	-	-	-
Term Loans				
Foreign currency loans from banks	-	6,039	5,846	-
Indian rupee loan from banks	8,044	5,750	6,164	-
Indian rupee loan from other than banks	-	-	-	0
Unsecured ⁽ⁱⁱ⁾				
Non-convertible debentures	21,231	-	-	-
Term Loans				
Indian rupee loan from other than banks	139	126	-	-
Less: Indian rupee loan from other than banks of discontinued operations (refer note 51)	(139)	-	-	-
Less : Disclosed under Other current financial liabilities (Refer Note 18)	-	-	(12,010)	(0)
TOTAL	34,265	11,915	-	-

(i) Secured Loans¹

Nature of Security (In case of Secured Loans)	Principal Terms and Conditions
Non convertible debentures amounting to INR 4,990 million (March 31, 2020: INR Nil) secured by:	The company issued 5,000 listed, rated, redeemable, senior, secured non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 5,000 million, in a single tranche. These instruments bear interest at a rate of 7.84% payable annually on April 20 each year and will mature on April 20, 2023.
(a) first ranking Security Interest by way of hypothecation on the Hypothecated Properties created by the Company in favour of the Debenture Trustee pursuant to the Deed of Hypothecation; and / or	
(b) a first ranking Security Interest by way of equitable mortgage by deposit of title deeds on the Company's rights, title and interest in and to the Mortgaged Properties created by the Company in favour of the Debenture Trustee (or in favour of a security trustee or security agent appointed by the Debenture Trustee (acting in accordance with Approved Instructions)) pursuant to the Mortgage Documents.	
(c) such other Security Interest created by the Company or any other Person as may be mutually agreed by the Company with the Debenture Trustee (acting in accordance with Approved Instructions) and classified as 'Security' for the purposes of this Deed by the Debenture Trustee.	
Foreign currency loan from banks is secured by creating a charge on Investment in shares of one of the subsidiary, MSSL (GB) Ltd on pari passu basis	INR 5,846 million (March 31, 2020 :INR 6,039 million) repayable in March 2022 entirely in one instalment.
Indian Rupee loan from banks	The applicable rate of interest in respect of foreign currency loans from banks is 0.375% p.a. (March 31, 2020 : 0.52% p.a.) over 6 months in respect of loans hedged for swap contracts.
Indian Rupee loan from banks is secured by creating a charge on Investment in shares of one of the subsidiary, MSSL (GB) Ltd on pari passu basis	INR 8,457 million (March 31, 2020 : INR Nil) carrying Interest rate of 6.05% p.a. repayable in 5 years from date of first disbursement in ratio of 5:5:10:25:55 starting from September 2021.
Indian Rupee loan from other than banks for the purchase of investment property and is secured by the capital advance given for the purchase of investment property.	INR 5,750 million (March 31, 2020 : INR 5,750 million) repayable in March 2022 entirely in one instalment carrying Interest rate of 8.0% p.a.
	INR Nil (March 31, 2020 : INR 0 million) fully repaid in April 2020 Interest rate was 10.2% p.a.

(ii) Unsecured Loans

Particulars	Terms of Repayment
Non convertible debentures amounting to INR 21,231 million (March 31, 2020: INR Nil)	The company issued 21,300 listed, rated, redeemable, unsecured, redeemable non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 21,300 million, in a single tranche. These instruments bear interest at a rate of 6.65% payable annually on September 14 each year and will mature on September 14, 2023.
Indian Rupee Loan from other than banks	Interest free loan of INR 139 million (March 31, 2020 : INR 126 million) repayable in 3 tranches on November 2022, March 2023 and December 2026 against each disbursements. Bank guarantee is furnished by the Company.

¹ The carrying amount of financials and non financial assets pledged as security for long term borrowings is disclosed in Note 44

17 (b) Current borrowings

	March 31, 2021	March 31, 2020
Secured ^{2,3}		
Working capital loans repayable on demand- from banks ¹		
Indian rupee loan	2,200	2,279
Less: Indian rupee loan utilised in respect of discontinued operations (refer note 51)	(675)	-
TOTAL	1,525	2,279

¹ Working capital loans are secured by first pari passu charge on entire current assets of the Company including receivables, both present and future and second pari passu charge over the fixed assets of the Company including equitable mortgage of specified properties and are repayable on demand.

² The carrying amount of financials and non financial assets pledged as security for short term borrowings is disclosed in Note 44

³ Short term borrowings carry interest rate ranging from 4% to 8% p.a.

18 Other financial liabilities

	March 31, 2021	March 31, 2020
Non-current		
Retention money	23	76
Security deposit received (Refer note 40)	50	52
Recovery against Vehicle Loan	41	98
Derivatives designated as cash flow hedge (Refer note 37)	64	-
Total	178	226
Current		
Current maturities of long term borrowings (Refer note 17(a))	12,010	0
Interest accrued but not due on borrowings	1,120	4
Unpaid dividends ¹	56	61
Payables relating purchase of property, plant & equipments	93	342
Security deposit received	3	4
Employee benefits payable	537	1,169
Accrued expenses	25	75
Derivatives designated as fair value hedge (Refer note 37)	1,633	873
Recovery against Vehicle Loan	26	56
Total	15,503	2,584

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.

19 Trade payables

	March 31, 2021	March 31, 2020
Total outstanding dues of micro, small and medium enterprises (Refer note 48) and	369	155
Total outstanding dues of creditors other than micro, small and medium enterprises	4,493	5,951
Trade payable to related parties (Refer note 40)	1,377	2,950
Total	6,239	9,056

20 Provisions

	March 31, 2021	March 31, 2020
For warranties	17	10
For contingencies	1	1
Total	18	11

Warranty

Provision for warranty relates to the estimated outflow in respect of warranty for products sold by the Company. Due to the very nature of such costs, it is not possible to estimate the timing/ uncertainties relating to the outflows of economic benefits.

Contingencies

Provision for contingencies relates to excise, entry tax and octroi demands including interest thereon, where applicable, being contested by the Company. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings.

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

	Warranty		Contingencies	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Opening Balance	10	7	1	1
Additions/(deletion) during the year	7	3	-	-
Closing Balance	17	10	1	1

21 Employee benefit obligations

	March 31, 2021		March 31, 2020	
	Current	Non-current	Current	Non-current
Gratuity	154	-	414	-
Compensated absences	55	277	164	485
for Provident fund scheme	1	-	1	-
Total	210	277	579	485

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

A. Defined Benefit Schemes

Gratuity

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

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

(i) Present Value of Defined Benefit Obligation

Obligations at year beginning

Service Cost - Current

Interest expense

Amount recognised in profit or loss

Remeasurements

Actuarial (gain)/ loss from change in financial assumption

Experience (gain)/loss

Amount recognised in other comprehensive income

Payment from plan:

Benefit payments

Addition/ (deletion) due to transfer of employee

Less: Transferred to Discontinued Operations

Obligations at year end

(ii) Fair Value of Plan Assets

Plan assets at year beginning, at fair value

Interest income

Amount recognised in profit or loss

Remeasurements

Actuarial (gain)/ loss from change in financial assumption

Return on plan assets, excluding amount included in interest income

Amount recognised in other comprehensive income

Payment from plan:

Benefit payments

Contributions:

Employers

Less: Transferred to Discontinued Operations

Plan assets at year end, at fair value

(iii) Assets and Liabilities recognized in the Balance Sheet

Present Value of the defined benefit obligations

Fair value of the plan assets

Amount recognized as Liability

(iv) Defined benefit obligations cost for the year:

Service Cost - Current

Interest Cost (Net)

Actuarial (gain)/ loss

Extinguishment to discontinued operations - service and interest cost

Extinguishment to discontinued operations - Actuarial (gain) / loss

Net defined benefit obligations cost

(v) Investment details of Plan Assets

The details of investments of plan assets are as follows:

LIC of India

Total

For the year ended	
March 31, 2021	March 31, 2020
1,772	1,454
160	140
115	106
275	246

(21)	121
(4)	22
(25)	143
(54)	(64)
(4)	(7)
(1,005)	-
959	1,772

For the year ended	
March 31, 2021	March 31, 2020
1,358	1,230
90	92
90	92

(0)	(3)
0	0
0	(3)

(7)	(4)
12	43
(648)	-
805	1,358

For the year ended	
March 31, 2021	March 31, 2020
959	1,772
805	1,358
154	414

For the year ended	
March 31, 2021	March 31, 2020
160	140
25	14
(25)	146
(86)	(69)
(11)	(86)
63	145

For the year ended	
March 31, 2021	March 31, 2020
100%	100%
100%	100%

Note: In respect of Employees Gratuity Fund, composition of plan assets is not readily available from LIC of India. 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:

	March 31, 2021	March 31, 2020
Discount Rate per annum	6.7%	6.6%
Future salary increases	8.0%	8.0%

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

(vii) Amount recognized in current year and previous four years:

	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
Defined benefit obligations	959	1,772	1,454	1,212	1,026
Plan assets	(805)	(1,358)	(1,230)	(1,087)	(808)
Deficit/(Surplus)	154	414	224	125	218

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

	For the year ended	
	March 31, 2021	March 31, 2020
Gratuity (Continued operations)	157	399

ix) Sensitivity Analysis

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

March 31, 2021	Change in Assumption	Impact	Increase in Assumption	Impact	Decrease in Assumption
Continuing operations:					
Discount Rate per annum	0.50%	Decrease by	(40)	Increase by	43
Future salary increases	1.0%	Increase by	90	Decrease by	(79)
March 31, 2020	Change in Assumption	Impact	Increase in Assumption	Impact	Decrease in Assumption
Continuing operations and Discontinued operations:					
Discount Rate per annum	0.50%	Decrease by	(74)	Increase by	80
Future salary increases	1.0%	Increase by	167	Decrease by	(147)

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.

x) Risk exposure

The gratuity scheme is a salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability or 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 .

xi) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 9 years (March 31, 2020: 9 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, 2021					
Defined benefit obligation (gratuity) of continuing operations	72	105	268	655	1,100
March 31, 2020					
Defined benefit obligation (gratuity) of continuing and discontinued operations	107	88	387	847	1,429

B. Defined Contribution Schemes

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

Amount recognised in the Statement of Profit & Loss is as follows (Refer note 29):

	For the year ended	
	March 31, 2021	March 31, 2020
Continuing operations:		
Provident fund paid to the authorities	237	232
Employee state insurance paid to the authorities	29	36
Contribution to other funds (Employee welfare etc.)	1	2
	267	270

C 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 by the Government of India. 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.

(All amounts in INR Million, unless otherwise stated)

22 Government grants

	March 31, 2021	March 31, 2020
Opening balance	309	104
Grants received during the year	2	258
Released to profit and loss (Refer note 26)	(1)	(2)
Released to profit and loss of discontinued operation (refer note 51)	(32)	(51)
Transferred to discontinued operation (refer note 51)	(252)	-
Closing balance	26	309
	March 31, 2021	March 31, 2020
Current portion	1	34
Non-current portion	25	275
Total	26	309

The Company has received an interest free loan from Pradeshia Industrial & Investment Corporation of U.P. Ltd. (PICUP) which is amortised based on the effective interest rate method and the amortised portion is treated as government grant.

The Company has also received Government grants relating to the purchase of property, plant and equipment and has presented the grant as deferred income which is credited to profit or loss on a straight-line basis over the expected lives of the related assets.

23 Current tax liabilities/ Non-current tax assets (net)

	March 31, 2021	March 31, 2020
Tax assets		
Non-current tax assets (net)	104	594
Tax liabilities		
Current tax liabilities (net)	-	-
Net tax liabilities/ (assets)	(104)	(594)

24 Other current liabilities

	March 31, 2021	March 31, 2020
Statutory dues including provident fund and tax deducted at source	41	368
Advances received from customers (Refer note 45)	528	838
Unearned revenue	3	7
Total	572	1,213

25 (a)	Revenue from contract with customers	For the year ended	
		March 31, 2021	March 31, 2020
	Sales of products		
	Finished goods		
	Within India	25,541	26,896
	Outside India	8,183	9,576
	Traded goods	1,120	1,287
	Total gross sales	34,844	37,759
	Sale of services	1,509	1,652
	Total revenue from contract with customers (Refer note 45)	36,353	39,411
Note: There is no material difference between the contract price and the revenue from contract with customers.			
25 (b)	Other operating revenue:	For the year ended	
		March 31, 2021	March 31, 2020
	Scrap sales	148	138
	Job work income	14	16
	Export incentives	74	191
	Liabilities written back to the extent no longer required	14	34
	Miscellaneous other operating income	89	60
	Total	339	439
26	Other income	For the year ended	
		March 31, 2021	March 31, 2020
	Interest income from financial assets at amortised cost	618	21
	Dividend Income		
	- From subsidiaries	-	2,992
	- From joint ventures	-	101
	- From equity investments designated at fair value through OCI	0	2
	Rent	63	62
	Exchange fluctuation (net)	382	451
	Gain on disposal of property, plant and equipment & investment property (net)	8	38
	Government grants & subsidies (Refer note 22)	1	2
	Miscellaneous income	32	54
	Total	1,104	3,723
27	Cost of materials consumed	For the year ended	
		March 31, 2021	March 31, 2020
	Opening stock of raw materials	5,115	5,050
	Add : Purchases of raw materials	37,569	35,758
	Less: Closing stock of raw materials	6,514	5,115
	Less: Cost of materials consumed in discontinued operations*	14,377	13,438
	Total	21,793	22,255
	*net of cost of materials consumed with respect to purchases from continuing operations (refer note 51)		
28	Changes in inventory of finished goods, work in progress and stock in trade	For the year ended	
		March 31, 2021	March 31, 2020
	(Increase)/ decrease in stocks		
	Stock at the opening of the year:		
	Finished goods	1,440	1,908
	Work-in-progress	1,905	1,922
	Total A	3,345	3,830
	Stock at the end of the year:		
	Finished goods	1,997	1,440
	Work-in-progress	2,383	1,905
	Total B	4,380	3,345
	Less: Changes in inventory of discontinued operations (refer note 51) (C)	(386)	407
	(Increase)/ decrease in stocks (A-B-C)	(649)	78
29	Employee benefit expense	For the year ended	
		March 31, 2021	March 31, 2020
	Salary, wages & bonus	4,426	4,491
	Contribution to provident & other fund (Refer note 21)	267	270
	Gratuity (Refer note 21)	99	85
	Staff welfare expenses	233	288
	Total	5,025	5,134

(All amounts in INR Million, unless otherwise stated)

30	Other expenses	For the year ended	
		March 31, 2021	March 31, 2020
	Electricity, water and fuel	990	1,106
	Repairs and maintenance:		
	Machinery	432	442
	Building	158	167
	Others	221	213
	Consumption of stores and spare parts	293	312
	Conversion charges	189	190
	Lease rent (Refer note 46)	173	328
	Rates & taxes	18	33
	Insurance	113	148
	Donation	9	8
	Travelling	144	282
	Freight & forwarding	1,084	1,027
	Royalty	53	77
	Cash Discount	-	47
	Commission	24	27
	Bad debts/ advances written off	0	0
	Provision for doubtful debts/advances	0	4
	Legal & professional expenses (Refer note (a) below)	796	785
	Expenditure towards corporate social responsibility (CSR) activities (Refer note (b) below)	235	37
	Miscellaneous expenses	483	619
	Total	5,415	5,852

(a): Payment to auditors:

As Auditor:

Audit fees (including limited review)	48	40
Other services	8	2
Reimbursement of expenses	0	4

Total

For the year ended	
March 31, 2021	March 31, 2020
48	40
8	2
0	4
56	46

(b): Corporate social responsibility expenditure

(i) Contribution to Swarn Lata Motherson Trust	61	35
(ii) Contribution for the promotion of education & other Initiatives	1	-
(iii) Contribution towards PM Care Funds	9	2

Amount required to be spent as per Section 135 of the Companies Act, 2013

Amount spent during the year on:

(i) Construction/acquisition of asset	-	-
(ii) Purpose other than (i) above	71	37

Amount yet to spent for which provision is considered in financial

	235	230
	71	37
	164	-

Note for Ongoing Projects and others:

Opening Balance

With Company	-	-
In Separate CSR Unspent A/c	-	-
Amount required to be spent during the year	96	139
Amount spent during the year		
From Company's bank A/c	71	-
From Separate CSR Unspent A/c	-	-

Closing Balance

With Company	-	-
In Separate CSR Unspent A/c	25	139

31	Finance costs	For the year ended	
		March 31, 2021	March 31, 2020
	Interest on long term borrowings	609	84
	Exchange differences regarded as an adjustment to borrowing costs ¹	99	(73)
	Interest on lease liabilities	72	70
	Other finance costs	117	167
	Total	897	248

¹ Includes foreign exchange loss/ (gain) on long term loan facilities of INR (196) million (March 31, 2020 : INR 512 million) and Mark to Market (gain)/ loss on derivatives of INR 295 million (March 31,2020: INR (585) million)

32	Depreciation and amortisation expense	For the year ended	
		March 31, 2021	March 31, 2020
	Depreciation on property, plant and equipment	1,789	2,045
	Depreciation on right of use assets ¹	186	158
	Amortisation on intangible assets	-	0
	Depreciation on investment Property ¹	25	121
	Less: Capitalised during the year ²	(17)	(11)
	Total	1,983	2,313

¹ Includes impairment loss amounting to Nil (March 31, 2020: INR 200 million) on Right-of-use assets and Nil (March 31, 2020: INR 100 million) on investment property during the year.

² Includes depreciation of INR 17 million (March 31, 2020: INR 11 million) capitalised during the year on assets used for creation of self generated assets (Refer note 3).

33	Income tax expense	For the year ended	
		March 31, 2021	March 31, 2020
	(a) Income tax expense		
	Current tax		
	Current income tax charged	612	1,440
	Adjustments for current tax of prior years	(3)	13
	Total current tax expense	609	1,453
	Deferred tax (refer note 11)		
	Decrease/ (increase) in deferred tax assets (net)	(118)	(130)
	Total deferred tax expense / (benefit)	(118)	(130)
	Income tax expense	491	1,323
	Income tax expense is attributable to:		
	Profit from continuing operations	491	1,323
		491	1,323
	(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
		For the year ended	
		March 31, 2021	March 31, 2020
	Profit before tax from continuing operations	2,432	6,708
	Tax at India's tax rate of 25.168% (March 2020: 25.168%)	612	1,688
	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)	(0)	(263)
	Tax impact on impairment loss recognised	-	52
	Impact of tax rate change on opening deferred tax	-	50
	Adjustments for tax of prior periods	(3)	13
	Tax impact on effective portion of fair value hedge	(117)	(200)
	Other adjustments	(1)	(17)
	Income tax expense of continuing operations	491	1,323
	Profit before tax from discontinued operations	4,396	4,906
	Tax at India's tax rate of 25.168% (March 2020: 25.168%)	1,106	1,235
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
	Other adjustments	23	68
	Income tax expense of discontinued operations	1,129	1,303
34	Earnings per share	For the year ended	
		March 31, 2021	March 31, 2020
	For continuing operations		
	a) Basic		
	Net profit after tax available for equity Shareholders	1,941	5,385
	Weighted average number of equity shares used to compute basic earnings per share	3,157,934,237	3,157,934,237
	Basic earnings (in INR) per Share of INR 1 each. (March 31, 2020: INR 1 each)	0.61	1.71
	b) Diluted (Refer note (i) below)		
	Net profit after tax available for equity Shareholders	1,941	5,385
	Weighted average number of Equity Shares of INR 1 each (March 31, 2020: INR 1 each)	3,157,934,237	3,157,934,237
	Diluted earnings (in INR) per share of INR 1 each. (March 31, 2020: INR 1 each)	0.61	1.71
	For discontinued operations		
	a) Basic		
	Net profit after tax available for equity Shareholders	3,267	3,603
	Weighted average number of equity shares used to compute basic earnings per share	3,157,934,237	3,157,934,237
	Basic earnings (in INR) per Share of INR 1 each. (March 31, 2020: INR 1 each)	1.03	1.14
	b) Diluted (Refer note (i) below)		
	Net profit after tax available for equity Shareholders	3,267	3,603
	Weighted average number of Equity Shares of INR 1 each (March 31, 2020: INR 1 each)	3,157,934,237	3,157,934,237
	Diluted earnings (in INR) per share of INR 1 each. (March 31, 2020: INR 1 each)	1.03	1.14
	For continuing and discontinued operations		
	a) Basic		
	Net profit after tax available for equity Shareholders	5,207	8,988
	Equity shares outstanding at the beginning of the year	3,157,934,237	3,157,934,237
	Weighted average number of equity shares used to compute basic earnings per share	3,157,934,237	3,157,934,237
	Basic earnings (in INR) per Share of INR 1 each. (March 31, 2020: INR 1 each)	1.65	2.85
	b) Diluted (Refer note (i) below)		
	Net profit after tax available for equity Shareholders	5,207	8,988
	Weighted average number of Equity Shares of INR 1 each (March 31, 2020: INR 1 each)	3,157,934,237	3,157,934,237
	Diluted earnings (in INR) per share of INR 1 each. (March 31, 2020: INR 1 each)	1.65	2.85
	(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.		
35	The following expenses incurred on Research and Development is included under respective account heads:	For the year ended	
		March 31, 2021	March 31, 2020
	Employee benefit expenses	212	210
	Other expenses	37	51
	Capital expenditure	0	1

36 Fair value measurements
Financial instruments by category

	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised Cost*	FVPL	FVOCI	Amortised Cost*
Financial assets						
Investments	-	198	-	-	192	-
Trade receivables	-	-	5,185	-	-	8,675
Loans	-	-	26,808	-	-	265
Cash and cash equivalents	-	-	2,556	-	-	2,366
Other financial assets	-	-	2,125	-	-	1,188
Total financial assets	-	198	36,674	-	192	12,494
Financial Liabilities						
Borrowings	-	-	47,800	-	-	14,194
Trade payables	-	-	6,239	-	-	9,056
Other financial liabilities	1,633	-	2,039	873	-	1,937
Total financial liabilities	1,633	-	56,077	873	-	25,187

i. Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2021

	Level1	Level 2	Level 3	Total
Financial asset				
Financial Investments at FVOCI				
Listed equity investments	12	-	-	12
Unquoted equity investments	-	-	186	186
Total	12	-	186	198
Financial liabilities				
Borrowings	-	26,220	21,580	47,800
Other financial liabilities	-	1,633	2,039	3,672
Total financial liabilities	-	27,853	23,618	51,472

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2020

	Level 1	Level 2	Level 3	Total
Financial asset				
Financial Investments at FVOCI				
Listed equity investments	6	-	-	6
Unquoted equity investments	-	-	186	186
Total	6	-	186	192
Financial liabilities				
Borrowings	-	-	14,194	14,194
Other financial liabilities	-	873	226	1,099
Total financial liabilities	-	873	14,420	15,293

*The carrying amounts of trade receivables, borrowings, cash and cash equivalents, other financial assets, trade payables and other financial liabilities are considered to be the same as their face values.

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. Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
- the fair value of the remaining financial instruments covered under level 3 is determined using discounted cash flow analysis.

iii. Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2021 and March 31, 2020:

	Unquoted equity instruments
As at March 31, 2019	188
Gains/(losses) recognised in other comprehensive income	(2)
As at March 31, 2020	186
Gains/(losses) recognised in other comprehensive income	-
As at March 31, 2021	186

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

	March 31, 2021		March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Loan to related party ¹	23,732	23,732	125	125
Loan to employees ¹	20	20	51	51
	23,752	23,752	176	176
Financial liabilities				
Borrowings ²	34,265	34,265	11,915	11,915
Other financial liabilities ¹	178	178	226	226
	34,443	34,443	12,141	12,141

¹ The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

² During financial year 2016-17 loan amounting to INR 10,975 million was taken at market rates. Loan amounting to INR 5,846 million as at March 31, 2021 (March 31, 2020: INR 6,039 million) carries floating rate of interest. The Company has taken interest rate swap for the borrowing with fixed interest rate amounting to INR 5,750 million.

During the financial year 2020-21, the Company has taken interest rate swap for the borrowing with fixed interest rate amounting to INR 29,800 million; and borrowing with fixed interest rate amounting to INR 5,000 million.

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.

v. Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (ii) above for the valuation techniques adopted:

	Fair Value as at	
	March 31, 2021	March 31, 2020
Unquoted equity instruments	186	186
Significant unobservable inputs ¹		
Earnings growth rate	4%	4%
Risk adjusted discount rate	16%	16%
Sensitivity		
Impact of change in risk adjusted discount rate ²		
Decrease in discount rate by 0.50%	19	19
Increase in discount rate by 0.50%	(17)	(17)
Impact of change in earnings growth rate ²		
Decrease in growth rate by 0.50%	(14)	(14)
Increase in growth rate by 0.50%	16	16

¹ There were no significant inter-relationships between unobservable inputs that materially affect fair values

² Holding all the other variables constant

37 (a) Financial risk management

The Company in its capacity as an internationally active supplier for the automobile industry is exposed to various risks i.e., market risk, liquidity risk and credit risk. The company has global presence and decentralized management structure. Concentrating on the plants make it necessary for implementing an organized risk management system. The Company is therefore exposed to risks associated with global organizations and automotive industry in particular.

The Company has set up a Risk Management Committee (RMC) at the board level to periodically review operating, financial and strategic risks in the business and their mitigating factors. RMC has formulated Risk Management Policy for the Company which outlines the risk management framework to help minimize the impact of uncertainty on the Company's strategic goals. The framework enables a structured and disciplined approach to risk management. The Company has developed guidelines on risk controlling and the use of financial instruments. These guidelines contain a clear allocation of duties. Risks are controlled and monitored by means of operational and financial measures.

Below are the major risks which can impact the Company:

A Market risk:

Market risk is the risk that the fair value of future cashflows of a financial instruments will fluctuate because of changes in market price/ rate. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

a. Price risk:

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company in its various products segment. Substantial pricing pressure from major OEMs to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the Company. The Group has set up Global Sourcing Procurement (GSP) at Sharjah which gives leverage of bulk buying and helps in controlling prices to a certain extent.

The key raw material for the Company's wiring harness business is copper. There is substantial fluctuations in prices of copper. The Company has arrangements with its major customers for passing on the price impact.

The major raw materials used by Polymer Division of the Company are polypropylenes, polycarbonates and various grades of nylons and resins. The Company is having arrangement with major customers for actualization of raw material price variations periodically. MotherSON Polymer Solutions, compounding unit has been established with a view of taking leverage on group's bulk consumption on major grades. The setting up of GSP further strengthens the procurement function.

The Company is regularly taking initiatives like VA-VE (value addition, value engineering) to reduce its raw material costs to meet targets set up by its customers for cost downs. In respect of customer nominated parts, the Company has back to back arrangements for cost savings with its suppliers.

b. Foreign currency risk:

The exchange variations in India has mainly impacted the imports, but however the Company has arrangements with its major domestic customers for passing on the exchange impact on import purchase and has considerably increased its export sales during last few years to attain natural hedge. The Company also does selective hedging to hedge its risks associated with foreign currency.

The hedged and unhedged foreign currency exposure is as follows:

(i) Derivatives outstanding as at the reporting date

Particulars/ Purpose	Currency (Amount in million)	As At March 31, 2021	As At March 31, 2020
		USD 80; EUR 74	USD 80; EUR 74
	USD : EUR	USD 80; EUR 74	USD 80; EUR 74
	INR : EUR	INR 5,750; EUR 81	INR 5,750; EUR 81
	INR : EUR	INR 5,197; EUR 60	-
	INR : EUR	INR 2,596; EUR 30	-
	INR : EUR	INR 2,595; EUR 30	-
	INR : EUR	INR 2,607; EUR 30	-
Cross currency swap	INR : USD	INR 2,198; USD 30	-
	INR : USD	INR 2,204; USD 30	-
	INR : USD	INR 1,469; USD 20	-
	INR : USD	INR 2,427; USD 33	-
	INR : EUR	INR 3,448; EUR 40	-
	INR : EUR	INR 2,595; EUR 30	-
	INR : EUR	INR 2,593; EUR 30	-

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

	March 31, 2021		March 31, 2020	
	Payable / (Receivable)		Payable / (Receivable)	
	Amount in Foreign currency in million	Amount in INR	Amount in Foreign currency in million	Amount in INR
AUD	(0)	(14)	(0)	(12)
CHF	0	8	0	17
CNY	0	4	8	85
EUR	(72)	(6,173)	(15)	(1,266)
GBP	(0)	(0)	(0)	(29)
JPY	1,962	1,306	1,779	1,257
KRW	-	-	(1,431)	(89)
SEK	0	0	0	1
SGD	0	5	0	2
THB	27	64	15	36
USD	90	6,595	79	5,966

Foreign currency sensitivity on unhedged exposure

1% increase / decrease in foreign exchange rates will have the following impact on profit before tax:

	Impact on profit before tax	
	March 31, 2021	March 31, 2020
Increase by 1% in forex rate	(18)	(78)
Decrease by 1% in forex rate	18	78

(iii) Mark to market losses / (gain) on cross currency interest rate swaps

	For the year ended	
	March 31, 2021	March 31, 2020
Mark to Market losses/(gain) on cross currency interest rate swaps	272	208

c. Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. During March 31, 2021 and March 31, 2020, the Company's borrowings at variable rate were mainly denominated in INR and USD.

(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, 2021	March 31, 2020
Variable rate borrowings	7,372	8,318
Fixed rate borrowings	40,428	5,876
Total borrowings	47,800	14,194

An analysis by maturities is provided in Note [C (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 before tax	
	March 31, 2021	March 31, 2020
Interest rates-increase by 50 basis points*	(37)	(42)
Interest rates-decrease by 50 basis points*	37	42

* Holding all other variables constant

B Credit risk:

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

Trade receivables

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers (OEMs) with good credit ratings. Non-OEM 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 and impairment.

Financial instruments and cash deposits

The Company has deposited liquid funds at various banking institutions. Primary banking institutions are major Indian and foreign banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due.

C 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.

(i) Financing arrangements

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

	March 31, 2021	March 31, 2020
Floating rate		
- Expiring within one year (cash credit and other facilities)	8,977	5,221

(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 and derivative financial liabilities:

Year Ended March 31, 2021	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	14,291	35,283	-	49,574
Trade payables	6,239	-	-	6,239
Other financial liabilities	1,862	178	-	2,040
Lease liabilities	183	538	353	1,074
Total non-derivative liabilities	22,575	35,999	353	58,927
Derivatives				
Derivatives designated as hedge	1,632	65	-	1,697
Total derivative liabilities	1,632	65	-	1,697
Year Ended March 31, 2020	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	2,351	12,059	-	14,410
Trade payables	9,056	-	-	9,056
Other financial liabilities	1,710	226	-	1,936
Lease liabilities	219	690	645	1,554
Total non-derivative liabilities	13,336	12,975	645	26,956
Derivatives				
Derivatives designated as hedge	873	-	-	873
Total derivative liabilities	873	-	-	873

37 (b) Details related to hedging instrument

Fair value hedge	Nominal amount of the hedging instrument (in million)	Carrying amount of hedging instrument		Line item in balance sheet where hedging instrument is disclosed	Change in fair value for calculating hedge ineffectiveness
		Assets	Liabilities		
March 31, 2021					
(i) Cross currency interest rate swap	USD 80; EUR 74	-	498	Other financial liabilities	431
	INR 5,750; EUR 81	-	1,135		328
(ii) Loan	USD 80	-	5,846	Non-current borrowings	(196)
	INR 5,750	-	5,750		-
March 31, 2020					
(i) Cross currency interest rate swap	USD 80; EUR 74	-	67	Other financial liabilities	(142)
	INR 5,750; EUR 81	-	808		351
(ii) Loan	USD 80	-	6,044	Non-current borrowings	512
	INR 5,750	-	5,750		-

37 (c) Details related to hedged item

Fair value hedge	Carrying amount of hedged item		Accumulated amount of fair value adjustments on the hedged item included in the carrying amount of the hedged item		Line item in balance sheet where hedging item is disclosed	Change in value used for calculating hedge ineffectiveness	Accumulated amount of fair value adjustments on the hedged item included in the carrying amount of hedged item that have ceased to be adjusted for hedging gains and losses
	Assets	Liabilities	Assets	Liabilities			
For March 31, 2021:							
(i) Investment	15,068		2,349	-	Non-current investments	464	-
For March 31, 2020:							
(i) Investment	14,604		1,885	-	Non-current investments	793	-

Details of impact of fair value hedge on statement of profit and loss

Fair value hedge	Ineffectiveness recognized in profit or loss	Line items in profit and loss
For year ended on 31 March 2021:		
(i) Investment	99	Finance cost
For year ended on 31 March 2020:		
(i) Investment	(72)	Finance cost

37 (d) Details related to cashflow hedge

Type of hedge and risks	Nominal value	Carrying amount of		Maturity date	Hedge ratio	Weighted average strike price / rate	Changes in fair value of	Change in the value of hedged item used as
		Assets	Liabilities					
(i) Cross currency interest rate swap	INR 8,636	-	64	Oct'2025	1:1	EUR:INR: 86.3590	(64)	64
	INR 12,995	347	-	Sep'2023	1:1	EUR:INR: 86.6321	347	(347)
	INR 8,298	204	-	Sep'2023	1:1	USD:INR: 74.4326	204	(204)

38 Capital management

(a) Risk management

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

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

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

	March 31, 2021	March 31, 2020
Net Debt*	45,742	11,888
EBITDA	10,446	14,803
Net Debt to EBITDA^	4.38	0.80

*Lease liabilities recognised as per Ind AS 116 is not included in Net Debt (Refer Note 46)

^ Net Debt and EBITDA is inclusive of discontinued operations to make the ratio comparable.

(b) Loan covenants

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

(c) Dividends

	March 31, 2021	March 31, 2020
On Equity shares of INR 1 each		
Final dividend		
Amount of dividend paid (pertains to previous financial year)	-	4,737
Dividend per equity share	-	1.50
Interim Dividend		
Amount of dividend paid	-	4,737
Dividend per equity share	-	1.50

39 Distribution made and proposed

	March 31, 2021	March 31, 2020
Cash dividends on equity shares declared and paid		
Final cash dividend for the year ended on March 31, 2020: Nil (March 31, 2019: INR 1.5) per share	-	4,737
DDT on final dividend*	-	915
Interim dividend for the year ended on March 31, 2021: Nil (March 31, 2020: INR 1.5 per share)	-	4,737
DDT on interim dividend	-	425
	-	10,814
Proposed dividends on Equity shares		
Final cash dividend for the year ended on March 31, 2021: INR 1.50 (March 31, 2020: Nil) per share	4,737	-
DDT on proposed dividend	-	-
	4,737	-

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31.

* Actual amount of dividend distribution tax (DDT) deposited is in accordance with provision of Income Tax Act.

40 Related Party Disclosures**I. Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below:****a. Promoters / Entities with joint control over the Company**

			Ownership interest	
	Name	Place of incorporation	March 31, 2021	March 31, 2020
1	Samvardhana Motherson International Limited	India	33.43%	33.43%
2	Sumitomo Wiring Systems Limited, Japan	Japan	25.10%	25.10%

Relationship where control exists**b. Subsidiaries of the Company**

- 1 MSSL Mauritius Holdings Limited
- 2 Motherson Electrical Wires Lanka Private Limited
- 3 MSSL Mideast (FZE)
- 4 MSSL (S) Pte Limited
- 5 Motherson Innovations Tech Limited (esrt MSSL Automobile Component Limited)
- 6 Samvardhana Motherson Polymers Limited
- 7 MSSL (GB) Limited
- 8 Motherson Wiring System (FZE)
- 9 MSSL Tooling (FZE)
- 10 MSSL GmbH
- 11 Samvardhana Motherson Invest Deutschland GmbH
- 12 MSSL Advanced Polymers s.r.o.
- 13 Motherson Techno Precision GmbH
- 14 MSSL s.r.l. Unipersonale
- 15 Motherson Techno Precision México, S.A. de C.V.
- 16 MSSL Manufacturing Hungary Kft
- 17 Motherson Air Travel Pvt Ltd
- 18 MSSL Australia Pty Limited
- 19 Motherson Elastomers Pty Limited
- 20 Motherson Investments Pty Limited
- 21 MSSL Ireland Private Limited
- 22 MSSL Global RSA Module Engineering Limited
- 23 MSSL Japan Limited
- 24 Vacuform 2000 (Proprietary) Limited
- 25 MSSL México, S.A. De C.V.
- 26 MSSL WH System (Thailand) Co., Ltd
- 27 MSSL Korea WH Limited
- 28 MSSL Consolidated Inc.
- 29 MSSL Wiring System Inc
- 30 Alphabet de Mexico, S.A. de C.V.
- 31 Alphabet de Mexico de Monclova, S.A. de C.V.
- 32 Alphabet de Saltillo, S.A. de C.V.
- 33 MSSL Wirings Juarez, S.A. de C.V.
- 34 Samvardhana Motherson Global Holdings Ltd.
- 35 Samvardhana Motherson Automotive Systems Group B.V. (SMRPBV)
- 36 Samvardhana Motherson Reflectec Group Holdings Limited (SMR)
- 37 SMR Automotive Technology Holding Cyprus Limited
- 38 SMR Automotive Mirror Parts and Holdings UK Ltd
- 39 SMR Automotive Holding Hong Kong Limited
- 40 SMR Automotive Systems India Limited
- 41 SMR Automotive Systems France S.A.
- 42 SMR Automotive Mirror Technology Holding Hungary KFT
- 43 SMR Patents S.à.r.l.
- 44 SMR Automotive Technology Valencia S.A.U.
- 45 SMR Automotive Mirrors UK Limited
- 46 SMR Automotive Mirror International USA Inc.
- 47 SMR Automotive Systems USA Inc.
- 48 SMR Automotive Beijing Company Limited
- 49 SMR Automotive Yancheng Co. Limited
- 50 SMR Automotive Mirror Systems Holding Deutschland GmbH
- 51 SMR Holding Australia Pty Limited
- 52 SMR Automotive Australia Pty Limited
- 53 SMR Automotive Mirror Technology Hungary BT
- 54 Motherson Business Service Hungary Kft.
- 55 SMR Automotive Modules Korea Ltd.
- 56 SMR Automotive Beteiligungen Deutschland GmbH

- 57 SMR Hyosang Automotive Ltd.
- 58 SMR Automotive Mirrors Stuttgart GmbH
- 59 SMR Automotive Systems Spain S.A.U.
- 60 SMR Automotive Vision Systems Mexico S.A. de C.V.
- 61 SMR Grundbesitz GmbH & Co. KG
- 62 SMR Automotive Brasil Ltda.
- 63 SMR Automotive System (Thailand) Limited
- 64 SMR Automotives Systems Macedonia Dooel Skopje
- 65 SMR Automotive Operations Japan K.K.
- 66 SMR Automotive (Langfang) Co. Ltd
- 67 SMR Automotive Vision System Operations USA INC
- 68 SMR Mirror UK Limited
- 69 Motherson Innovations Company Limited
- 70 Motherson Innovations Deutschland GmbH
- 71 Samvardhana Motherson Global (FZE)
- 72 SMR Automotive Industries RUS Limited Liability Company
- 73 Re-time Pty Limited
- 74 Samvardhana Motherson Peguform GmbH (SMP)
- 75 SMP Automotive Interiors (Beijing) Co. Ltd.
- 76 SMP Deutschland GmbH
- 77 SMP Logistik Service GmbH
- 78 SMP Automotive Solutions Slovakia s.r.o.
- 79 Changchun Peguform Automotive Plastics Technology Co., Ltd.
- 80 Foshan Peguform Automotive Plastics Technology Co. Ltd.
- 81 Shenyang SMP Automotive Plastic Component Co. Ltd.
- 82 Tianjin SMP Automotive Component Company Limited
- 83 Shenyang SMP Automotive Trim Co., Ltd
- 84 SMP Automotive Technology Management Services (Changchun) Co. Ltd.
- 85 SMP Automotive Technology Iberica S.L.
- 86 Samvardhana Motherson Peguform Barcelona S.L.U
- 87 SMP Automotive Technologies Teruel Sociedad Limitada
- 88 Samvardhana Motherson Peguform Automotive Technology Portugal S.A.
- 89 SMP Automotive Systems Mexico S.A. de C.V.
- 90 SMP Automotive Produtos Automotivos do Brasil Ltda.
- 91 SMP Automotive Exterior GmbH
- 92 Samvardhana Motherson Innovative Autosystems B.V. & Co. KG
- 93 Samvardhana Motherson Innovative Autosystems Holding Company BV
- 94 SM Real Estate GmbH
- 95 Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V.
- 96 SMP Automotive Systems Alabama Inc.
- 97 Celulosa Fabril (Cefa) S.A.
- 98 Modulos Ribera Alta S.L.Unipersonal
- 99 Motherson Innovations Lights GmbH & Co KG
- 100 Motherson Innovations Lights Verwaltungs GmbH
- 101 SMP Automotive Interior Modules d.o.o. Čuprija
- 102 MSSL Estonia WH OÜ
- 103 PKC Group Oy
- 104 PKC Wiring Systems Oy
- 105 PKC Group Poland Sp. z o.o.
- 106 PKC Wiring Systems Llc
- 107 PKC Group APAC Limited
- 108 PKC Group Canada Inc.
- 109 PKC Group USA Inc.
- 110 PKC Group Mexico S.A. de C.V.
- 111 Project del Holding S.a.r.l.
- 112 PK Cables do Brasil Ltda
- 113 PKC Eesti AS
- 114 TKV-sarjat Oy
- 115 PKC SEGU Systemelektrik GmbH
- 116 Groclin Luxembourg S.à r.l.
- 117 PKC Vehicle Technology (Suzhou) Co., Ltd.
- 118 AEES Inc.
- 119 PKC Group Lithuania UAB
- 120 PKC Group Poland Holding Sp. z o.o.
- 121 OOO AEK
- 122 Kabel-Technik-Polska Sp. z o.o.
- 123 T.I.C.S. Corporation
- 124 AEES Power Systems Limited partnership
- 125 Fortitude Industries Inc.
- 126 AEES Manufactuera, S. De R.L de C.V.

- 127 Cableodos del Norte II, S. de R.L de C.V.
- 128 Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.
- 129 Arnese y Accesorios de México, S. de R.L de C.V.
- 130 Asesoría Mexicana Empresarial, S. de R.L de C.V.
- 131 Arnese de Ciudad Juárez, S. de R.L de C.V.
- 132 PKC Group de Piedras Negras, S. de R.L. de C.V.
- 133 PKC Group AEES Commercial S. de R.L de C.V
- 134 Jiangsu Huakai-PKC Wire Harness Co., Ltd.
- 135 PKC Vehicle Technology (Hefei) Co, Ltd.
- 136 PKC Vehicle Technology (Fuyang) Co., Ltd.
- 137 Shangdong Huakai-PKC Wire Harness Co., Ltd.
- 138 Motherson Rolling Stock Systems GB Limited
- 139 Motherson PKC Harness Systems FZ-LLC
- 140 Wisetime Oy
- 141 Motherson Rolling Stocks S. de R.L. de C.V.
- 142 Global Environment Management (FZC)
- 143 SMRC Automotive Holdings B.V.
- 144 SMRC Automotive Holdings Netherlands B.V.
- 145 SMRC Automotives Techno Minority Holdings B.V.
- 146 SMRC Smart Automotive Interior Technologies USA, LLC
- 147 SMRC Automotive Modules France SAS
- 148 Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.
- 149 SMRC Automotive Interiors Spain S.L.U.
- 150 SMRC Automotive Interior Modules Croatia d.o.o
- 151 Samvardhana Motherson Reydel Autotecc Morocco SAS
- 152 SMRC Automotive Technology RU LLC
- 153 SMRC Smart Interior Systems Germany GmbH
- 154 SMRC Automotive Interiors Products Poland SA
- 155 SMRC Automotive Solutions Slovakia s.r.o.
- 156 SMRC Automotive Holding South America B.V.
- 157 SMRC Automotive Modules South America Minority Holdings B.V.
- 158 SMRC Automotive Tech Argentina S.A.
- 159 SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda
- 160 SMRC Automotive Products India Limited
- 161 SMRC Automotive Smart Interior Tech (Thailand) Ltd.
- 162 SMRC Automotive Interiors Japan Ltd.
- 163 Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd.
- 164 PT SMRC Automotive Technology Indonesia
- 165 Yujin SMRC Automotive Techno Corp.
- 166 SMRC Automotives Technology Phil Inc.
- 167 Motherson Innovations LLC
- 168 Samvardhana Motherson Corp Management Shanghai Co Ltd.
- 169 Motherson Ossia Innovations llc.
- 170 Motherson Sumi Wiring India Limited
- 171 Motherson Polymers Compounding Solution Limited (merged with the Company, refer note 50)
- 172 SMRC Automotive Interiors Management B.V. (liquidated w.e.f March 24, 2021)
- 173 MSSL M Tooling Ltd (liquidated w.e.f. 30.10.2020)
- 174 Samvardhana Motherson Polymers Management Germany GmbH (merged with MSSL GmbH on August 30, 2019)
- 175 PKC Netherlands Holding B.V. (Liquidated on July 31, 2019)
- 176 PK Cables Nederland B.V. (Liquidated on July 31, 2019)
- 177 SMR Automotive Servicios Mexico S.A. de C.V. (liquidated on July 2, 2019)

c. Joint Ventures:

- 1 Kyungshin Industrial Motherson Private Limited
- 2 Calsonic Kansei Motherson Auto Products Private Limited
- 3 Ningbo SMR Huaxiang Automotive Mirrors Co. Limited (Indirectly through Subsidiary)
- 4 Chongqing SMR Huaxiang Automotive Products Limited (Indirectly through Subsidiary)
- 5 Tianjin SMR Huaxiang Automotive Part Co. Limited (Indirectly through Subsidiary)
- 6 Eissmann SMP Automotive Interieur Slovensko s.r.o (Indirectly through Subsidiary)

d. Associate Companies:

- 1 Saks Ancillaries Limited
- 2 Hubei Zhengao PKC Automotive Wiring Company Ltd.

(All amounts in INR Million, unless otherwise stated)

Key management personnel compensation

	March 31, 2021	March 31, 2020
Short-term employee benefits	63	61
Directors commission/sitting fees	29	18
Post-employment benefits payable	50	46
Long-term employee benefits payable	16	16

Transactions relating to sales and purchase of goods with related parties during the year are based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions and at market rates.

There is no significant allowance for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties. Outstanding balances are unsecured and are repayable in cash.

[illegible]

(All amounts in INR Million, unless otherwise stated)

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

S. No.	Particulars	Subsidiaries		Joint ventures		Associate Companies		Joint control over the entity		Other related parties	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
1	Trade Payable	444	295	0	0	-	-	2,028	2,044	651	611
2	Trade Receivable	1,668	2,494	364	146	-	-	1	1	87	83
3	Other financial assets	-	42	-	-	-	-	-	-	-	-
4	Advances recoverable	166	3	-	-	-	-	-	-	77	134
5	Advances from customer	24	37	3	-	-	-	1	1	-	0
6	Investments	52,948	44,320	486	486	11	11	-	-	14	14
7	Capital advance given	-	-	-	-	-	-	-	-	31	-
8	Guarantees given	13,497	13,127	-	-	-	-	-	-	-	-

(d) Loans & advances to / from related parties

S. No.	Particulars	Subsidiaries		Joint ventures		Other related parties	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
i.	Security deposits given:						
	Beginning of the year	-	-	-	-	488	464
	Security deposit given	-	-	-	-	68	75
	Security deposits received back	-	-	-	-	(141)	(51)
	End of the year	-	-	-	-	415	488
ii.	Security Deposit Received:						
	Beginning of the year	-	-	35	35	14	14
	Security deposits received	-	-	-	-	3	-
	Security deposits repaid	-	-	(1)	-	-	-
	End of the year	-	-	34	35	17	14
iii.	Loans given						
	Beginning of the year	1	14	-	-	131	-
	Loans given	26,424	-	-	-	300	125
	Interest charged	345	1	-	-	31	6
	Interest received	-	-	-	-	(5)	-
	Loans received back	-	(14)	-	-	-	-
	Exchange gain / (loss) on translation	(114)	-	-	-	-	-
	End of the year	26,656	1	-	-	457	131

* Rent of INR 5 million (March 31, 2020: INR 5 million) paid to Mr. V.C Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, and Ms. Vidhi Sehgal.

**Dividend of Nil (March 31, 2020 : INR 270 million) paid to Mr. V. C. Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, Ms. Neelu Mehra, Ms. Geeta Soni, Mr. Pankaj Mital, Mr. G.N. Gauba, Ms. Geeta Mathur, Mr Naveen Ganzu, Arjun Puri, Alok Goel and Mr. Gautam Mukherjee.

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

41 Segment Information:

Description of segments and principal activities

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

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

A. Disaggregated revenue information

i) Revenue from external customers

India
Outside India

March 31, 2021	March 31, 2020
27,582	29,239
9,110	10,611
36,692	39,850

Type of goods or Services

Sales of Components
Tool development
Sale of services

Total revenue from contracts with customers

March 31, 2021	March 31, 2020
33,724	36,472
1,120	1,287
1,509	1,652
36,353	39,411

Timing of revenue recognition

As a point in time
Over a period of time

Total revenue from contracts with customers

March 31, 2021	March 31, 2020
35,233	38,124
1,120	1,287
36,353	39,411

ii) Segment Assets

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

India
Outside India

March 31, 2021	March 31, 2020
18,056	20,572
-	-
18,056	20,572

iii) Capital expenditure

March 31, 2021	March 31, 2020
1,603	3,471

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

Customer 1

March 31, 2021	March 31, 2020
-	-

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42 Capital and Other Commitments

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

	March 31, 2021	March 31, 2020
Property, plant and equipment		
Estimated value of contracts in capital account remaining to be executed, (net of advances of INR 140 million (March 31, 2020: INR 85 million))	940	534
Estimated value of contracts of discontinued operations in capital account remaining to be executed, (net of advances of INR 8 million)	135	-
Investment property		
Estimated value of purchase consideration outstanding, (net of advances of Nil (March 31, 2020: INR 110 million))	-	-
Total	940	534

43 Contingent liabilities:

Claims against the Company not acknowledged as debts^

	March 31, 2021	March 31, 2020
a) Excise, sales tax and service tax matters*	52	65
b) Claims made by workmen	65	44
c) Income tax matters	95	152

* Against which Company has given bank guarantees amounting to Nil (March 31, 2020 : INR 2 million)

^ Includes contingent liabilities of discontinued operations.

- a) The Company does not expect any reimbursements in respect of the above contingent liabilities.
b) The Company has assessed that it is only possible but not probable that outflow of economic resources will be required.

44 Assets pledged as security

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

	Notes	March 31, 2021*	March 31, 2020*
Current:			
Financial assets			
First charge			
Cash and cash equivalents	13	2,867	2,300
Trade receivables	8	11,934	8,675
Inventory	12	13,530	9,931
Other current assets		6,021	2,315
Total current assets pledged as security		34,352	23,221
Non Current:			
Second charge			
Freehold and leasehold land	3	1,072	987
Buildings and leasehold improvements	3	7,686	7,583
Plant & Machinery	3	6,816	6,906
Other items of PPE	3	289	343
Investment property	4	835	747
Non current investment	6(a)	24,705	24,705
Capital advance	11	-	110
Total non-current assets pledged as security		41,403	41,381
Total assets pledged as security		75,755	64,602

* Assets pledged includes assets of discontinued operations

45 Ind AS 115 Revenue from contracts with customers

The transaction price allocated to the remaining performance obligations related to tool development (unsatisfied or partially unsatisfied) are, as follows:

	March 31, 2021	March 31, 2020
Within one year	370	265
More than one year	1	1
Total	371	266

Table below provides information on revenue recognised from :

	March 31, 2021	March 31, 2020
Amounts included in contract liabilities at the beginning of the year	627	352
Performance obligations partly satisfied in previous years	172	289

(All amounts in INR Million, unless otherwise stated)

The table below represents summary of contract assets and liabilities relating to contracts with customers :

	March 31, 2021	March 31, 2020
Receivables (Refer note 8)	5,185	8,675
Contract assets (Refer note 9)	473	423
Contract liabilities (Refer note 24)	528	838

46 Leases

The Company elected to apply Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from April 01, 2019, using the modified retrospective method. The Company assesses each lease contract and if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Company recognised right to use assets and lease liabilities for those lease contracts except for short-term lease and lease of low-value assets.

The Company has leases contracts for land, premises, plant & machinery and vehicles. These lease arrangements for land are for a period upto 99 years, for premises are for a period upto 10 years, plant & machinery are for a period upto 5 years and vehicles are for a period upto 5 years. The Company also has certain leases of machinery, computers, vehicles with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

	March 31, 2021	March 31, 2020
Current lease liabilities	122	137
Non-current lease liabilities	600	791
	<u>722</u>	<u>928</u>

Amount recognised in statement of profit and loss during the year on account of Ind AS 116

	March 31, 2021	March 31, 2020
Interest expense on lease liabilities (included in finance cost)	72	70
Depreciation of Right of Use assets	186	158
Lease expense derecognised	229	190

Other items included in statement of profit and loss during the year:

Short term and low value lease payments	173	328
---	-----	-----

47 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company's operations and standalone financial for year ended March 31, 2021 have been impacted partially by the outbreak of COVID-19 pandemic and the consequent lockdown announced by central and state governments, due to which the operations were suspended for a large part of first quarter of the financial year and resumed gradually with prescribed regulations and precautions and reached upto the pre-pandemic outbreak levels. Accordingly, the standalone financial statements for the year ended March 31, 2021 are not strictly comparable with those of previous year.

The Company has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to fulfil its performance obligations under the contract with customers;(ii) revision of estimations of costs to complete the contract because of additional efforts; (iii) termination or deferment of contracts by customers. The Company concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Investments and other financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future demand of its products. The Company has performed analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

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48 Dues to micro, small and medium 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:

	March 31, 2021	March 31, 2020
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	545	155
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1	(0)
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	2,107	1,767
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	4	5
Further interest remaining due and payable for earlier years	-	-

49 Disclosure pursuant to the Regulation 34(3) read with para A of Schedule V to Securities and Exchange Board of India (Listing Obligations And Disclosures Requirements) Regulation, 2015:

a) Loans and advances in the nature of loans to subsidiaries and associates

	March 31, 2021	March 31, 2020
Loan to Subsidiary : Samvardhana Motherson Polymer Limited		
Balance as at year end	-	-
Maximum amount outstanding at any time during the year	-	2
Loan to Subsidiary: Motherson Polymers Compounding Solution Limited		
Balance as at year end	-	-
Maximum amount outstanding at any time during the year	-	12
Loan to Subsidiary: MSSL Mideast (FZE)		
Balance as at year end	3,003	-
Maximum amount outstanding at any time during the year	3,003	-
Loan to Subsidiary: MSSL Mauritius Holdings Limited		
Balance as at year end	23,649	-
Maximum amount outstanding at any time during the year	23,649	-
Loan to Subsidiary: Motherson Sumi Wiring India Limited		
Balance as at year end	4	-
Maximum amount outstanding at any time during the year	4	-

b) the particulars of loans to subsidiaries which are disclosed below as required by Sec 186(4) of the Companies Act 2013:

Name of the Borrower	Currency of loan	March 31, 2021
MSSL Mideast (FZE)	EUR	3,003
MSSL Mauritius Holdings Limited	EUR	2,186
MSSL Mauritius Holdings Limited	EUR	13,203
MSSL Mauritius Holdings Limited	USD	8,261
Motherson Sumi Wiring India Limited	INR	4

All loans are Unsecured loans.

The tenure and interest rate on these shall vary in the range of 1-3 years and between 2.00 % to 5.50% depending upon currency and tenure .

The purpose of above loans are Investment/ advances to other group companies and meeting other financial obligations.

50 Merger by way of absorption of Motherson Polymers Compounding Solution Private Limited

During the the financial year, the Company has received approval from NCLT, Delhi and Mumbai Bench, approving the scheme of merger by way of absorption of Motherson Polymers Compounding Solution Private Limited (MPCSL) a wholly owned subsidiary. The order sanctioning the scheme have been filed with the Registrar of Companies, Mumbai and Registrar of Companies, Delhi on September 30, 2020.

As per the scheme, all assets and liabilities and reserves of MPCSL have been recorded in the books of account of the Company at their existing carrying amounts and in the same form, which is in accordance with the IND AS - 103 "Business Combination". Considering the immaterial impact of merger, previous period comparatives have not been restated in the Standalone financial results.

51 Reorganization and discontinued operations

The Board of Directors in its meeting dated July 02, 2020, approved a group reorganization plan with the objective of creating value for the shareholders of the Company ("MSSL"). The reorganization plan approved by the respective Boards of the Company and Samvardhana Motherson International Limited ("SAMIL") among other things, entails demerger of Domestic Wiring Harness ("DWH") business from MSSL into a new company Motherson Sumi Wiring India Limited ("MSWIL") and subsequent merger of SAMIL into MSSL to consolidate 100% shareholding in Samvardhana Motherson Automotive Systems Group BV ("SMRP BV") as well as to bring all auto component and allied businesses in SAMIL under MSSL.

The transaction is to be effected pursuant to a Composite Scheme of Amalgamation and Arrangement ("Scheme") and is likely to be completed during FY2021-22. Subsequent to the year, the Scheme has been approved by the shareholders and has now been submitted to NCLT for its approval.

The aforesaid scheme has been considered as highly probable and demerger of DWH into MSWIL meet the criteria prescribed in Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" to be considered as discontinued operation, hence DWH business has been disclosed as discontinued operation in Standalone financial statement. Accordingly, all previous periods figures in the financial statement have also been restated.

The results of DWH business for the year are presented below:

	March 31, 2021	March 31, 2020
Revenue from contract with customers	41,167	39,282
Other operating revenue	215	157
Revenue from operations	41,382	39,439
Other income	275	64
Total expenses	37,261	34,597
Profit/(loss) before tax for the period	4,396	4,906
Tax expense/ (credit)	1,129	1,303
Profit / (loss) for the period	3,267	3,603

The major classes of assets and liabilities of DWH business classified as held for distribution as on March 31, 2021 are presented below:

	March 31, 2021
ASSETS	
Non-current assets	
Property, plant and equipment	1,559
Right-of-use assets	138
Capital work in progress	1
Financial assets	
i. Loans	26
ii. Other financial assets	82
Deferred tax assets (net)	259
Other non-current assets	151
Non-current tax assets (net)	0
Total non-current assets	2,216
Current assets	
Inventories	7,986
Financial assets	
i. Trade receivables*	6,749
ii. Cash and cash equivalents	372
iii. Loans	12
iv. Other financial assets	103
Other current assets	456
Total current assets	15,678
Total assets	17,894
LIABILITIES	
Non current liabilities	
Financial Liabilities	
i. Borrowings	139
ii. Lease liabilities	100
iii. Other financial liabilities	75
Employee benefit obligations	211
Government grants	222
Total non-current liabilities	747
Current liabilities	
Financial Liabilities	
i. Borrowings	675
ii. Lease liabilities	45
iii. Trade payables	
Total outstanding dues of micro, small and medium enterprises and	176
Total outstanding dues of creditors other than micro, small and medium enterprises*	7,340
iii. Other financial liabilities	831
Provisions	8
Employee benefit obligations	494
Government grants	30
Other current liabilities	447
Total current liabilities	10,046
Total liabilities	10,793
Net Assets directly associated with DWH business	7,100

*Includes below balances with related parties

Trade receivables from related parties	161
Trade payable to related parties	1746

Net cash flows attributable to the DWH business are as follows:

	March 31, 2021	March 31, 2020
Net cash generated from / (used in) operating activities	(29)	501
Net cash used in investing activities	(299)	(544)
Net cash generated from financing activities	383	158
Net increase in cash and cash equivalents	55	115

The income and expenses of continuing operation includes transactions with discontinued operation, which does not have impact on "Profit / (loss) for the year from continuing and discontinued operations" as disclosed in standalone statement of profit and loss. Revenue from contract with customers on account of transaction between continuing operations and discontinued operations is as follows:

	March 31, 2021	March 31, 2020
Amount included in continuing operation	12,398	10,547
Amount included in discontinued operation	15	4

Assets and liabilities are disclosed after netting off of below mentioned amount of receivable and payable between continuing operation and discontinued operation in standalone balance sheet.

	March 31, 2021
Amount receivable from discontinued operation	2,330
Amount payable to discontinued operation	22

The Company has incurred expenses amounting INR 199 million in connection to this scheme of arrangement, which has been disclosed as exceptional expenses in statement of profit and loss for the year ended March 31, 2021.

52 Amounts appearing as zero "0" in financial are below the rounding off norm adopted by the Company

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**PANKAJ
CHADHA**

per PANKAJ CHADHA

Partner

Membership No.: 091813

Place: Gurugram
Date: June 02, 2021

Digitally signed by PANKAJ CHADHA
DN: cn=PANKAJ CHADHA, c=IN,
o=Personal,
email=pankaj.chadha@srb.in
Reason: I am approving this document
Date: 2021.06.02 23:56:29 +05'30'

For and on behalf of the Board

**VIVEK
CHAAND
SEHGAL**

Digitally signed by
VIVEK CHAAND
SEHGAL
Date: 2021.06.02
23:17:06 +05'30'

V.C. SEHGAL
Chairman

**Gaya Nand
Gaubha**

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Gaya Nand Gauba
Date: 2021.06.02
23:40:54 +05'30'

G.N. GAUBA
Chief Financial Officer

Place: Noida
Date: June 02, 2021

**PANKAJ
MITAL**

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by PANKAJ MITAL
Date: 2021.06.02
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PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

Alok Goel

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Goel
Date: 2021.06.02
23:29:43 +05'30'

ALOK GOEL
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Motherson Sumi Systems Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Motherson Sumi Systems Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures comprising of the consolidated Balance sheet as at March 31 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, 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, associates and joint ventures, 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, its associates and joint ventures as at March 31, 2021, their consolidated profit 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, associates, joint ventures 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>Demerger of Domestic wiring harness Business in India <i>(as described in note 51 of the consolidated financial statements)</i></p> <p>The Board of directors in its meeting dated July 02, 2020 approved the demerger of its Domestic wiring harness business (DWH) in India to a newly set up subsidiary company, namely Motherson Sumi Wiring India Limited ("MSWIL") ('the Demerger') pursuant to a Scheme of Arrangement ('the Scheme') which is currently subject to regulatory approvals.</p> <p>The aforesaid Scheme has been assessed as highly probable by the management in accordance with the criteria prescribed under Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" and accordingly, the proposed demerger of DWH pursuant to the scheme has been disclosed as Discontinued Operations.</p> <p>The above transaction has been considered as significant given the exercise of management judgment and presentation & disclosure impacts in the consolidated financial statements in accordance with the applicable accounting standard. Accordingly, this matter has been identified as a key audit matter.</p>	
<p>Impairment assessment of Property, plant and equipment (PPE) with particular reference to greenfield locations <i>(as described in Note 41 of the consolidated financial statements)</i></p> <p>The Group has a PPE balance of INR 24,035 million as on March 31, 2021 which relates to greenfield locations and were tested for impairment assessment.</p> <p>The impairment assessment of PPE belonging to these greenfield facilities were complex and highly judgmental due to the significant estimation required to determine the Value-In-Use (VIU).</p> <p>In particular, the determination of the VIU was sensitive to significant assumptions, such as changes in the discount rate, revenues (pricing and volume growth), operating margin and terminal value, which are affected by expectations about future market or economic conditions including Covid-19 impact.</p> <p>Accordingly, the matter has been identified as KAM.</p>	
	<p>The procedures performed by us included following:</p> <ol style="list-style-type: none"> Obtained an understanding and assessed the effectiveness of process followed by the management in assessing the Group's accounting policies in relation to discontinued operations; Evaluated the basis of the management's assessment of treating the proposed demerger as Discontinued operations in accordance with the applicable accounting standards; Obtained an update on the regulatory communications in this respect and current status of the approval from the regulatory authorities; Obtained and read the proposed Scheme for understanding the impact on the consolidated financial statements including identification of the assets and liabilities to be transferred and assessment of the key estimates and judgement involved therein; Performed procedures on the disclosures relating to discontinued operations made in the financial statements for assessing the compliance with disclosure requirements.
	<ol style="list-style-type: none"> The procedures performed by us in respect of the entity audited by us and by other component auditors in respect of entities where we are not the auditors, included following: <ol style="list-style-type: none"> Assessed the process followed and obtained an understanding of the analysis performed by management for the purpose of the impairment assessment; Evaluated through an analysis of internal and external factors impacting the group, whether there were any indicators of impairment in accordance with Ind AS 36; Assessed the operating margins, discount rates revenue growth applied within the model and terminal value with the support of valuation specialists, wherever required by performing independent calculations and sensitivity analysis;

Key audit matters	How our audit addressed the key audit matter
	<ol style="list-style-type: none"> 2. In respect of the entities where we are not the auditors, we made enquires of the procedures performed by them as enumerated above; 3. We read and assessed the disclosure made in the consolidated financial statements for assessing compliance with disclosure requirements,
De-Recognition of trade receivables under factoring facilities <i>(as described in Note 8 of the consolidated financial statements)</i>	
<p>The Group enters into non-recourse factoring arrangements for its trade receivables with various banks/financial institutions.</p> <p>As at 31 March 2021, the Group had factoring facilities in place for trade receivables amounting to INR 46,351 million which were de-recognized in the financial statements.</p> <p>The Group derecognizes the receivables from its books if it transfers substantially all the risks and rewards of ownership of the financial asset (i.e. receivables).</p> <p>The assessment of de-recognition of trade receivables under the factoring facilities is complex and requires significant judgement applied by the management</p> <p>Accordingly, the matter has been identified as KAM.</p>	<ol style="list-style-type: none"> 1. The procedures performed by us in respect of the entity audited by us and by other component auditors in respect of entities where we are not the auditors, included following: <ol style="list-style-type: none"> a. Obtained an understanding of the process related to de-recognition of trade receivables; b. Evaluated the assessment made by management covering factoring contracts; c. For selected sample of new contracts entered during the year, tested their nature and evaluated whether key terms and conditions thereof are in line with the guidance prescribed under Ind AS 109, "Financial Instruments" 2. In respect of the entities where we are not the auditors, we made enquires of the procedures performed by them as enumerated above; 3. We read and assessed the disclosure made in the consolidated financial statements for assessing compliance with disclosure requirements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon.

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

Responsibilities of Management 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 including its associates and joint ventures 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 and of its associates and joint ventures 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 of its associates and joint ventures 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 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 and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures 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 and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

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 and its associates and joint ventures 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 and its associates and joint ventures 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 and its associates and joint ventures 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 68 subsidiaries, whose financial statements include total assets of Rs 725,870 million as at March 31, 2021, and total revenues of Rs 485,752 million and net cash inflows of Rs 9,230 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of Rs. 711 million for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of 3 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose 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 joint ventures 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 and joint ventures, is based solely on the reports of such other auditors.

- (b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 54 subsidiaries, whose financial statements and other financial information reflect total assets of Rs. 20,682 million as at March 31, 2021, and total revenues of Rs 3,445 million and net cash outflows of Rs 77 million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of Rs. 347 million for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of 1 associate and 2 joint ventures, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, joint ventures and associate, 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, joint ventures and associate, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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

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, associates and joint ventures, 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 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, 2021 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, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures, incorporated in India, refer to our separate Report in “Annexure 1” to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (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, associates and joint ventures, 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, its associates and joint ventures in its consolidated financial statements - Refer Note 20 and Note 43 to the consolidated financial statements;
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer (a) Note 37 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures and (b) the Group’s share of net profit in respect of its associates and joint ventures;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures, incorporated in India during the year ended March 31, 2021.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**PANKAJ
CHADHA**

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per Pankaj Chadha

Partner

Membership Number: 091813

UDIN: 21091813AAAADB8125

Place of Signature: Gurugram

Date: June 02, 2021

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MOTHERSON SUMI SYSTEMS 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 Sumi Systems Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, its associates and joint ventures, 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to 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, 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 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to 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 with reference to consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to 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 with reference to 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 with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to 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 Group, its associates and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2021, 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 issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 3 subsidiaries and 2 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, associates and joint ventures incorporated in India.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**PANKAJ
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per Pankaj Chadha

Partner

Membership Number: 091813

UDIN: 21091813AAAADB8125

Place of Signature: Gurugram

Date: June 2, 2021

Motherson Sumi Systems Limited Consolidated Financial Statements 2020-21

(All amounts in INR Million, unless otherwise stated)

	Notes	As At March 31, 2021	As At March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	143,738	147,138
Right-to-use assets	3(b)	14,383	15,596
Capital work-in-progress	3(c)	8,383	8,154
Investment property	4	1,281	1,197
Goodwill	5	24,718	24,060
Other intangible assets	5	16,871	19,510
Intangible assets under development	3(c)	386	364
Investments accounted for using the equity method	48	7,166	6,341
Financial assets			
i. Investments	6 (a)	1,287	1,614
ii. Loans	7	445	177
iii. Trade receivables	8	14,946	13,998
iv. Other financial assets	9	1,069	1,228
Deferred tax assets (net)	11 (a)	10,224	5,030
Other non-current assets	10	13,835	12,165
Non-current tax assets (net)	23	1,843	3,732
Total non-current assets		260,575	260,304
Current assets			
Inventories	12	49,956	51,566
Financial assets			
i. Investments	6 (b)	12	6
ii. Trade receivables	8	56,931	51,784
iii. Cash and cash equivalents	13	58,994	48,688
iv. Bank balances other than (iii) above	14	68	101
v. Loans	7	272	313
vi. Other financial assets	9	24,200	30,882
Other current assets	10	12,052	11,314
Total current assets		202,485	194,654
Assets classified as held for distribution	51	17,790	-
Total assets		480,850	454,958
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	3,158	3,158
Other equity			
Reserves and surplus	16 (a)	114,419	103,958
Other reserves	16 (b)	8,029	5,493
Equity attributable to owners of the Company		125,606	112,609
Non controlling interests		40,233	35,650
Total equity		165,839	148,259
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	17 (a)	74,687	82,612
ii. Lease liabilities	46	9,422	10,300
iii. Other financial liabilities	18	6,076	3,794
Provisions	20	1,482	835
Employee benefit obligations	21	4,914	4,719
Deferred tax liabilities (net)	11 (b)	3,363	4,627
Government grants	22	2,142	2,433
Other non-current liabilities	24 (a)	1,629	1,671
Total non-current liabilities		103,715	110,991
Current liabilities			
Financial Liabilities			
i. Borrowings	17 (b)	13,575	34,079
ii. Lease liabilities	46	3,242	3,363
iii. Trade payables	19	111,406	103,091
iv. Other financial liabilities	18	49,196	33,082
Provisions	20	4,968	2,077
Employee benefit obligations	21	2,014	2,258
Government grants	22	455	357
Current tax liabilities (net)	23	3,342	3,623
Other current liabilities	24 (b)	14,745	13,778
Total current liabilities		202,943	195,708
Liabilities directly associated with the assets held for distribution	51	8,353	-
Total liabilities		315,011	306,699
Total equity and liabilities		480,850	454,958

Summary of significant accounting policies

This is the consolidated Balance Sheet referred to in our report of even date

For and on behalf of the Board

VIVEK CHAAND
SEHGAL

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V.C. SEHGAL
Chairman
Gaya Nand
Gauba

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Gaya Nand Gauba
Date: 2021.06.02
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G.N. GAUBA
Chief Financial Officer

Place: Noida
Date: June 02, 2021

PANKAJ
J MITAL

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by PANKAJ MITAL
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PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

Alok Goel

ALOK GOEL
Company Secretary

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per PANKAJ CHADHA
Partner
Membership No.: 091813

Place: Gurugram
Date: June 02, 2021

PANKAJ
CHADHA

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(All amounts in INR Million, unless otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Continuing Operations:			
Revenue			
Revenue from contract with customers	25 (a)	569,513	602,783
Other operating revenue	25 (b)	4,186	4,506
Total revenue from operations		573,699	607,289
Other income	26	2,293	2,246
Total income		575,992	609,535
Expenses			
Cost of materials consumed	27	326,758	342,850
Purchase of stock-in-trade		1,033	7,100
Change in inventories of finished goods, work-in-progress and stock in trade	28	(1,812)	(262)
Employee benefit expense	29	140,996	143,726
Depreciation and amortisation expense	32	29,260	27,210
Finance costs	31	5,115	5,928
Other expenses	30	63,135	67,335
Total expenses		564,485	593,887
Profit before exceptional items, share of net profit of investments accounted for using equity method and tax		11,507	15,648
Exceptional (income) / expenses	51, 52	623	-
Group's share in net profit / (loss) of associates and joint ventures accounted for using the equity method		849	575
Profit before tax from continuing operations		11,733	16,223
Tax expenses			
Current tax	33	6,066	7,755
Deferred tax expense/ (credit)	33	(6,760)	(874)
Total tax expense		(694)	6,881
Profit for the year from continuing operations		12,427	9,342
Discontinued operations:			
	51		
Revenue from operations		41,382	39,439
Other income		275	64
Total expenses		37,261	34,597
Profit before tax from discontinued operations		4,396	4,906
Tax expense/ (credit) of discontinued operations		1,129	1,303
Profit for the year from discontinued operations		3,267	3,603
Profit for the year from continuing and discontinued operations		15,694	12,945
Other comprehensive income from continuing operations			
Items not to be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		(437)	(834)
Remeasurements of post-employment benefit obligations		(51)	(99)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		2	(5)
		(486)	(938)
Deferred Tax on fair valuation of FVOCI equity investment		(1)	1
Deferred Tax on remeasurements of post-employee benefit obligations		10	42
		(477)	(896)
Items to be reclassified to profit or loss			
Exchange gain/(losses) on translation of foreign operations		2,104	5,940
Deferred gain / (losses) on cash flow hedges		1,669	(2,707)
		3,773	3,233
Income tax on deferred gain / (losses) on cash flow hedges		(69)	353
		3,704	3,586
Other comprehensive income from discontinued operations			
Items not to be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		(11)	(86)
Income tax relating to items that will not be reclassified to profit or loss		3	22
		(8)	(64)
Total other comprehensive income from continuing and discontinued operations for the year, net of tax		3,219	2,625
Total comprehensive income from continuing and discontinued operations for the year, net of tax		18,913	15,571

Profit attributable to:

Owners	10,392	11,701
Non-controlling interest	5,302	1,244
	15,694	12,945

Other comprehensive income attributable to:

Owners	2,484	1,803
Non-controlling interest	735	822
	3,219	2,625

Total comprehensive income attributable to:

Owners	12,876	13,504
Non-controlling interest	6,037	2,066
	18,913	15,570

Earnings per share

34

Nominal value per share: INR 1 (Previous year : INR 1)

Earnings per share for continuing operations

Basic and Diluted	2.26	2.57
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Earnings per share for discontinued operations

Basic and Diluted	1.03	1.14
-------------------	------	------

Earnings per share for continuing and discontinued operations

Basic and Diluted	3.29	3.71
-------------------	------	------

Summary of significant accounting policies

2

This is the consolidated Statement of Profit and Loss referred to in our report of even date

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

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**

Partner

Membership No.: 091813

Place: Gurugram

Date: June 02, 2021

**PANKAJ
CHADHA**

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For and on behalf of the Board

**VIVEK CHAAND
SEHGAL**

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Date: 2021.06.02
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V.C. SEHGAL
Chairman

**Gaya Nand
Gauga**

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Nand Gauba
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G.N. GAUBA
Chief Financial Officer

Place: Noida

Date: June 02, 2021

**PANKAJ
MITAL**

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PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

Alok Goel

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ALOK GOEL
Company Secretary

A. Equity share capital

	Notes	Amount
As at April 01, 2019		3,158
Issue of equity share capital	15	-
As at March 31, 2020		3,158
Issue of equity share capital	15	-
As at March 31, 2021		3,158

B. Other equity	Notes	Reserves and Surplus					Items of OCI			Total attributable to Owners	Non Controlling interests	Total
		Capital reserve on consolidation	Securities premium	Reserve on amalgamation	General Reserve	Retained Earnings	FVOCI equity instrument	Foreign currency translation reserve	Cash flow hedging reserve			
Balance as at April 01, 2019		1,749	26,303	1,663	3,430	69,792	114	3,710	(291)	106,470	34,798	141,268
Profit for the year	16(a)	-	-	-	-	11,701	-	-	-	11,701	1,244	12,945
Other comprehensive income	16(a)&(b)	-	-	-	-	(156)	(420)	4,343	(1,963)	1,804	822	2,626
Total comprehensive income for the year		-	-	-	-	11,545	(420)	4,343	(1,963)	13,505	2,066	15,571
Dividend paid	16 (a)	-	-	-	-	(9,474)	-	-	-	(9,474)	-	(9,474)
Tax on Dividend	16 (a)	-	-	-	-	(1,370)	-	-	-	(1,370)	-	(1,370)
Addition on account of business combination (Refer note 50)	16 (a)	171	-	-	-	-	-	-	-	171	8	179
Dividend to non controlling interest	48 B	-	-	-	-	-	-	-	-	-	(1,381)	(1,381)
Additional contribution by Non controlling interest		-	-	-	-	-	-	-	-	-	-	-
Hyperinflation adjustment (Refer note 47)		-	-	-	-	149	-	-	-	149	143	292
Other addition / (deletion)		-	-	-	-	-	-	-	-	-	16	16
Balance at March 31, 2020		1,920	26,303	1,663	3,430	70,642	(306)	8,053	(2,254)	109,451	35,650	145,101
Profit for the year	16(a)	-	-	-	-	10,392	-	-	-	10,392	5,302	15,694
Other comprehensive income	16(a)&(b)	-	-	-	-	(52)	(218)	1,791	963	2,484	735	3,219
Total comprehensive income for the year		-	-	-	-	10,340	(218)	1,791	963	12,876	6,037	18,913
Dividend to non controlling interest	48 B	-	-	-	-	-	-	-	-	-	(1,607)	(1,607)
Additional contribution by Non controlling interest		-	-	-	-	-	-	-	-	-	37	37
Hyperinflation adjustment (Refer note 47)		-	-	-	-	126	-	-	-	126	122	248
Other addition / (deletion)		-	-	-	1	(6)	-	-	-	(5)	(6)	(11)
Balance at March 31, 2021		1,920	26,303	1,663	3,431	81,102	(524)	9,844	(1,291)	122,448	40,233	162,681

Summary of significant accounting policies

This is the consolidated Statement of changes in equity referred to in our report of even date

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

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per PANKAJ CHADHA
Partner
Membership No.: 091813

Place: Gurugram
Date: June 02, 2021

PANKAJ CHADHA

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For and on behalf of the Board

VIVEK CHAAND SEHGAL

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V.C. SEHGAL
Chairman

Gaya Nand Gauba
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G.N. GAUBA
Chief Financial Officer

Place:Noida
Date: June 02, 2021

PANKAJ MITAL

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PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

ALOK GOEL
Company Secretary

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Date: 2021.06.02 23:18:01 +05'30'

(All amounts in INR Million, unless otherwise stated)

	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash flow from operating activities:		
Profit before tax from continuing operation	11,733	16,223
Profit before tax from discontinued operation	4,396	4,906
Adjustments for:		
Share of (profit)/loss in associates and joint ventures accounted for using the equity method	(849)	(575)
Depreciation and amortisation expense	29,764	27,780
Finance cost	5,202	5,986
Interest income	(658)	(361)
Dividend income	(0)	(6)
Loss/ (gain) on disposal of property, plant & equipment	106	(41)
Bad debts / advances written off	214	67
Provision for doubtful debts / advances	387	42
Liability no longer required written back	(347)	(497)
Unrealised foreign currency loss/(gain)	(267)	4,571
Operating profit before working capital changes	49,681	58,095
Changes in working capital:		
Increase/(decrease) in trade and other payables	19,184	(1,511)
Increase/(decrease) in other financial liabilities	2,725	2,724
(Increase)/decrease in trade receivables	(13,464)	8,146
(Increase)/decrease in inventories	(6,377)	(4,360)
(Increase)/decrease in other receivables	(2,653)	307
(Increase)/decrease in other financial assets	7,017	10,895
Cash generated from operations	56,113	74,296
Taxes (paid) / received	(5,600)	(10,776)
Net cash generated from operating activities	50,513	63,520
B. Cash flow from Investing activities:		
Payments for purchase of property, plant & equipment and other intangible assets (including capital work-in-progress and intangible assets under development)	(19,700)	(22,741)
Proceeds from sale of property, plant & equipment and other intangible assets	375	799
Proceeds from sale / (payment for purchase) of investments	(73)	33
Loan (to)/repaid by related parties (net)	(349)	(199)
Interest received	635	387
Dividend received	0	6
Dividend received from associates & joint venture entities	150	559
(Investment)/Proceeds from maturity of deposits with remaining maturity for more than 12 months	27	(15)
Consideration paid on acquisition of subsidiaries (Refer Note 50)	-	(1,228)
Net cash (used) in investing activities	(18,935)	(22,399)
C. Cash flow from financing activities:		
Proceeds from minority shareholders	37	-
Dividend paid	(5)	(9,457)
Dividend distribution tax	-	(1,370)
Dividend paid to minority share holders	(1,607)	(1,967)
Interest paid	(4,141)	(5,667)
Proceeds from long term borrowings	41,116	355
Proceeds from short term borrowings	26,828	33,869
Proceeds of loans from other related parties	4,396	4,182
Repayment of long term borrowings	(29,745)	(5,809)
Repayment of short term borrowings	(47,489)	(30,871)
Repayment of loans to other related parties	(6,431)	(7,940)
Payment of leased liability	(3,934)	(3,354)
Net cash (used) in financing activities	(20,975)	(28,029)

(All amounts in INR Million, unless otherwise stated)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Increase/(Decrease) in Cash & Cash Equivalents	10,603	13,092
Net foreign exchange difference on balance with banks in foreign currency	75	197
Net Cash and Cash equivalents at the beginning of the year	48,688	35,399
Cash and cash equivalents as at year end	59,366	48,688
Cash and cash equivalents comprise (refer note 13 & 51)		
Cash and cash equivalent - discontinued operations (Refer note 51)	372	-
Cash on hand	15	37
Cheques / drafts on hand	41	11
Balance with Banks	58,938	48,640
Cash and cash equivalents as per Balance Sheet (restated)	59,366	48,688
Summary of significant accounting policies (Note 2)		

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

This is the Consolidated Cash Flow Statement referred to in our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**

Partner

Membership No.: 091813

Place: Gurugram

Date: June 02, 2021

**PANKAJ
CHADHA**

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For and on behalf of the Board

**VIVEK
CHAAND
SEHGAL**

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Date: 2021.06.02
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V.C. SEHGAL
Chairman

**Gaya Nand
Gauga**

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G.N. GAUBA
Chief Financial Officer

Place: Noida

Date: June 02, 2021

**PANKAJ
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PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

**Alok
Goel**

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ALOK GOEL
Company Secretary

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the consolidated financial statements

(All amounts are in INR Million, unless otherwise stated)

1. Corporate Information

The consolidated financial statements comprise financial statements of Motherson Sumi Systems Limited (MSSL or 'the Company') and its subsidiaries (hereinafter collectively referred to as 'the Group') for the year ended March 31, 2021. The Company was incorporated and domiciled in India on December 19, 1986 and is engaged primarily in the manufacture and sale of components to automotive original equipment manufacturers. The address of its registered office is Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra. The Company is a public limited company and is listed in the Bombay Stock Exchange and National Stock Exchange. The Company is a joint venture entity between Samvardhana Motherson International Limited (SMIL) and Sumitomo Wiring Systems Limited, Japan. The Group comprises MSSL and it's directly and indirectly held 170 subsidiaries (including stepdown subsidiaries) and exercises joint control over 6 joint ventures and significant influence over 2 associates. The Group has manufacturing plants in India, Sri Lanka, Thailand, United Arab Emirates (UAE), Australia, United Kingdom (UK), Germany, Hungary, Portugal, Spain, France, Slovakia, China, South Korea, USA, Brazil, Mexico, Czech Republic, South Africa, Serbia, Lithuania, Poland, Russia, Morocco, Philippines, Argentina and Croatia.

2.1 Significant accounting policies

a) 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 37
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and distribution liability, Refer Note 36
- Defined benefit pension plans – plan assets measured at fair value. Refer Note 21

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The consolidated financial statements are presented in INR and all values are rounded to the nearest millions (INR 000,000), except when otherwise indicated.

b) Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2021. 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. Intercompany 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

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the consolidated financial statements

(All amounts are in INR Million, unless otherwise stated)

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 company, 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.

c) Investment in associates and joint ventures

Associates are all entities over which the Group has significant influence but not control or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The financial statements of the associates are prepared for the same reporting period as the Group to enable the parent to consolidate the financial information of the associates. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The group applies Ind AS 111 to all joint arrangements. Under Ind AS 111 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries

Investments in associates and joint ventures are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the other entity.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss outside operating profit.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the consolidated financial statements

(All amounts are in INR Million, unless otherwise stated)

carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit and loss.

d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity attributable to owners of MSSL.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

e) Segment reporting

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 41)

f) 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.

g) Foreign currencies

i. 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 Company's functional and presentation currency.

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the consolidated financial statements

(All amounts are in INR Million, unless otherwise stated)

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity 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 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 on foreign currency borrowings 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 foreign currencies are translated into functional currency 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.

iii. Group companies

The results and financial position of foreign operations (except one of the subsidiary in Argentina which has currency of hyperinflation (refer policy described in note aa below), none of the Group's subsidiary, joint venture and associates has the currency of a hyperinflationary economy) 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 disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit and loss

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.

h) 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, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of components

Revenue from sale of components is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment.

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 equipment, 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).

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the consolidated financial statements

(All amounts are in INR Million, unless otherwise stated)

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 components provide customers with a customary right of return in case of defects, quality issues etc. The rights of return give rise to variable consideration.

The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Warranty obligations

The Group typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Revenue from assembly of components

The Group has contracts with customers to assemble, on their behalf, customised components from various parts procured from suppliers identified by the customer. The Group is acting as an agent in these arrangements.

When another party is involved in providing goods or services to its customer, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Group is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Group's role is only to arrange for another entity to provide the goods or services, then the Group is an agent and will need to record revenue at the net amount that it retains for its agency services.

Revenue from development of tools

The Group develops customised tooling for its customers and recognises its revenue over time using an input method to measure progress towards complete satisfaction of the tool development.

The Group recognises revenue from development of tools over time if it can reasonably measure its progress towards complete satisfaction of the performance obligation.

Where the Group cannot reasonably measure the outcome of a performance obligation, but the Group expects to recover the costs incurred in satisfying the performance obligation. In those circumstances, the Group recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

Costs to obtain a contract

Such costs are recognised as an asset if there are future economic benefits associated with such costs. These are amortised systematically to match the benefits and such amortisation is netted off with revenue. Such assets are presented as Deferred Revenue Expenditure in Note 45 and classified as current and non-current based on the expected amortisation period. In cases where future economic benefits cannot be determined such costs are expensed off as incurred and are netted off with the revenues.

Judgments applied in determining amount and timing of revenue

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

(i) Determining the timing of satisfaction of tooling development

The Group concluded that revenue for development of tooling is to be recognised over time because the Group's performance does not create asset with an alternative use to the Group since the tools are customised for each customer and the Group has an legally enforceable right to payment for fair value of performance completed to date.

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The Group determined that the input method is the best method in measuring progress of the tooling development because there is a direct relationship between the Group's effort (i.e., costs incurred) and the transfer of tooling to the customer. The Group recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

(ii) Principal versus agent considerations

The Group enters into contracts with its customers to assemble, on their behalf, customised components using various parts procured from suppliers identified by the customer. Under these contracts, the Group provides assembly services (i.e., coordinating the procurement of various parts from the identified suppliers and combining or assembling them into components as desired by the customer). The Group determined that it does not control the goods before they are transferred to customers, and it does not have the ability to direct the use of the component or obtain benefits from the component. The following factors indicate that the Group does not control the goods before they are being transferred to customers. Therefore, the Group determined that it is an agent in these contracts.

- The Group is not primarily responsible for fulfilling the promise to provide the specified equipment.
- The Group does not have inventory risk before or after the specified component has been transferred to the customer as it purchases various parts on just-in-time basis and only upon contract of the customer.
- The Group has no discretion in establishing the price for the specified component. The Group's consideration in these contracts is only based on the difference between the maximum purchase price quoted by the customer and the cost of various parts purchased from the suppliers.
- In addition, the Group concluded that it transfers control over its services (i.e., assembling the component from various parts), at a point in time, upon receipt by the customer of the component, because this is when the customer benefits from the Group's agency service.

(iii) Consideration of significant financing component in a contract

The Group develops customised tooling and secondary equipment's for which the manufacturing lead time after signing the contract is usually more than one year. This type of contract includes two payment options for the customer, i.e., payment of the transaction price equal to the cash selling price upon delivery of the tooling or payment of the transaction price as part of the component's selling price. The Group concluded that there is a significant financing component for those contracts where the customer elects to pay along with the component's selling price considering the length of time between the transfer of tooling and secondary equipment and the recovery of transaction price from the customer, as well as the prevailing interest rates in the market.

In determining the interest to be applied to the amount of consideration, the Group concluded that the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance) is appropriate because this is commensurate with the rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception.

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 8.

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. The Group's contract assets are disclosed in Note 45 as Unbilled 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 45 as Advances received from customers.

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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.

i) 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 arising from investment properties given on 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.

Duty drawback and export incentives

Income from duty drawback and export incentives is recognized on an accrual basis.

Royalty income

Royalty income is recognized in Other operating income on an accrual basis in accordance with the substance of the relevant agreements.

j) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected useful lives of the related assets and presented within other income.

When government grants relating to loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

k) 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.

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 Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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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.

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.

Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

I) 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.

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 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.

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

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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 insubstance 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.

Short-term leases and leases of low-value assets

The Group 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 Group 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.

m) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured at fair value at each reporting date with changes in fair value recognised in statement of profit and loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and

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liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

n) 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.

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 or loss.

Goodwill is tested for impairment annually as on March 31 and when circumstances indicate that the carrying value may be impaired.

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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 CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

o) 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.

p) Inventories

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

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

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

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

q) 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 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 (h) 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 four categories:

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

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- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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:

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

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 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 P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. The Group elected to classify irrevocably its non-listed equity investments under this category.

If the Group 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 Group may transfer the cumulative gain or loss within equity.

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated 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)

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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:

- 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. Lease receivables under Ind AS 116
- d. 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
- e. Loan commitments which are not measured as at FVTPL
- f. Financial guarantee contracts which are not measured as at FVTPL

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

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'

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

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.

MOTHERSON SUMI SYSTEMS LIMITED

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(All amounts are in INR Million, unless otherwise stated)

Financial liabilities

Initial recognition and measurement

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

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

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

The Group has entered into arrangements with certain banks wherein those banks are appointed as paying agent with regard to payments due to participating suppliers in order to facilitate efficient payment processing and other flexibility to such suppliers, including to manage their cash flow by electing early payment for their invoices. Under the arrangement, if opted for by the supplier, the bank may pay amounts earlier than the due date in respect of invoices owed by the Group and receives settlement from the Group on due date of those invoices.

The Group does not incur any additional interest towards the bank on the amounts due or paid to the suppliers. The Group discloses the amounts owed under such invoices within trade payables because the nature and function of the financial liability remain the same as those of other trade payables.

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 P&L. 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.

Financial guarantee contracts

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

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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.

Embedded derivatives

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

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

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 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.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

MOTHERSON SUMI SYSTEMS LIMITED

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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.

r) 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 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, 36 and 37)
- Quantitative disclosures of fair value measurement hierarchy (note 36)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (note 6, 7, 8, 9, 13, 17, 18, 19, 36 and 37)

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s) Derivative financial instruments and hedge accounting

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 profit or loss when the hedge item affects profit or 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.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking its hedge transactions.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

i. Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

The Group has an interest rate swap that is used as a hedge for the exposure of changes in the fair value. See Note 37 for more details.

ii. Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged

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item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

iii. Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit or loss (as a reclassification adjustment).

The Group uses a loan as a hedge of its exposure to foreign exchange risk on its investments in foreign subsidiaries.

t) Property, plant and equipment

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the 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.

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

Depreciation methods and useful lives

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

Assets	Indian entities*	Overseas entities
	Useful lives(years)	Useful lives(years)
Leasehold improvements	Over the period of lease or useful life, whichever is lower	
Buildings	30 years	5 to 61 years
Plant & Machinery:		
Plant & Machinery	7.5 years	3 to 15 years
Die & Moulds	6.17 years	3 to 15 years
Electric Installation	10 years	3 to 15 years
Furniture & fixtures	6 years	3 to 15 years
Office equipment	5 years	3 to 10 years
Computers:		
Server & Networks	3 years	3 to 15 years
End user devices, such as desktops, laptops, etc.	3 years	3 to 15 years
Vehicles	4 years	3 to 12 years
Aircraft	-	8 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.

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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.

u) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Group depreciates building component of investment property over 30 years.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in notes 4.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

v) Intangible assets

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

Intangible assets with finite lives are amortised over the useful economic life on straight line basis 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.

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.

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

Business, commercial and other rights

Separately acquired trademarks and licences are shown at historical cost. Trademarks, licenses and customer contracts acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Customer relationships

Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

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Software

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Separately acquired software are shown at transaction cost, software acquired in a business combination are recognised at fair value at the acquisition date. They are subsequently carried at cost less accumulated amortisation.

Research and development 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

Currently, research costs incurred by the Group do not meet the recognition criteria and accordingly such research costs are expensed of in the statement of profit and loss as and when these are incurred.

Amortisation methods and periods:

Asset	Useful lives (years)
Technical Knowhow fees	3 to 13 years
Business & Commercial rights	3 to 11 years
Intellectual property rights	1 to 3 years
Software	2 to 5 years
Customer relationships	3 to 15 years

The amortisation methods, the usual useful lives and the residual values of intangible assets are checked annually.

w) 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.

x) Provisions and contingent liabilities

Provisions

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

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

When the 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.

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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 increase the related revenue of the contract, the Group makes a provision for the difference.

Warranty provisions

In cases where the obligations include warranty liabilities, the Group provides warranties for general repairs of defects that existed at the time of sale, as required by law. Provisions related to these assurance-type warranties are recognised when the product is sold or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Restructuring provisions

Restructuring provisions are recognised only when the Group has a constructive obligation, which is when: (i) a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and the timeline; and (ii) the employees affected have been notified of the plan's main features.

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.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

y) 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.

Superannuation fund

The Group has a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The Group contributes up to 12% of the eligible employees' salary or INR 100,000 / 150,000, whichever is lower, every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligations beyond this contribution.

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 vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions to Life Insurance Corporation of India (LIC) under its Company's Gratuity Scheme whereas others are not funded.

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

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.

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Other Long term benefits

Jubilee Bonus: In certain Group entities, the employees are entitled to bonus after completion of certain year of services which are based on the wage agreement or otherwise as per terms of employment. The Group recognizes as an expenditure the present value of such long term jubilee bonuses, where applicable based on the expected amounts to pay by considering expectancies of employee turnover and expected future salary increase.

Termination Benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Other long-term employee benefit obligations

In some countries, the group also has liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

z) 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.

aa) 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.

ab) Assets held for distribution to owners and discontinued operations

The Group classifies assets and disposal groups as held for distribution if their carrying amounts will be recovered principally through a distribution rather than through continuing use. Actions required to complete the distribution should indicate that it is unlikely that significant changes to the distribution will be made or that the decision to distribution will be withdrawn. Management must be committed to the distribution expected within one year from the date of classification.

The criteria for held for distribution classification is regarded met only when the assets or disposal group is available for immediate distribution in its present condition, subject only to terms that are usual and customary for distribution of such assets (or disposal groups), its distribution is highly probable; and it will genuinely be distributed, not abandoned. The Group treats distribution of the asset or disposal group to be highly probable when:

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- The appropriate level of management is committed to a plan to distribute the asset (or disposal group),
- The distribution is expected to qualify for recognition as a completed distribution within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets held for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to distribute. Assets and liabilities classified as held distribution are presented separately in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. Additional disclosures are provided in Note 51. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

ac) Hyperinflation

The financial statements (including comparative amounts, if applicable) of the group entities whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period.

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, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

- (i) Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease.

- (ii) Revenue from contracts with customers

The Group applies the judgements in respect to transactions relating to tooling development, Principal versus agent consideration that significant financing component in a contract that significantly affect the determination of the amount and timing of revenue from contracts with customers. For more details, refer note 2.1 (h)

- (iii) Discontinued operations

The Board of Directors in its meeting dated July 02, 2020, approved a group reorganization plan with the objective of creating value for the shareholders of the Company ("MSSL"). The reorganization plan approved by the respective Boards of the Company and Samvardhana Motherson International Limited ("SAMIL") among other things, entails demerger of Domestic Wiring Harness ("DWH") business in India from the Company into a new company Motherson Sumi Wiring India Limited ("MSWIL"). The operations of DWH business are considered as discontinued operation and classified as held for distribution to owners. The Board considered the Company to meet the criteria to be classified as held for distribution at that date for the following reasons:

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- The operations of DWH business is available for immediate distribution and can be sold in its current condition.
- The actions to complete the distribution were initiated and expected to be completed within one year.
- The Group expects the secretarial and approval procedures to be completed by 30 September 2021.

For more details, refer to Note 51

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, intangible and investment properties

The Group uses its technical expertise along with historical and industry trends for determining the economic useful 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 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 21**

(iii) Fair valuation of unlisted securities

When the fair value of unlisted securities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. **Refer Note 36 of the financials.**

(iv) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The 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.

Valuation of recoverable income tax assets especially with respect to deferred tax assets on tax loss carry forwards. The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made

(v) Percentage completion of recognition of revenue

The Group uses the percentage-of-completion method in accounting for 'development of tools' contracts and the contract revenues and contract costs of engineering contracts. 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.

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(All amounts are in INR Million, unless otherwise stated)

(vi) Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts. Refer note 50.

(vii) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in note 5.

(viii) Provisions and liabilities

The Group estimates the provisions and liabilities and to the probability of expenses arising from warranty claims and claims from legal disputes that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

(All amounts in INR Million, unless otherwise stated)

3(a) Property, plant and equipment															
Particulars	Own Assets									Assets Taken on Finance Lease					
	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery	Furniture & fixtures	Office equipments	Computers	Vehicles	Aircraft	Leasehold Land	Buildings	Plant & Machinery	Furniture & fixtures	Computers	Vehicles
Year ended March 31, 2020															
Gross carrying amount															
As at April 01, 2019	6,604	973	52,519	119,863	7,505	2,720	2,815	419	1,231	2,547	489	1,060	28	4	13
Reclassification on account of Ind AS 116	-	-	-	-	-	-	-	-	-	(2,547)	(489)	(1,060)	(28)	(4)	(13)
Additions	332	193	5,002	14,748	1,623	472	461	60	-	-	-	-	-	-	-
Additions on account of business combination ⁴	-	-	-	60	10	-	-	10	-	-	-	-	-	-	-
Disposals	(68)	(23)	(98)	(1,160)	(152)	(58)	(55)	(50)	-	-	-	-	-	-	-
Reclassification	-	-	446	82	-	-	-	-	-	-	-	-	-	-	-
Exchange differences	219	(13)	2,588	5,704	471	127	163	15	91	-	-	-	-	-	-
Other adjustment / transfers ³	-	-	92	234	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	7,087	1,130	60,549	139,531	9,457	3,261	3,384	454	1,322	-	-	-	-	-	-
Accumulated depreciation and impairment															
As at April 01, 2019	-	559	6,630	44,231	3,014	979	1,805	204	86	160	(8)	569	11	1	9
Reclassification on account of Ind AS 116	-	-	-	-	-	-	-	-	-	(160)	8	(569)	(11)	(1)	(9)
Depreciation charge during the year ^{1 & 2}	-	163	2,388	15,040	1,223	480	607	77	62	-	-	-	-	-	-
Disposals	-	(22)	(55)	(831)	(150)	(50)	(52)	(42)	-	-	-	-	-	-	-
Reclassification	-	-	154	58	-	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	(20)	252	1,923	139	34	98	9	10	-	-	-	-	-	-
Other adjustment / transfers ³	-	(11)	13	32	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation and impairment	-	669	9,382	60,453	4,226	1,443	2,458	248	158	-	-	-	-	-	-
Net carrying amount	7,087	461	51,167	79,078	5,231	1,818	926	206	1,164	-	-	-	-	-	-
Year ended March 31, 2021															
Gross carrying amount															
As at April 01, 2020	7,087	1,130	60,549	139,531	9,457	3,261	3,384	454	1,322	-	-	-	-	-	-
Additions	137	116	3,250	12,916	930	300	468	111	-	-	-	-	-	-	-
Disposals	-	(15)	(135)	(2,368)	(70)	(39)	(16)	(40)	-	-	-	-	-	-	-
Exchange differences	162	57	843	1,118	32	101	19	49	38	-	-	-	-	-	-
Transferred to discontinued operations (refer note 51)	-	-	-	(3,505)	(27)	(79)	(250)	(11)	-	-	-	-	-	-	-
Other adjustment / transfers ³	-	-	126	141	-	12	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	7,386	1,288	64,633	147,833	10,322	3,556	3,605	563	1,360	-	-	-	-	-	-
Accumulated depreciation and impairment															
As at April 01, 2020	-	669	9,382	60,453	4,226	1,443	2,458	248	158	-	-	-	-	-	-
Depreciation charge during the year ^{1 & 2}	-	191	2,310	16,259	1,447	576	553	80	141	-	-	-	-	-	-
Disposals	-	(5)	(33)	(2,059)	(65)	(27)	(24)	(31)	-	-	-	-	-	-	-
Exchange differences	-	39	296	279	32	62	12	44	3	-	-	-	-	-	-
Transferred to discontinued operations (refer note 51)	-	-	-	(2,025)	(20)	(54)	(206)	(8)	-	-	-	-	-	-	-
Other adjustment / transfers ³	-	0	235	(231)	-	(0)	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation and impairment	-	894	12,190	72,676	5,620	2,000	2,793	333	302	-	-	-	-	-	-
Net carrying amount	7,386	394	52,443	75,157	4,702	1,556	812	230	1,058	-	-	-	-	-	-

(i) Property, plant and equipment pledged as security: Refer note 44 for information on property plant and equipment pledged as security by the group.

(ii) Contractual obligations: Refer note 42 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

¹ Includes depreciation of INR 17 million (March 31, 2020: INR 11 million) capitalised during the year on assets used for creation of self generated assets.

² The Group has recognised impairment loss amounting to Nil (March 31, 2020: INR 437 million). The impairment losses are included under 'Depreciation expense'.

³ Includes impact of Hyperinflationary adjustment in gross block amounting to INR 290 million (March 31, 2020: INR 308 million) and accumulated depreciation amounting to INR 2 million (March 31, 2020: INR 43 million) in respect of one of the step down subsidiary in Argentina. Refer Note 47.

⁴ Refer note 50 for additions on account of business combination.

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(All amounts in INR Million, unless otherwise stated)

3(b) Right-to-use assets

Particulars	Land	Buildings	Plant & Machinery	Furniture & fixtures	Office equipments	Computers	Vehicles	Total
Year ended March 31, 2020								
Gross carrying amount								
Recognised on April 01, 2019 ¹	226	10,498	408	597	261	40	1,128	13,158
Reclassification on account of Ind AS 116	2,387	498	491	17	-	3	4	3,400
Additions	138	1,654	56	417	34	47	423	2,769
Reclassification	-	(446)	(82)	-	-	(6)	-	(534)
Deletion	-	(285)	(27)	-	-	-	(23)	(335)
Exchange differences	26	770	58	64	21	4	64	1,007
Closing gross carrying amount	2,777	12,689	904	1,095	316	88	1,596	19,465
Accumulated depreciation and impairment								
Depreciation charge during the year ²	259	2,446	299	298	97	41	595	4,035
Deletion	-	(1)	(27)	-	-	-	(8)	(36)
Exchange differences	6	14	22	16	5	(0)	25	88
Reclassification	-	(154)	(58)	(0)	0	(6)	-	(218)
Closing accumulated depreciation and impairment	265	2,305	236	314	102	35	612	3,869
Net carrying amount	2,512	10,384	668	781	214	53	984	15,596
Year ended March 31, 2021								
Gross carrying amount								
As at April 01, 2020	2,777	12,689	904	1,095	316	88	1,596	19,465
Additions	275	2,496	80	(3)	43	98	473	3,462
Reclassification	-	(25)	220	-	-	(30)	-	165
Deletion	(2)	(877)	(342)	(345)	(100)	-	(395)	(2,061)
Transferred to discontinued operations (refer note 51)	-	-	-	-	-	-	(278)	(278)
Exchange differences	44	264	55	25	9	(0)	25	422
Closing gross carrying amount	3,094	14,547	917	772	268	156	1,421	21,175
Accumulated depreciation and impairment								
As at April 01, 2020	265	2,305.23	236	314	102	35	612	3,869
Depreciation charge during the year ²	63	2,877.00	414	219	109	47	617	4,346
Reclassification	-	24	79	(58)	2	(22)	-	25
Deletion	(1)	(615)	(222)	(159)	(59)	-	(344)	(1,400)
Transferred to discontinued operations (refer note 51)	-	-	-	-	-	-	(140)	(140)
Exchange differences	14	81	31	7	2	(5)	(38)	92
Closing accumulated depreciation and impairment	341	4,672	538	323	156	55	707	6,792
Net carrying amount	2,753	9,875	379	449	112	101	714	14,383

¹ Right-to-use assets recognised as on April 01, 2019 includes prepaid rent amounting to INR 198 million related to asset taken on lease.

² The Group has recognised impairment loss amounting to Nil (March 31, 2020: INR 200 million). The impairment losses are included under 'Depreciation expense'.

3(c) Capital work-in-progress

	Capital work-in-progress	Intangible assets under development
Year ended March 31, 2020		
As at April 01, 2019	10,463	205
Addition during the year	9,228	330
Reclassification	(11,817)	(188)
Exchange differences	280	17
Closing balance as at March 31, 2020	8,154	364
As at April 01, 2020	8,154	364
Addition during the year	10,206	333
Reclassification	(10,145)	(309)
Exchange differences	169	(2)
Transfer to discontinued operations (refer note 51)	(1)	-
Closing balance as at March 31, 2021	8,383	386

4 Investment property

	March 31, 2021	March 31, 2020
Opening gross carrying amount	1,552	1,516
Add: Transfers / Additions during the year	113	-
Less: Deletions during the year	-	7
Add / (Less): Exchange differences	17	43
Gross Block	1,682	1,552
Accumulated depreciation:		
Opening balance	355	212
Add: Depreciation for the year*	42	137
Deletion during the year	-	(4)
Add / (Less): Exchange differences	4	10
Closing accumulated depreciation	401	355
Net Investment Properties	1,281	1,197

*The Group has conducted an impairment analysis and recognised impairment loss amounting to Nil (March 31, 2020: INR 100 million). The impairment losses are included under 'Depreciation expense'.

(i) Amounts recognised in profit or loss for the investment properties

	March 31, 2021	March 31, 2020
Rental Income	110	106
Direct operating expenses arising from property that generated rental income	(26)	(39)
Direct operating expenses arising from property that did not generate rental income	(14)	(5)
Profit from investment properties before depreciation	70	62
Depreciation	42	137
Gain / (Loss) from investment properties	28	(75)

(ii) Contractual obligations

Refer note 42 for disclosure of contractual obligation towards purchase of investment property.

(iii) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly.

Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

	March 31, 2021	March 31, 2020
Within one year	43	88
Later than one year but not later than 5 years	137	334
	180	422

(iv) Fair value

Investment properties

March 31, 2021	March 31, 2020
3,060	3,130

Estimation of fair value

The fair values of investment properties have been determined by independent valuer. The fair valuation is based on prevailing market prices/ price trend of the property in that locality/ city considering the location, size of plot, approach road, amenities, locality etc.

(All amounts in INR Million, unless otherwise stated)

5 Intangible assets

Particulars	Technical Knowhow Fees	Customer Relationships and Contracts	Business and commercial rights	Intellectual Property Rights	Software	Total intangible assets other than goodwill	Goodwill ²
Year ended March 31, 2020							
Gross carrying amount							
As at April 01, 2019	167	25,329	871	1,094	4,277	31,738	22,121
Additions	141	36	-	-	762	939	-
Additions on account of business combination ¹	-	607	-	-	2	609	291
Disposals	-	-	-	-	(54)	(54)	-
Exchange Difference	20	1,951	13	18	294	2,296	1,651
Other adjustment	-	1,014	-	(1,014)	-	-	-
Closing gross carrying amount	328	28,937	884	98	5,281	35,528	24,063
Accumulated amortisation and impairment							
As at April 01, 2019	72	8,355	368	133	2,544	11,472	3
Amortisation charge during the year	61	2,657	92	1	768	3,579	-
Disposals	-	-	-	-	(53)	(53)	-
Exchange differences	9	795	(4)	4	216	1,020	-
Other adjustment	-	84	-	(84)	-	-	-
Closing accumulated amortisation and impairment	142	11,891	456	54	3,475	16,018	3
Net carrying amount	186	17,046	428	44	1,806	19,510	24,060
Year ended March 31, 2021							
Gross carrying amount							
As at April 01, 2020	328	28,937	884	98	5,281	35,528	24,063
Additions	-	10	-	-	761	771	-
Disposals	-	-	-	-	(35)	(35)	-
Exchange difference	4	543	12	6	69	634	658
Other adjustment	(202)	(86)	-	-	202	(86)	-
Closing gross carrying amount	130	29,404	896	104	6,278	36,812	24,721
Accumulated amortisation and impairment							
As at April 01, 2020	142	11,891	456	54	3,475	16,018	3
Amortisation charge during the year	18	2,909	88	1	819	3,835	-
Disposals	-	-	-	-	(36)	(36)	-
Exchange differences	2	72	3	3	63	143	-
Other adjustment	(80)	(28)	9	-	80	(19)	-
Closing accumulated amortisation and impairment	82	14,844	556	58	4,401	19,941	3
Net carrying amount	48	14,560	340	46	1,877	16,871	24,718

1 Refer Note 50 for Additions on account of business combination.

² Goodwill consist of the following

A segment-level summary of the goodwill is presented below. Refer note 41 for 'segment reporting'.

	March 31, 2021	March 31, 2020
SMR	594	577
SMP	3,458	3,361
PKC	20,512	19,964
Others	154	158
Total	24,718	24,060

The Group tests goodwill for impairment on an annual basis. The goodwill has been evaluated based on the cashflow forecasts of the related cash generating units (CGUs) and the recoverable amounts of these CGUs exceeded their carrying amounts. The estimated value in use of cash generating units (CGU) is based on the future cash flows using annual growth rate of upto 4% for periods subsequent to the forecast period of 5-10 years and weighted average cost of capital between 8% to 15%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount for any segment. The discount rate was estimated based on past experience and company's average weighted average cost of capital. The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external factors

6 (a) Non-Current Investments

	March 31, 2021	March 31, 2020
Investment in equity instruments		
Equity instruments at FVOCI		
<u>Quoted:</u>		
Ssangyong Motor Corporation	-	2
18,040 (March 31, 2020 : 18,040) equity shares of EUR 3.394 each fully paid up		
<u>Unquoted:</u>		
Motherson Sumi Infotech & Designs Limited	185	185
1,200,000 (March 31, 2020: 1,200,000) equity shares of INR 10 each fully paid up		
Echanda Urja Private Limited	1	1
120,645 (March 31, 2020: 120,645) equity shares of INR 10 each fully paid-up		
N H 2 Limited	-	-
7,918,702 (March 31, 2020: 7,918,702) units of GBP 0.1 each (net of impairment provision)		
Purpurin Grundstücksverwaltungsgesellschaft GmbH & Co. Vermietungs KG	0	0
94 (March 31, 2020: 94) equity shares of EUR 51.129 each fully paid up		
OSSIA Inc.	1,002	972
714,976 (March 31, 2020: 714,976) Series D Preferred Stock		
Quanergy Systems Inc.	-	426
171,528 (March 31, 2020: 171,528) Series B Preferred Stock (net of impairment provision)		
Investment in preference shares at FVOCI		
<u>Unquoted:</u>		
Comunidad de Vertidos, “Les Carrases”	5	5
9.98% preference share of EUR 61,334 (March 31, 2020 : EUR 61,334) fully paid up		
Investment in bonds and promissory notes at FVTPL		
<u>Unquoted:</u>		
Naya Health	-	-
1% Convertible Promissory Note		
OSSIA Inc.	18	19
1 Convertible Promissory Note of USD 250,000		
Others at FVOCI		
Investment in antique arts (unquoted)	4	4
Aria Inc		
138,519 (March 31, 2020: Nil) Series Seed-1 preferred stock	37	-
138,519 (March 31, 2020: Nil) Series Seed-1 preferred stock	35	-
Total non current investments	1,287	1,614
Aggregate amount of quoted investments and market value thereof	-	2
Aggregate amount of unquoted investments	1,287	1,612
Aggregate amount of impairment in the value of investments	1,341	828

6 (b) Current Investments

	March 31, 2021	March 31, 2020
Investment in equity instruments at FVOCI		
Quoted:		
HDFC Bank Limited	6	4
4,070 (March 31, 2020: 4,070) equity shares of INR 2 each fully paid up		
Balrampur Chini Mills Limited	0	0
1,200 (March 31, 2020: 1,200) equity shares of INR 1 each fully paid up		
Jaysynth Dyestuff (India) Limited	0	0
100 (March 31, 2020: 100) equity shares of INR 10 each fully paid up		
Meyer Apparel Limited	0	0
28,475 (March 31, 2020: 28,475) equity shares of INR 3 each fully paid up		
Mahindra & Mahindra Limited	6	2
7,288 (March 31, 2020: 7,288) equity shares of INR 5 each fully paid up		
Arcotech Limited	0	0
1,000 (March 31, 2020: 1,000) equity shares of INR 2 each fully paid up		
Unquoted:		
Pearl Engineering Polymers Limited	-	-
3,160 (March 31, 2020: 3,160) equity shares of INR 10 each fully paid up		
Daewoo Motors Limited	-	-
6,150 (March 31, 2020: 6,150) equity shares of INR 10 each fully paid up		
Athena Financial Services Limited	-	-
66 (March 31, 2020: 66) equity shares of INR 10 each fully paid up		
Inox Leasing & Finance Limited	-	-
100 (March 31, 2020: 100) equity shares of INR 10 each fully paid up		
Total current investments	12	6
Aggregate amount of quoted investments and market value thereof	12	6
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

(All amounts in INR Million, unless otherwise stated)

7 Loans

Unsecured, considered good

Loans to related parties (Refer note 40)
Loans to employees and others

Total

March 31, 2021		March 31, 2020	
Current	Non-current	Current	Non-current
160	425	222	125
112	20	91	52
272	445	313	177

8 Trade Receivables

Unsecured, considered good

Other trade receivables
Trade receivables from related parties (Refer note 40)

Unsecured, credit impaired

Other trade receivables

Less: Allowances for credit loss

Total

March 31, 2021		March 31, 2020	
Current	Non-current	Current	Non-current
55,682	14,946	50,754	13,998
1,249	-	1,030	-
1,346	-	965	-
58,277	14,946	52,749	13,998
1,346	-	965	-
56,931	14,946	51,784	13,998

Note 1: The Group has derecognised trade receivables amounting to INR 46,351 million (March 31, 2020: INR 42,813 million) as it had transferred the contractual right and substantially transferred all risks and rewards of ownership of these receivables to various financial institutions.

Note 2: 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.

9 Other financial assets

Unsecured, considered good

Security deposits to related parties (Refer note 40)
Security deposits to others

Derivatives designated as hedge (Refer note 37)
Derivatives not designated as hedge
Interest receivable
Unbilled Revenue (Refer Note 45)
Deposits with original maturity for more than 12 months
Others

Total

March 31, 2021		March 31, 2020	
Current	Non-current	Current	Non-current
411	29	338	142
282	386	569	378
693	415	907	520
642	576	262	611
35	-	87	-
30	-	7	-
21,991	50	28,402	70
-	28	-	27
809	-	1,217	-
24,200	1,069	30,882	1,228

10. Other assets

Capital advances
Advances recoverable
Unamortised expenditure
Prepaid expenses
Balances with government authorities
Others

Total

March 31, 2021		March 31, 2020	
Current	Non-current	Current	Non-current
-	1,302	-	997
2,545	116	3,637	28
1,349	10,213	486	8,819
2,554	121	2,202	133
4,948	458	4,759	1,924
656	1,625	230	264
12,052	13,835	11,314	12,165

11 (a) Deferred tax assets (net)

Deferred tax assets

Unabsorbed depreciation and Tax losses	
Property, plant and equipments, investment property and intangible assets	
Employee benefits	
Provision for Doubtful debts/Advances/Inventory	
Others*	

Total

March 31, 2021	March 31, 2020
5,680	1,963
(1,264)	479
601	640
2,511	1,355
2,696	593
10,224	5,030

Movement in Deferred tax assets

	Unabsorbed depreciation and Tax losses	Property, plant and equipments, investment property and intangible assets	Employee benefits	Provision for Doubtful debts / Advances / Inventory	Others*	Total
As at April 01, 2019	3,064	528	550	1,400	581	6,123
(Charged) / credited:						
to profit or loss	2	(154)	(151)	26	(282)	(559)
to other comprehensive income	-	-	64	-	354	418
Exchange translation & reclassification adjustments*	(1,103)	105	177	(71)	(60)	(952)
As at March 31, 2020	1,963	479	640	1,355	593	5,030
(Charged) / credited:						
to profit or loss	3,888	(109)	(135)	457	732	4,833
to other comprehensive income	-	-	10	-	(70)	(60)
to profit or loss - discontinued operations (refer note 51)	-	-	-	(9)	-	(9)
to other comprehensive income - discontinued operations (refer note 51)	-	-	3	-	-	3
Transferred to discontinued operations (refer note 51)	-	-	3	-	-	3
Exchange translation & reclassification adjustments*	(171)	(1,634)	80	708	1,441	424
As at March 31, 2021	5,680	(1,264)	601	2,511	2,696	10,224

*Others represent tax impact of temporary differences arising out of interest deductibility limitations, R&D credits, non-deductibility of expenses and other similar items.

11 (b) Deferred tax liabilities (net)

Deferred tax liabilities

Property, Plant and equipment, investment property and intangible assets
Others

Total

March 31, 2021	March 31, 2020
2,348	3,317
1,015	1,310
3,363	4,627

Movement in Deferred tax liabilities

	Property, Plant and equipment, investment property and intangible assets	Others	Total
As at April 01, 2019	3,270	2,492	5,762
(Charged) / credited:			
to profit or loss	(82)	(1,336)	(1,418)
Acquisition due to business combination	(122)	-	(122)
Exchange translation & reclassification adjustments*	251	154	405
As at March 31, 2020	3,317	1,310	4,627
(Charged) / credited:			
to profit or loss	(1,443)	(484)	(1,927)
Exchange translation & reclassification adjustments*	474	189	663
As at March 31, 2021	2,348	1,015	3,363

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

* Reclassifications generally represents netting off between deferred tax assets and liabilities in respective jurisdictions, transfers out of deferred tax pursuant to change in tax positions in filed tax returns

12. Inventories

	March 31, 2021	March 31, 2020
Raw materials	28,355	31,365
Work-in-progress	7,397	7,390
Finished goods	10,053	9,496
Stock-in-trade	330	295
Stores and spares	3,821	3,020
Total	49,956	51,566
Inventory include inventory in transit of:		
Raw materials	2,065	1,918
Finished goods	739	557

Amount recognised in profit or loss:

During the year ended March 31, 2021, the group has written down inventories to net realisable value (net of reversal of written down related to goods sold during the year at price equal to or above cost) and also made provision in respect of obsolete / slow moving items amounted to INR 322 million (excluding DWH) (March 31, 2020: INR 271 million). These were recognised as an expense during the year and included in changes in value of inventories of work-in-progress, stock-in-trade and finished goods in consolidated statement of profit or loss.

13. Cash and cash equivalents

	March 31, 2021	March 31, 2020
Balances with banks:		
- in current accounts	58,005	47,554
- Deposits with original maturity of less than three months	933	1,086
Funds in transit & cheques and drafts on hand	41	11
Cash on hand	15	37
Total	58,994	48,688

There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior period. For asset pledged refer note 44

Changes in liabilities arising from financing activities

	March 31, 2020	Cash Flow	Non cash items*	March 31, 2021
Long term borrowings	83,622	9,337	98	93,057
Short term borrowings	34,079	(20,661)	157	13,575
Lease liabilities	13,663	(3,934)	2,934	12,663
Total liabilities from financing activities	131,364	(15,258)	3,189	119,295

*other non cash items includes, in addition to transfer to discontinued operations, foreign exchange movements. Non cash also includes new leases taken or termination of lease contracts in case of lease liabilities.

14. Other bank balances

	March 31, 2021	March 31, 2020
Deposits with remaining maturity of more than three months but less than 12 months	12	40
Unpaid dividend account	56	61
Total	68	101

Unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividend.

15. Share Capital

	March 31, 2021	March 31, 2020
Authorised:		
6,050,000,000 (March 31, 2020 : 6,050,000,000) Equity shares of INR 1 each)	6,050	6,050
25,000,000 (March 31, 2020 : 25,000,000) 8% Convertible Cumulative Preference Shares of INR 10 each)	250	250
Issued, subscribed and Paid up:		
3,157,934,237 (March 31, 2020 : 3,157,934,237) Equity Shares of INR 1 each	3,158	3,158

a. Movement in equity share capital

Equity Shares:

	Numbers	Amount
As at April 01, 2019	3,157,934,237	3,158
Add: Changes during the year	-	-
As at March 31, 2020	3,157,934,237	3,158
Add: Changes during the year	-	-
As at March 31, 2021	3,157,934,237	3,158

b. Rights, preferences & restrictions attached to shares

Equity Shares:

The Company has only one class of equity shares having a par value of INR 1 per share. Each holder of equity is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

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

c. Aggregate number of Shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding March 31, 2021)

	Aggregate No of Shares issued in five years	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
Equity shares allotted as fully paid bonus shares by capitalization of Securities Premium Account	1,754,407,910	-	-	1,052,644,746	701,763,164	-

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

	March 31, 2021		March 31, 2020	
	Nos.	%	Nos.	%
Equity shares:				
Samvardhana Motherson International Limited	1,055,750,653	33.43%	1,055,750,653	33.43%
Sumitomo Wiring Systems Limited	792,637,291	25.10%	792,637,291	25.10%

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.

16. (a) Reserves and surplus

	March 31, 2021	March 31, 2020
Capital reserve on consolidation	1,920	1,920
Securities premium	26,303	26,303
Reserve on amalgamation	1,663	1,663
General Reserve	3,431	3,430
Retained earning	81,102	70,642
Total reserves and surplus	114,419	103,958

Capital reserve on consolidation

	March 31, 2021	March 31, 2020
Opening balance	1,920	1,749
Addition on account of business combination (Refer Note 50)	-	171
Closing balance	1,920	1,920

Securities premium

	March 31, 2021	March 31, 2020
Opening Balance	26,303	26,303
Closing balance	26,303	26,303

Reserve on amalgamation

	March 31, 2021	March 31, 2020
Opening balance	1,663	1,663
Closing balance	1,663	1,663

General reserve

	March 31, 2021	March 31, 2020
Opening balance	3,430	3,430
Transfer from Surplus in Statement of Profit and Loss during the year	1	-
Closing balance	3,431	3,430

Retained earnings

	March 31, 2021	March 31, 2020
Opening balance	70,642	69,792
Additions during the year	10,392	11,701
Remeasurements of post-employment benefit obligation, net of tax	(54)	(151)
Share of OCI of associates and joint ventures, net of tax	2	(5)
Dividend paid (Refer note 39)	-	(9,474)
Tax on dividend (Refer note 39)	-	(1,370)
Hyperinflation adjustment (Refer note 47)	126	149
Other addition / (deletion)	(6)	-
Closing balance	81,102	70,642

During the financial year 2019-20, the Company paid final cash dividend for the financial year 2018-19 amounting INR 1.5 per share and Interim dividend for the financial year year 2019-20 amounting INR 1.5 per share to its shareholders. This has resulted in payment of dividend distribution tax (DDT) to the taxation authorities during March 31, 2020. The Company believes that DDT represents additional payment to taxation authorities on behalf of shareholders. Hence DDT paid is charged to equity. The interim dividend paid for FY 19-20 in March 2020 was taken as final dividend , hence no dividend was paid in during the financial year 2020-21.

16. (b) Other reserves

	Foreign currency translation reserve	Cash flow hedging reserve	FVOCI equity investments	Total
As at April 01, 2019	3,710	(291)	114	3,533
Currency translation difference	4,343	-	-	4,343
Change in fair value of hedging instruments (net of tax)	-	(1,963)	-	(1,963)
Change in fair value of FVOCI equity instruments (net of tax)	-	-	(420)	(420)
As at March 31, 2020	8,053	(2,254)	(306)	5,493
Currency translation difference	1,791	-	-	1,791
Change in fair value of hedging instruments (net of tax)	-	963	-	963
Change in fair value of FVOCI equity instruments (net of tax)	-	-	(218)	(218)
As at March 31, 2021	9,844	(1,291)	(524)	8,029

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 Act.

Cash flow hedging reserve

The group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale and inventory purchases and interest rate risk associated with variable interest rate borrowings. For hedging foreign currency risk, the group uses foreign currency forward contracts which are designated as cash flow hedges. For hedging interest rate risk, the group uses interest rate swaps which is also designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss (e.g. sales and interest payments).

Capital reserve on consolidation

It represents capital reserve on acquisition of subsidiaries.

Reserve on amalgamation

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

General Reserve

This reserve comprises retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

FVOCI equity investments

The group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investment reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Bracket denotes appropriations / deductions.

17 (a) Non-current borrowings

	March 31, 2021	March 31, 2020
Secured[#]:		
i) 3.7% Senior Secured Notes Due 2025 (EUR 100 million (March 31, 2020 : EUR 100 million))	8,483	8,226
ii) 4 ^{7/8} % Senior Secured Notes Due 2021 (USD 9 million (March 31, 2020 : USD 400 million))	538	30,123
iii) 1.8% Senior Secured Notes Due 2024 (EUR 300 million (March 31, 2020 : EUR 300 million))	25,400	24,593
iv) Non-convertible debentures	4,990	-
v) Term loans:		
From Banks:		
- Rupee Loan	14,207	5,750
- Foreign currency loan	10,449	10,890
From others		
- Indian rupee loan	-	0
- Foreign Currency Loan	4	13
	64,071	79,595
Unsecured:		
i) Non-convertible debentures	21,231	-
ii) Term loan:		
From Banks:		
- foreign currency loan	5,859	1,333
From others		
- Indian rupee loan	139.30	126
- Foreign currency loan	1,725	443
iii) Loan from related parties		
- Foreign currency loan - from related parties (Refer note 40)	171	2,125
Less : Term loan from others in Indian rupee of discontinued operations (refer note 51)	(139)	-
	28,986	4,027
Total	93,057	83,622
Less : Amounts disclosed under the head "other current financial liabilities" (Refer Note 18)	(18,370)	(1,010)
Current maturities of long-term debt	74,687	82,612

17 (b) Current borrowings

	March 31, 2021	March 31, 2020
Secured[#]:		
i) Loans repayable on demand from banks		
- Rupee Loan ¹	2,200	2,279
- Foreign Currency Loan ²	1,771	11,263
ii) Other short term loans from banks		
- Foreign Currency Loan ³	257	-
Less: Rupee Loan of discontinued operations	(675)	-
	3,553	13,542
Unsecured:		
i) Loans repayable on demand from banks		
- Rupee Loan	135	-
- Foreign Currency Loan	2,659	959
ii) Other short term loans from banks		
- Foreign Currency Loan	5,256	15,995
iii) Other short term loans - (Other than banks)		
- Foreign Currency Loan	1,972	3,583
	10,022	20,537
	13,575	34,079

Non-current borrowings:

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

Nature of Security	Terms of Repayment
3.7% Senior Secured Notes Due 2025	
Loan amounting to INR 8,483 million (March 31, 2020: INR 8,226 million) secured by:	The Notes bear interest at a rate of 3.70% payable annually on 18th June and will mature on 18th June, 2025.
a. Guarantee given by some of the material subsidiaries of Samvardhana Motherson Automotive Systems Group B.V.	The Notes carry a prepayment option and as per the terms of the indenture the Subsidiary may at any time prior to June 18, 2025, redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest and additional amounts, if any, to the date of redemption, plus a "make-whole" premium.
b. 100% share pledge of material subsidiaries of Samvardhana Motherson Automotive Systems Group B.V.	In addition, prior to June 18, 2025, the subsidiary may redeem, at its option, up to 35% of the Notes with the net proceeds from certain equity offerings.
c. Assets security given by some subsidiaries of Samvardhana Motherson Automotive Systems Group B.V.	
4^{7/8}% Senior Secured Notes Due 2021	
Loan amounting to INR 538 million (March 31, 2020: INR 30,123 million) secured by:	The Notes bear interest at a rate of 4.875% payable semi annually on June 16 & December 16 each year and will mature on December 16, 2021. During the year, the company redeem US\$ 375 million of its US\$400 million senior secured notes at 101.21875% calculated in accordance with terms of the indenture of said notes. Further in November 2020 it also purchased US\$17.6 million notes under tender offer.
The Notes are structured as senior secured obligations and will rank pari passu in right of payment with all the existing and future senior obligations of SMRP BV, including the obligations under the 2025 Notes, the 2021 Notes and the Revolving Credit Facilities. The Notes are guaranteed on a senior secured basis by certain subsidiaries of SMRP BV and are secured by share pledge and security interests granted over certain property and assets of SMRP BV and certain of its subsidiaries.	The Notes carry a prepayment option and as per the terms of the indenture, the subsidiary may at any time on or after June 16, 2019, redeem all or part of the Notes by paying the redemption prices set forth in the indenture. Prior to June 16, 2019, the subsidiary is entitled at its option, to redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest, if any, plus a "make-whole" premium. In addition, prior to June 16, 2019, the subsidiary may redeem, at its option, up to 35% of the principal amount of the Notes at a redemption price equal to 104.875% of the principal amount of the Notes, plus accrued and unpaid interest, if any, up to the redemption date.
1.8% Senior Secured Notes Due 2024	
Loan amounting to INR 25,400 million (March 31, 2020: INR 24,593 million) secured by:	The Notes were issued at 99.299% of the nominal value and carry coupon at a rate of 1.80% payable annually on July 06th each year and will mature on July 06, 2024.
The Notes are senior obligations of SMRP BV and rank pari passu in right of payment with all the SMRP BV's existing and future senior obligations that are not subordinated in right of payment to the Notes, including the SMRP BV's obligations under the existing Notes and the Revolving Credit Facilities. The Notes are guaranteed on a senior basis by SMRP BV and certain of its subsidiaries and are also secured by security interests granted over certain property and assets of the SMRP BV and certain of its subsidiaries.	The Notes are listed on the Irish Stock Exchange and trade on the Global Exchange Market.
Secured Non Convertible debentures	
Non convertible debentures amounting to INR 4,990 million (March 31, 2020: INR Nil) secured by:	The company issued 5,000 listed, rated, redeemable, senior, secured non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 5,000 million, in a single tranche.
(a) first ranking Security Interest by way of hypothecation on the Hypothecated Properties created by the Company in favour of the Debenture Trustee pursuant to the Deed of Hypothecation; and / or	The Non convertible debentures bear interest at a rate of 7.84% payable annually on April 20 each year and will mature on April 20, 2023.
(b) a first ranking Security Interest by way of equitable mortgage by deposit of title deeds on the Company's rights, title and interest in and to the Mortgaged Properties created by the Company in favour of the Debenture Trustee (or in favour of a security trustee or security agent appointed by the Debenture Trustee (acting in accordance with Approved Instructions)) pursuant to the Mortgage Documents.	
c) such other Security Interest created by the Company or any other Person as may be mutually agreed by the Company with the Debenture Trustee (acting in accordance with Approved Instructions) and classified as 'Security' for the purposes of this Deed by the Debenture Trustee.	
Long term Indian Rupee loans from Bank include:	
Loan amounting to INR 5,750 million (March 31, 2020: INR 5,750 million) secured by creating a pledge on Investment in shares of one of the subsidiary, MSSSL (GB) Ltd on pari passu basis.	The principal amount to be paid to bank within period of 5 years from date of disbursement as a bullet payment. The repayment is due in March 2022. The loan carries interest rate of 8% p.a.
Loan amounting to INR 8,457 million (March 31, 2020 : Nil) secured by creating a charge on Investment in shares of one of the subsidiary, MSSSL (GB) Ltd on pari passu basis	Borrowing carrying Interest rate of 6.05% p.a. repayable in 5 years from date of first disbursement in ratio of 5:5:10:25:55 starting from September 2021.
Long term foreign currency loans from Bank include:	
i Loan amounting to INR 6 million (March 31, 2020: INR 6 million) secured by General Notarial Bond on assets of Vacuform 2000 Pty Ltd.	INR 6 million (March 31, 2020: INR 6 million) is repayable in monthly instalments till August 2022. The applicable rate of interest in respect of these loans is Prime lending rate in South Africa minus 3%

MOTHERSON SUMI SYSTEMS LIMITED
Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

ii	Loan amounting to Nil (March 31, 2020: INR 74 million) secured by specified assets located at Boetzingen plant of SMP Deutschland GmbH	The loan was fully repaid in December 2020. The applicable rate of interest was 4.96 %
iii	Loan amounting to INR 19 million (March 31, 2020: INR 23 million) secured against land and building of MSSL Japan.	Repayable in quarterly instalments from June 2015 till June 2029. The applicable rate of interest is 3 months Tibor + 0.95%
iv	Loan amounting to INR 171 million (March 31, 2020: INR 167 million) secured by first mortgage on plant & machinery of Samvardhana Motherson Invest Deutschland GmbH	Repayable in one bullet payment on September 30, 2025. The applicable rate of interest in respect of this loans is 2.2%
v	Loan amounting to Nil (March 31, 2020: INR 0 million) secured against vehicle of Vacuform 2000 (Proprietary) Limited.	the loan was fully repaid during financial year 2020-21. The applicable rate of interest in respect of this loan was 7%
vi	INR 5,846 million (March 31, 2020 : INR 6,039 million) secured by creating a pledge on Investment in shares of one of the subsidiary, MSSL (GB) Ltd on pari passu basis.	Repayable as bullet payment in March 2022. The applicable rate of interest in respect of this loan is 6 months Libor + 120 basis points to be paid on half yearly basis.
vii	INR 52 million (March 31, 2020 : INR 90 million) secured against the land & building & current receivables.	Repayable as quarterly instalments upto June 2022. The applicable rate of interest in respect of this loans is 3M Euribor + 1.15%
viii	INR 4,354 million (March 31, 2020 : INR 4,488 million). Facility is guaranteed on a senior secured basis by certain subsidiaries of SMRP BV and are secured by share pledge and security interests granted over certain property and assets of SMRP BV and certain of its subsidiaries.	Repayable in one bullet payment on August 29, 2023. The applicable rate of interest in respect of this loans is Libor + 1.1%
ix	INR 1 million (March 31, 2020: INR 2 million). Facility is secured against the vehicle for which the loan is availed.	Repayable in monthly instalments till March 2023. The applicable rate of interest in respect of this loan is prime lending rate applicable in South Africa, which is 7%.
Long term Indian Rupee Loans from Other than Banks include:		
i.	Indian Rupee loan amounting to Nil (March 31, 2020: INR 0 million) from other than banks for the purchase of Investment Property and is secured by the capital advance given for the purchase of investment property.	Fully repaid in April 2020 carried Interest rate of 10.2% p.a.
Long term Foreign Currency Loans from Other than Banks include:		
i.	INR 5 million (March 31, 2020 : INR 10 million) secured against the office equipments of MSSL GmbH for which this loan has been taken.	Repayable in monthly instalments until December 2021 The applicable rate of interest in respect of this loan is 4.309%
ii.	Nil (March 31, 2020 : INR 3 million) secured against the office equipment of MSSL GmbH for which this loan has been taken.	Fully repaid in October 2020. The applicable rate of interest in respect of this loan was 3.43%

(b) Terms of repayment for unsecured borrowings:

	Terms of Repayment
Unsecured Non Convertible debentures	
Non convertible debentures amounting to INR 21,231 million (March 31, 2020: INR Nil)	The company issued 21,300 listed, rated, redeemable, unsecured, redeemable non-convertible debentures of a face value of INR 1,000,000 each, of the aggregate nominal value of up to INR 21,300 million, in a single tranche. The Non convertible debentures bear interest at a rate of 6.65% payable annually on September 14 each year and will mature on September 14, 2023.
Unsecured Foreign Currency Term Loans from Banks -	
i. Loan amounting to Nil (March 31, 2020: INR 619 million).	Fully repaid in financial year 2020-21. The applicable rate of interest is 5%
ii. Loan amounting to Nil (March 31, 2020: INR 7 million).	Fully repaid during financial year 2020-21
iii. Loan amounting to Nil (March 31, 2020: INR 22 million).	Fully repaid during financial year 2020-21
iv. Loan amounting to INR 23 million (March 31, 2020: Nil).	Repayable in 36 equal monthly instalments started from May 2020 until April 2023.
v. Loan amounting to INR 33 million (March 31, 2020: Nil).	Repayable in 96 equal monthly instalments starting from September 2022 until August 2030.
vi. Loan amounting to INR 40 million (March 31, 2020: Nil).	Repayable in 84 equal monthly instalments starting from May 2024 until February 2031.
vii. INR 276 million (March 31, 2020 : INR 327 million)	Repayable as quarterly instalments upto July 2025. The applicable rate of interest in respect of this loans is 0.75%
viii. Loan amounting to INR 257 million (March 31, 2020: INR 346 million).	Repayable in 15 equal quarterly instalments commencing from April 2020 upto November 2023. The applicable rate of interest is BIBOR + 1.45% p.a
ix. Loan amounting to INR 5 million (March 31, 2020: INR 12 million).	Repayable in monthly instalments upto January 2023. The applicable rate of interest is 2.2%

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x. Loan amounting to INR 4,544 million (March 31, 2020: Nil).	Repayable in June 2021. The applicable rate of interest is 0.50%
xi. Loan amounting to INR 258 million (March 31, 2020: Nil)	Repayable in quarterly installments until May 2023. The applicable rate of interest is 0.98%
xii. Loan amounting to INR 424 million (March 31, 2020: Nil).	Repayable by October 2021. The applicable rate of interest is 5%
Unsecured Indian Rupee Loan from Other than Banks -	Interest free loan of INR 139 million (March 31, 2020 : INR 126 million) repayable in 3 tranches in November 2022, March 2023 and December 2026 against each disbursements. Bank guarantee is furnished by the Company.
Unsecured Foreign Currency Loan from Other than Banks -	<p>Loan amounting to INR 65 million (March 31, 2020: INR 53 million) with no fixed repayments terms carrying Prime rate interest applicable in South Africa, which is 7%.</p> <p>Loan amounting to INR 2 million (March 31, 2020: INR 2 million) interest free with no fixed repayments terms.</p> <p>Loan amounting to INR 31 million (March 31, 2020: INR 39 million) interest free loan repayable in half yearly instalments until March 2024.</p> <p>Loan amounting to INR 48 million (March 31, 2020: INR 40 million) interest free loan repayable in 10 yearly instalments commencing from 2074.</p> <p>Loan amounting to INR 731 million (March 31, 2020: Nil) government loan repayable till FY 2023-24 carrying interest rate of 0.98%. The company has applied for forgiveness.</p> <p>Loan amounting to Nil (March 31, 2020: INR 5 million) fully repaid in financial year 2020-21 carried interest rate of 5%</p> <p>Loan amounting to Nil (March 31, 2020: INR 5 million) fully repaid in financial year 2020-21 carried interest rate of 5%</p> <p>Loan amounting to INR 18 million (March 31, 2020: INR 30 million) repayable in yearly instalments upto financial year 2022-23 carrying interest rate of 5%</p> <p>Loan amounting to Nil (March 31, 2020: INR 2 million) fully repaid during financial year 2020-21 carried interest rate of 5%</p> <p>Loan amounting to INR 28 million (March 31, 2020: INR 12 million) to be repaid by July 2025 carrying interest rate of 5%</p> <p>Loan amounting to INR 75 million (March 31, 2020: INR 86 million). Interest free loan to be repaid yearly upto July 2026.</p> <p>Loan amounting to INR 31 million (March 31, 2020: INR 45 million) carrying interest rate of 3.95% to be repaid yearly upto November 2022.</p> <p>Loan amounting to INR 107 million (March 31, 2020: INR 125 million). Interest free loan to be repaid in yearly instalments until May 2025.</p> <p>Loan amounting to INR 277 million (March 31, 2020: Nil). Carrying interest rate of 0.98%.</p> <p>Monthly installment started from Aug 21 till Jan 2023. The applicable rate of interest is 1.0%</p>
Unsecured Foreign Currency Loans from Related Parties -	Loan amounting to INR 171 million (March 31, 2020: INR 2,125 million) repayable in June 2026.

Current borrowings:

Nature of Security for secured borrowings:

- ¹ INR 2,200 million (March 31, 2020: INR 2,279 million) repayable on demand, secured by first pari passu charge on entire current assets of the Company including receivables, both present and future and second pari passu charge over the fixed assets of the Company including equitable mortgage of specified properties.
INR 690 million pertains to discontinued operations of the company.
- ² Nil (March 31, 2020: INR 997 million) secured by charge on the inventory and receivables of MSSSL Wiring System Inc.

INR 73 million (March 31, 2020: INR 227 million) secured by first pari passu charge on entire current assets SMP Automotive Systems Mexico S.A. de C.V. including receivables, both present and future and second pari passu charge over the fixed assets of SMP Automotive Systems Mexico S.A. de C.V. including equitable mortgage of specified properties.

INR 1,698 million (March 31, 2020: 10,015 million) is secured against guarantee of Samvardhana Motherson Automotive Systems Group BV (SMRP BV) and certain subsidiaries and also against same collaterals as all the existing Senior Secured Notes issued by SMRP BV and reported under non-current borrowings.

Nil (March 31, 2020: INR 25 million) is secured against land & building of SMR Automotive (Langfang) Co. Limited
- ³ INR 257 million (March 31, 2020: Nil) secured secured against property, plant and equipments of one of subsidiary in China.

The rate of interest in respect of short term borrowing is applicable inter bank lending rate for loan currency / applicable base rate of commercial banks of the country of borrower plus spread of 0.0 % to 5.0%

[#] The carrying amounts of financial and non financial assets pledged as security for current and non current borrowings are disclosed in Note 44

18. Other financial liabilities

	March 31, 2021	March 31, 2020
Non-current		
- Retention Money	23	77
- Security Deposit Received (Refer Note 40)	200	204
- Recovery against Vehicle Loan	54	106
- Derivatives designated as hedges (Refer Note 37)	72	-
- Amounts payable to obtain contracts	1,782	385
- Accrued expenses	3,941	3,022
- Others	4	-
	6,076	3,794
Current		
- Current maturities of long term debt (Refer Note 17 (a))	18,370	1,010
- Interest accrued but not due on borrowings	2,324	1,288
- Unpaid dividends ¹	56	61
- Employee benefits payable	12,756	12,602
- Security deposit received	11	5
- Payables relating purchase of fixed assets	3,073	3,354
- Derivatives designated as hedges (Refer Note 37)	1,688	3,365
- Derivatives not designated as hedges	86	82
- Advance recovery from employee	41	55
- Amounts payable to obtain contracts	5,377	4,402
- Accrued expenses	2,248	3,194
- Others	3,166	3,664
Total	49,196	33,082

¹ There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

19. Trade Payables

	March 31, 2021	March 31, 2020
Total outstanding dues of creditors other than related parties	109,270	99,465
Trade payable to related parties (Refer note 40)	2,136	3,626
Total	111,406	103,091

20 Provisions

	March 31, 2021		March 31, 2020	
	Current	Non-current	Current	Non-current
For warranties	1,926	194	1,251	182
for onerous contracts	133	557	-	-
for Restructuring / Severance costs	932	338	25	82
For litigation, disputes and other contingencies	1,977	393	801	571
Total	4,968	1,482	2,077	835

Warranty

A provision is recognized for expected warranty claims on products sold during the last year, based on past experience of the level of repairs and returns. Due to the very nature of such costs, it is not possible to estimate the uncertainties relating to the outflows of economic benefits.

Onerous Contracts

Onerous contracts represent management's best estimate of the amount by which the expected benefits from certain specific contracts are lower than the unavoidable cost of meeting its obligations under those contracts. The time frame within which such provisions will unwind varies by contract.

Litigation, disputes and other contingencies

Provision for litigation, disputes and other contingencies represents claims against the Group not acknowledged as debts that are expected to materialise in respect of matters in litigation / disputes etc.

Restructuring / Severance costs

Restructuring / severance costs provisions are created based on announcement for employee restructuring by the Group.

The group has the following provisions in the books of account:

	Restructuring / Severance costs	Warranty	Onerous contracts	Litigation, disputes and other contingencies
Year ended March 31, 2020				
As at April 01, 2019	413	1,392	-	1,073
Additions during the year	-	407	-	543
Addition on account of business combination (Refer Note 50)	-	-	-	2
Utilised / reversed during the year	(313)	(431)	-	(278)
Exchange translation adjustment	7	65	-	32
Closing Balance	107	1,433	-	1,372
Year ended March 31, 2021				
Opening Balance	107	1,433	-	1,372
Additions during the year	1,548	809	696	1,150
Utilised / reversed during the year	(358)	(169)	-	(165)
Transferred to discontinued operations (refer note 51)	-	8	-	-
Exchange translation adjustment	(27)	39	(6)	13
Closing Balance	1,270	2,120	690	2,370

(All amounts in INR Million, unless otherwise stated)

21 Employee benefit obligations

	March 31, 2021		March 31, 2020	
	Current	Non-current	Current	Non-current
Gratuity and pensions	277	3,411	530	3,061
Compensated absences	1,136	360	1,668	591
Longevity / jubilee bonus	-	239	-	239
Others	601	904	60	828
Total	2,014	4,914	2,258	4,719

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

A. Defined Benefit Schemes

Gratuity / Pension Benefits

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, 2021	March 31, 2020
Obligations at year beginning	6,840	6,039
Current service cost	616	574
Interest expense	244	224
(Gains) and losses on curtailment and settlement	14	(11)
Amount recognised in profit or loss	874	787
Remeasurements		
Actuarial (gain) / loss from change in demographic assumption	34	10
Actuarial (gain) / loss from change in financial assumption	26	268
Experience (gains)/losses	(5)	(91)
Amount recognised in other comprehensive income	55	187
Effect of Exchange rate change	251	231
Payment from plan:		
Benefit payments	(415)	(308)
Contributions:		
Employers	-	(89)
Addition due to transfer of employee	(4)	(7)
Less: Transferred to Discontinued Operations	(1,005)	-
Obligations at year end	6,596	6,840

(ii) Fair Value of Plan Assets

	For the year ended	
	March 31, 2021	March 31, 2020
Plan assets at year beginning, at fair value	3,249	2,897
Interest income	142	126
Amount recognised in profit or loss	142	126
Remeasurements		
Actuarial gain / (loss) from change in financial assumption	(1)	(4)
Return on plan assets, excluding amount included in interest income	(6)	(4)
Experience (gains)/losses	-	5
Amount recognised in other comprehensive income	(7)	(3)
Effect of Exchange rate change	85	33
Payment from plan:		
Benefit payments	(200)	(141)
Contributions:		
Employers	264	337
Addition due to transfer of employee	23	-
Less: Transferred to Discontinued Operations	(648)	-
Plan assets at year end, at fair value	2,908	3,249

(iii) Assets and Liabilities recognized in the Balance Sheet

	For the year ended	
	March 31, 2021	March 31, 2020
Present Value of the defined benefit obligations	6,596	6,840
Fair value of the plan assets	2,908	3,249
Amount recognized as Liability	3,688	3,591

The group has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions.

(iv) Defined benefit obligations cost for the year:

	For the year ended	
	March 31, 2021	March 31, 2020
Current service cost	616	574
Interest Cost	244	224
Interest income	(142)	(126)
(Gains) and losses on curtailment and settlement	14	(11)
Actuarial (gain) / loss	62	190
Extinguishment to discontinued operations - service and interest cost	(86)	(69)
Extinguishment to discontinued operations - Actuarial (gain) / loss	(11)	(86)
Net defined benefit obligations cost	794	851

(v) Investment details of Plan Assets

Companies within the Group operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds. In respect of the companies incorporated in India, 100% of the plan assets are lying in the Gratuity fund administered through Life Insurance Corporation of India (LIC) under its Group Gratuity Scheme. In case of South Korea fund has been deposited with multiple financial institutions as required by local regulations and is guaranteed by government. In respect of other overseas entities, plan assets are funded through various institutions.

The details of investments of plan assets are as follows:

	For the year ended	
	March 31, 2021	March 31, 2020
LIC	1,076	997
Deposits with financial institution	1,832	2,252
Total	2,908	3,249

In respect of LIC plan assets are invested by LIC as per their guidelines and no further details are available with the company. Further in respect of deposits with financial institutions although they are low interest bearing investments but are guaranteed by government.

(vi) Actuarial assumptions:

	March 31, 2021		March 31, 2020	
	Indian Entities	Outside India Entities	Indian Entities	Outside India Entities
Discount Rate per annum	6.70%	1.70%- 8.90%	6.60%	1.70%- 8.90%
Future salary increases	8.00%	1% - 8%	8.00%	1% - 8%
Pension growth rate	-	1.50% - 2%	-	1.50% - 2%
Mortality table *	-	-	-	-

* Due to the use of different tables at different locations , this information is not disclosed.

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

	For the year ended	
	March 31, 2021	March 31, 2020
Gratuity (Continued operations)	288	515

(All amounts in INR Million, unless otherwise stated)

(viii) The following table shows breakdown of the defined benefit obligation and plan assets by country:

Plan Type	March 31, 2021			March 31, 2020		
	India	Outside India	Total	India	Outside India	Total
Present value of obligation	2,360	4,236	6,596	2,125	4,715	6,840
Fair value of plan asset	1,610	1,298	2,908	1,492	1,757	3,249
Net liability	750	2,938	3,688	633	2,958	3,591

(ix) 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, 2021	March 31, 2020		March 31, 2021*	March 31, 2020^		March 31, 2021*	March 31, 2020^
Discount Rate per annum	0.50%	0.50%	Decrease by	(41)	(79)	Increase by	44	85
Future salary increases	0.50%-1%	0.50%-1%	Increase by	95	176	Decrease by	(83)	(155)
Pension rate per annum	0.50%	0.50%	Decrease by	(34)	9	Increase by	80	(14)
Life expectancy	1 year	1 year	Decrease by	(2)	(3)	Increase by	2	3

* Continuing operations

^ Continuing operations and Discontinued operations

The above sensitivity analyses are 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.

The method and type of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

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(x) Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility	The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. In respect of companies incorporated in India, 100% of plan assets are lying with LIC under its group gratuity scheme. LIC is a central government monitored entity and its investment norms ensure adequate returns for investors along with surety of plan assets. In respect of overseas subsidiaries in Korea, the amount has been deposited with multiple financial institutions as required by local regulations and is guaranteed by government.
Changes in bond yields	A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.
Inflation risks	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life expectancy	The pension obligation is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The liability recognised in the balance sheet in respect of defined benefit pension/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 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 like India, there is no deep market in such bonds, therefore 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.

(xi) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 2-14 years (March 31, 2020: 2-14 years)

Expected benefit payments are as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Between 6-14 years	Total
March 31, 2021					
Defined benefit obligation (pension & gratuity) of continuing operations	261	354	1,171	4,308	6,094
March 31, 2020					
Defined benefit obligation (pension & gratuity)	280	254	1,044	3,722	5,300

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, Employee State Insurance (ESI) and other funds for the benefit of the employees. Accordingly, the Group's contribution during the year that has been recognised in consolidated statement of profit and loss from continuing operations, amounting INR 13,267 million (March 31, 2020 : INR 14,214 million).

- C** 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 by the Government of India. 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.

22 Government grants

	March 31, 2021	March 31, 2020
Opening balance	2,790	2,428
Grants received during the year	1,437	1,466
Released to profit or loss (Refer note 26)	(1,459)	(1,159)
Released to profit and loss of discontinued operation (refer note 51)	(32)	(51)
Transferred to discontinued operation (refer note 51)	(252)	-
Exchange differences	113	106
Closing balance	2,597	2,790
	March 31, 2021	March 31, 2020
Current portion	455	357
Non-current portion	2,142	2,433
Total	2,597	2,790

23 Current tax liabilities / (Non-current tax assets) (net)

Income tax assets and Income tax liabilities have been offset to the extent they relate to the same governing taxation laws.

	March 31, 2021	March 31, 2020
Non-Current tax assets (net)	1,843	3,732
Current tax liabilities (net)	3,342	3,623
Net tax liabilities / (Assets)	1,499	(109)

24 (a) Other non-current liabilities

	March 31, 2021	March 31, 2020
Advance from Customers (Refer Note 45)	45	21
Unearned Revenue (Refer Note 45)	1,242	1,418
Others	342	232
	1,629	1,671

24 (b) Other current liabilities

	March 31, 2021	March 31, 2020
Other current liabilities		
- Unearned Revenue (Refer Note 45)	1,500	1,173
- Statutory dues payable	5,809	6,400
- Advances received from customers (Refer Note 45)	3,310	2,730
- Other payables	4,126	3,475
	14,745	13,778

(All amounts in INR Million, unless otherwise stated)

25 (a) Revenue from contract with customers		For the year ended	
	March 31, 2021	March 31, 2020	
Sales of products			
Finished goods			
Within India	34,611	37,080	
Outside India	527,020	551,396	
Traded goods	2,530	9,502	
Total gross sales	564,161	597,978	
Sales of services			
	5,352	4,805	
Total revenue from contract with customers (Refer Note 41 & 45)	569,513	602,783	
Note: There is no material difference between the contract price and the revenue from contract with customers.			
25 (b) Other operating revenue:			
Scrap sales	475	379	
Recovery from customers	1,137	1,625	
Export incentives	75	191	
Liabilities written back to the extent no longer required	345	489	
Miscellaneous income	2,154	1,822	
	4,186	4,506	
26 Other income			
	For the year ended		
	March 31, 2021	March 31, 2020	
Interest income	656	358	
Dividend income from equity investments designated at fair value through OCI	0	6	
Profit on sales of fixed assets	-	40	
Rent income (Refer Note 4)	174	182	
Government grants & subsidies (Refer Note 22)	1,459	1,159	
Foreign exchange gain (net)	-	501	
Miscellaneous income	4	0	
Total	2,293	2,246	
27 Cost of materials consumed			
	For the year ended		
	March 31, 2021	March 31, 2020	
Opening stock of raw materials	29,447	25,420	
Addition on account of business combination (Refer note 50)	-	369	
Add : Purchases of raw materials	342,273	356,935	
Less: Closing stock of raw materials	30,963	29,447	
Add: Exchange adjustment:			
Exchange differences opening stock (gain)/loss	1,161	390	
Exchange differences closing stock (loss)/gain	(1,498)	1,803	
Less: Cost of materials consumed in discontinued operations*	13,662	12,620	
Total	326,758	342,850	
*net of cost of materials consumed with respect to purchases from continuing operations (refer note 51)			
28 Changes in inventory of finished goods, work in progress and stock in trade			
	For the year ended		
	March 31, 2021	March 31, 2020	
(Increase)/ decrease in stocks			
Stock at the opening of the year:			
Finished goods	9,496	8,736	
Work-in-progress	7,390	7,252	
Stock in trade	295	324	
Total A	17,181	16,312	
Add: Addition on account of business combination (Refer note 50)			
Finished goods	-	7	
Work-in-progress	-	194	
Total B	-	201	
Stock at the end of the year:			
Finished goods	10,771	9,496	
Work-in-progress	8,644	7,390	
Stock in trade	327	295	
Total C	19,742	17,181	
Exchange adjustment:			
Exchange differences opening stock (gain)/loss	535	202	
Exchange differences closing stock (loss)/gain	(172)	611	
Total D	364	813	
Less: Changes in inventory of discontinued operations (refer note 51)			
(Increase)/ decrease in stocks (A+B-C+D)	(1,812)	(262)	

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29	Employee benefit expense	For the year ended	
		March 31, 2021	March 31, 2020
	Salary, wages & bonus	118,884	123,182
	Contribution to provident, superannuation & other fund	13,267	14,214
	Gratuity & pension (Refer note 21)	646	592
	Staff welfare expenses	6,511	5,518
	Restructuring/ severance costs	1,688	220
	Total	140,996	143,726
30	Other expenses	For the year ended	
		March 31, 2021	March 31, 2020
	Electricity, water and fuel	9,197	9,905
	Repairs and Maintenance:		
	Machinery	6,939	7,387
	Building	1,363	1,748
	Others	2,376	2,132
	Consumption of stores and spare parts	2,575	2,708
	Conversion charges	800	715
	Lease rent (Refer note 46)	2,411	2,987
	Rates & taxes	1,550	1,307
	Insurance	1,623	1,381
	Foreign exchange losses (net)	566	-
	Donation	62	82
	Travelling	1,140	3,343
	Freight & forwarding	7,643	7,849
	Royalty	55	79
	Commission	27	28
	Loss on sale of property, plant & equipment(net)	111	-
	Bad debts/advances written off	213	66
	Provision for doubtful debts/advances	387	42
	Legal & professional expenses (Refer note (a) below)	7,111	6,753
	Miscellaneous expenses	16,986	18,823
	Total	63,135	67,335
(a): Payment to Group Auditors:			
	As Auditor:	For the year ended	
		March 31, 2021	March 31, 2020
	Audit fees (including limited review)	161	144
	Other services	9	2
	Reimbursement of expenses	1	8
	Total	172	154
31	Finance costs	For the year ended	
		March 31, 2021	March 31, 2020
	Interest on long term borrowings	2,740	596
	Interest on lease liabilities (Refer Note 46)	760	725
	Commitment charges on borrowings	131	137
	Other finance costs ¹	1,484	4,470
	Total	5,115	5,928
¹ Includes foreign exchange loss/(gain) on long term loan facilities.			
32	Depreciation and amortization expense	For the year ended	
		March 31, 2021	March 31, 2020
	Depreciation on Property, plant and equipment ²	21,117	19,558
	Depreciation of right to use assets ²	4,283	3,947
	Amortization on Intangible assets	3,835	3,579
	Depreciation on Investment Property ²	42	137
	Less: Capitalised during the year ¹	(17)	(11)
	Total	29,260	27,210

¹ Depreciation on assets used for creation of self generated assets. (Refer Note 3)

² Depreciation includes impairment of property, plant and equipments, right-to-use assets and investment properties (Refer Note 3 & 4)

33	Income tax expense	For the year ended	
		March 31, 2021	March 31, 2020
	(a) Income tax expense		
	Current tax		
	Current income tax charged	6,260	8,094
	Adjustments for current tax of prior years	(194)	(339)
	Total current tax expense	6,066	7,755
	Deferred tax (Refer note 11)		
	Decrease / (increase) in deferred tax assets	(4,824)	559
	Less: Decrease / (increase) in deferred tax assets of discontinued operations	(9)	(15)
	(Decrease) / increase in deferred tax liabilities	(1,927)	(1,418)
	Total deferred tax expense / (benefit)	(6,760)	(874)
	Income tax expense	(694)	6,881

During the year ended March 31, 2021, the Group has recognized deferred tax assets (net benefit) amounting to INR 6,760 million, which include amongst others, deferred tax assets on carried-forward tax losses for the periods prior to the year ended March 31, 2020, which in the absence of convincing evidence were not recognized earlier and also includes deferred tax on temporary differences. The Group has assessed that these deferred tax assets will be fully recovered / utilised prior to the expiry or lapse of the associated carried forward as per the tax regulations applicable in respective jurisdiction. Such assessments include estimates of future taxable income based on the approved business plans and profitability forecasts of the Group's subsidiaries.

The Company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The provision for taxation and deferred tax assets / liabilities has been re-measured basis the rates prescribed in the said Section. For certain other subsidiaries and joint venture entities incorporated in India, income tax is calculated at existing applicable tax rate.

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate	For the year ended	
	March 31, 2021	March 31, 2020
Profit before tax from continuing operations		
Profit before tax from continuing operations	11,733	16,222
Tax at India's tax rate of 25.168% (March 2020: 25.168%)	2,953	4,083
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	356	957
Withholding, local and additional income taxes	931	603
Effect of tax credits	(1,000)	(608)
Recognition and utilisation of previously unrecognised tax	(3,068)	(1,529)
Adjustments for current tax of prior periods	(194)	(339)
Tax effect of losses on which deferred tax assets not recognised	973	3,117
Difference in overseas tax rates	(1,047)	350
Other adjustments	(598)	247
Income tax expense of continuing operations	(694)	6,881
Profit before tax from discontinued operations	4,396	4,906
Tax at India's tax rate of 25.168% (March 2020: 25.168%)	1,106	1,235
Other adjustments	23	68
Income tax expense of discontinued operations	1,129	1,303

Tax is calculated at domestic tax rates applicable in the respective countries. The weighted average applicable tax rate was 25% for the year ended March 31, 2021 (March 31, 2020: 25%). The movement in weighted average tax rate is mainly on account of variation in profitability of the Group's subsidiaries in the respective countries. There have been no significant changes in tax rates applicable to the Group's subsidiaries during the year.

(c) Tax losses

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The group did not recognise deferred income tax assets in respect of losses amounting to INR 32,950 million (March 31, 2020: INR 44,486 million) that can be carried forward against future taxable income. These losses can be carried-forward as below:

	March 31, 2021	March 31, 2020
Losses without expiration date	28,472	39,608
Losses with expiration date	4,478	4,878
	32,950	44,486

(d) Certain subsidiaries, joint ventures and associates of the group have undistributed retained earnings (excluding retained earnings for entities where there is no tax liability to the group on dividend distribution) amounting to INR 48,803 million (March 31, 2020: INR 47,266 million), which if distributed out as dividend would result in tax liability of group. Keeping in view that, no profit is proposed to be distributed in the immediate future by way of dividend out of such undistributed retained earnings, no deferred tax liabilities has been recognised.

Temporary differences arose as a result of the translation of the financial statements of the group's subsidiaries outside India. However, deferred tax liability has not been recognised as the liability will only crystallise in the event of disposal of the subsidiary, and no such disposal is expected in the foreseeable future. Refer note 16 for Foreign currency translation reserve balance.

34 Earnings per share

	March 31, 2021	March 31, 2020
For continuing operations		
a) Basic		
Net profit after tax available for equity Shareholders of parent entity	7,124	8,098
Weighted Average number of equity shares used to compute basic earnings per share	3,157,934,237	3,157,934,237
Basic earnings (in INR) per share of INR 1 each (March 31, 2020: INR 1 each)	<u>2.26</u>	<u>2.57</u>
b) Diluted		
Net profit after tax available for equity Shareholders of parent entity	7,124	8,098
Weighted average number of Equity Shares of INR 1 each (March 31, 2020 : INR 1 each)	3,157,934,237	3,157,934,237
Diluted earnings (in INR) per share of INR 1 each (March 31, 2020: INR 1 each)	<u>2.26</u>	<u>2.57</u>
For discontinued operations		
a) Basic		
Net profit after tax available for equity Shareholders of parent entity	3,267	3,603
Weighted Average number of equity shares used to compute basic earnings per share	3,157,934,237	3,157,934,237
Basic earnings (in INR) per share of INR 1 each (March 31, 2020: INR 1 each)	<u>1.03</u>	<u>1.14</u>
b) Diluted		
Net profit after tax available for equity Shareholders of parent entity	3,267	3,603
Weighted average number of Equity Shares of INR 1 each (March 31, 2020 : INR 1 each)	3,157,934,237	3,157,934,237
Diluted earnings (in INR) per share of INR 1 each (March 31, 2020: INR 1 each)	<u>1.03</u>	<u>1.14</u>
For continuing and discontinued operations		
a) Basic		
Net profit after tax available for equity Shareholders of parent entity	10,392	11,701
Equity shares outstanding at the beginning of the year	3,157,934,237	3,157,934,237
Weighted Average number of equity shares used to compute basic earnings per share	3,157,934,237	3,157,934,237
Basic earnings (in INR) per share of INR 1 each (March 31, 2020: INR 1 each)	<u>3.29</u>	<u>3.71</u>
b) Diluted		
Net profit after tax available for equity Shareholders of parent entity	10,392	11,701
Weighted average number of Equity Shares of INR 1 each (March 31, 2020 : INR 1 each)	3,157,934,237	3,157,934,237
Diluted earnings (in INR) per share of INR 1 each (March 31, 2020: INR 1 each)	<u>3.29</u>	<u>3.71</u>
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.		

35 Offsetting Financial Assets and Financial Liabilities:

The following table present the Group's financial assets and liabilities that are subject to offsetting, enforceable master netting arrangements and similar agreements:

	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the Balance sheet	Net amounts of financial assets presented in the balance sheet
Trade Receivable			
As on March 31, 2021	76,938	5,061	71,877
As on March 31, 2020	69,277	3,495	65,782
Unbilled Revenue			
As on March 31, 2021	27,776	5,735	22,041
As on March 31, 2020	38,766	10,294	28,472

36 Fair value measurements
Financial instruments by category

	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets						
Investments	-	1,299	-	-	1,620	-
Trade receivables	-	-	71,877	-	-	65,782
Loans	-	-	717	-	-	490
Cash and cash equivalents	-	-	58,994	-	-	48,688
Bank balances other than above	-	-	68	-	-	101
Derivative financial assets	35	1,218	-	87	873	-
Other financial assets	-	-	24,016	-	-	31,150
Total financial assets	35	2,517	155,672	87	2,493	146,211
Financial Liabilities						
Borrowings including current maturities	-	-	106,632	-	-	117,701
Lease liabilities	-	-	12,664	-	-	13,663
Derivative financial liabilities	86	1,760	-	82	3,365	-
Trade payable	-	-	111,406	-	-	103,091
Other financial liabilities	-	-	35,056	-	-	32,419
Total financial liabilities	86	1,760	265,758	82	3,365	266,874

i. Fair value hierarchy

Financial assets and liabilities measured at fair value-recurring fair value measurements as at March 31, 2021

	Notes	Level 1	Level 2	Level 3	Total
Financial asset					
Financial Investments at FVOCI					
Listed equity investments	6(a), 6(b)	12	-	-	12
Unquoted equity investments	6(a), 6(b)	-	1,092	195	1,287
Derivatives designated as hedges					
Foreign exchange forward contracts	9	-	1,197	-	1,197
Cross currency interest rate swap	9	-	21	-	21
Derivatives not designated as hedges					
Foreign exchange forward contracts	9	-	-	35	35
Total		12	2,310	230	2,552
Financial liabilities					
Derivatives designated as hedges					
Cross currency interest rate swap	18	-	1,633	-	1,633
Foreign exchange forward contracts	18	-	127	-	127
Total		-	1,760	-	1,760

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2020

	Notes	Level 1	Level 2	Level 3	Total
Financial asset					
Financial Investments at FVOCI					
Listed equity investments	6(a), 6(b)	8	-	-	8
Unquoted equity investments	6(a), 6(b)	-	1,417	195	1,612
Derivatives designated as hedges					
Foreign exchange forward contracts	9	-	29	-	29
Cross currency interest rate swap	9	-	844	-	844
Derivatives not designated as hedges					
Cross currency interest rate swap	9	-	-	87	87
Total		8	2,290	282	2,580
Financial liabilities					
Derivatives designated as hedges					
Cross currency interest rate swap	18	-	875	-	875
Foreign exchange forward contracts		-	2,490	-	2,490
Total		-	3,365	-	3,365

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

	Level 1	Level 2	Level 3	Total
At March 31, 2021				
Financial liabilities				
Borrowings ^{1 & 2}	26,159	26,220	54,319	106,698
Total financial liabilities	26,159	26,220	54,319	106,698
At March 31, 2020				
Financial liabilities				
Borrowings ^{1 & 2}	48,596	-	61,974	110,570
Total financial liabilities	48,596	-	61,974	110,570

Other financial assets and liabilities which are measured at amortised cost are disclosed in sub-note iv below. Fair values for these financial assets and liabilities are Level 3 valuations.

Due to the short-term nature of cash and cash equivalents and the short-term maturities of trade receivables, loans, other current receivables, trade payables and other financial liabilities, their fair values are equal to their carrying amounts.

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.

¹ Includes 3.7% senior secured notes due 2025 amounting to EUR 100 million, [INR 8,327 million (March 31, 2020: INR 7,214 million)] which are held by limited set of investors and are not very actively traded on the stock exchange, as a result fair value of these notes is based on computed prices and hence fall in level 3 hierarchy.

² The Company has taken interest rate swap for the borrowing with fixed interest rate amounting to INR 5,750 million (March 31, 2020: INR 5,750 million), because of this, effective finance cost to the company is at current market rate. During the financial year 2020-21, the Company has taken interest rate swap for the borrowing with fixed interest rate amounting to INR 21,300 million and INR 8,500 million, because of this, effective finance cost to the company is at current market rate.

ii. **Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

iii. **Fair value measurements using significant unobservable inputs (level 3)**

	Unquoted Equity securities
As at April 01, 2019	2,383
Converted as subsidiary (Refer note 50)	(52)
Disposals	(2)
Exchange gain / (loss)	111
Gains / (losses) recognised in other comprehensive income	(828)
As at March 31, 2020	1,612
Addition	73
Exchange gain / (loss)	44
Gains / (losses) recognised in other comprehensive income	(442)
As at March 31, 2021	1,287

iv. **Fair value of financial assets and liabilities measured at amortised cost**

	March 31, 2021		March 31, 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Loans	445	445	177	177
Trade receivables	14,946	14,946	13,998	13,998
Other financial assets	493	493	617	617
	15,884	15,884	14,792	14,792
Financial liabilities				
Borrowings	106,632	106,698	117,701	110,570
Lease liabilities	12,664	12,664	13,663	13,663
Other financial liabilities	6,004	6,004	3,794	3,794
	125,300	125,366	135,158	128,027

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.

v. **Valuation inputs and relationships to fair value**

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (ii) above for the valuation techniques adopted:

	Fair value as at	
	March 31, 2021	March 31, 2020
Particulars		
Unquoted equity shares	195	195
Significant unobservable inputs[#]		
Earnings growth rate	4%	4%
Risk adjusted discount rate	16%	16%
Impact of change in risk adjusted discount rate*		
Decrease in discount rate by 0.50%	19	19
Increase in discount rate by 0.50%	(17)	(17)
Impact of change in earning growth rate*		
Decrease in growth rate by 0.50%	(14)	(14)
Increase in growth rate by 0.50%	16	16

[#] There were no significant inter-relationships between unobservable inputs that materially affect fair values

* Holding all the other variable constant, for other significant investment, fair valuation was not performed as at reporting date since the acquisition is made close to reporting period or there is recent investment by other investors and thus transaction value represents fair value, hence sensitivity analysis has not been considered.

37 Financial risk management

The Group, as an internationally active supplier for the automobile industry 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 risk in which the group is exposed to and how it manages the risk.

A. Market risk:

Market risk is the risk that the fair value of future cashflows of a financial instruments will fluctuate because of changes in market price/ rate. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

a. Price risk:

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the group in its various products segment. Pricing pressure from major OEMs to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the group. The group has set up Global Sourcing Procurement (GSP) at Sharjah which gives leverage of bulk buying and helps in controlling prices to a certain extent.

The key raw material for the group's wiring harness business is copper. There is substantial fluctuations in prices of copper. The group has arrangements with its major customers for passing on the price impact. The group has also entered into forward contracts to hedge copper prices at the behest of the customers .

The major raw materials used by Polymer Division of the group are polypropylenes, polycarbonates and various grades of nylons and resins. The group is having arrangement with major customers for actualization of raw material price variations periodically. Motherson Polymer Solutions has been established with a view of taking leverage on group's bulk consumption on major grades. The group will further achieve operational synergies through the horizontal and vertical integration of SMP's operations and products, by sourcing raw materials, inputs like wiring harnesses and smaller plastic parts etc. from its group companies where possible. The setting up of GSP further strengthens the procurement function.

The main inputs for the group's mirror business are glass actuators, powerfolds, glass, electrochromatic glass ("EC glass"), wiring harnesses, electronics, electrical parts, die casting, plastic parts and resins. The group has arrangements with its major customers for passing on the price impact.

The group is regularly taking initiatives like VA-VE (value Addition , value engineering) to reduce its raw material costs to meet targets set up by the customers for cost downs. In respect of customer nominated parts, the group has back to back arrangements for cost savings with its suppliers .

b. Foreign currency risk:

Foreign currency risk arise from monetary receivables and obligations expressed in a currency other than functional currency of each entity in the group. The group has operations in 41 countries, largely catering domestic customers in the country of its operation. Primarily the group is catering to customers in their local currency resulting in natural hedge. However in certain geographies wherein there are certain foreign currency expenditure, the group companies obtain hedge against those material foreign currency risk exposures which aligns to group's risk management policies. The group's major exposure in foreign currency is in respect of borrowings which is availed based on consideration of optimisation of overall cost of borrowing. The group has entered into fixed cross currency interest rate swap to hedge said foreign currency exposure.

The derivative instruments exposure is as follows:

(i) Derivatives outstanding as at the reporting date

Particulars/ Purpose	Currency	Amounts in million	
		March 31, 2021	March 31, 2020
Forward Contract (Buy)	HUF : EUR	HUF 9,120; INR 2,126	HUF 19,466; INR
	USD : EUR	USD 8; INR 557	-
	EUR : USD	-	EUR 8 ; INR 685
	USD : MXP	USD 150 ; INR 11,000	USD 77 ; INR 5,782
	MXP : USD	MXP 1,383; INR 4,552	MXP 2,192; INR 7,970
	CNY : EUR	-	CNY 92; INR 949
	EUR : CNY	-	EUR 0; INR 11
Forward Contract (Sell)	USD : AUD	USD 1; INR 80	-
	CNY : EUR	CNY 52; INR 542	-
	EUR : THB	EUR 6 ; INR 512	EUR 2 ; INR 198
	USD : AUD	-	USD 15; INR 1,056
Cross currency swap	EUR : KRW	-	EUR 7 ; INR 601
	USD : EUR	USD 80; INR 6,361	USD 80; INR 5,755
	INR : EUR	INR 5,750; EUR 81	INR 5,750; EUR 81
	INR : EUR	INR 21,631; EUR 250	-
	INR : USD	INR 8,298; USD 100	-
	USD : EUR	USD 85; INR 6,372	USD 295; INR 21,875
	USD_MXP	-	USD 15; INR 1,038
	USD : BRL	-	USD 5; INR 290
	USD : EUR	USD 2; INR 146	USD 2; INR 151
	CNY : BRL	-	CNY 5; INR 53

Sensitivity

Due to vary nature of our contracts with major OEMs any significant change in foreign currency on imported purchase are passed on to customers. In respect of borrowings the management expects natural hedge as earnings in foreign currency will be utilised for repayment of borrowings and thus no material impacts.

c. Interest rate risk:

Interest rate is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long term debt obligation at floating interest rates.

The group's approximately 82% (previous year 87%) of long term debt (i.e. more than 75% of gross debt) is borrowed at a fixed rate of interest in a range of 0.5% p.a. to 7.84% p.a. (March 31, 2020 0.6% p.a. to 8.75% p.a.)

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

	March 31, 2021	March 31, 2020
Variable rate borrowings	22,519	40,399
Fixed rate borrowings	84,113	77,302
Total borrowings	106,632	117,701

Profit / loss is sensitive to higher / lower interest expense from borrowings as a results of changes in interest rates. Holding all other variable constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rate on floating portion of borrowings.

	Impact on profit before tax	
	March 31, 2021	March 31, 2020
Interest rates-increase by 50 basis points*	(113)	(202)
Interest rates-decrease by 50 basis points*	113	202

* Holding all other variables constant

B. Credit risk:

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.

Trade receivables

The Group has developed guidelines for the management of credit risk from trade receivables. The Group's primary customers are major automobile manufacturers (OEMs) with good credit ratings. Non-OEM 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 and impairment.

Financial instruments and cash deposits

The Group has deposited liquid funds at various banking institutions. Primary banking institutions are major international banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due over past years.

C. 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 entities of the group and aggregated by Group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements on the basis of future cashflow projections 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.

(a) Financing arrangements

The Group has access to the following undrawn borrowing facilities, which are in nature of working capital loans, at the end of the reporting period.

	March 31, 2021	March 31, 2020
Floating rate	66,777	56,576

(b) 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

Contractual maturities of financial liabilities

Year Ending March 31, 2021	Less than 1 Year	Between 1 and 5 years	More than 5 Years	Total
Non-derivatives				
Borrowings	34,413	78,823	425	113,661
Lease liabilities	3,953	8,868	2,140	14,961
Trade payables	111,406	-	-	111,406
Other financial liabilities	29,052	6,004	-	35,056
Total non-derivative liabilities	178,824	93,695	2,565	275,084
Derivatives (net settled)				
Foreign exchange forward contracts	1,774	72	-	1,846
Total derivative liabilities	1,774	72	-	1,846
Year Ending March 31, 2020	Less than 1 Year	Between 1 and 5 years	More than 5 Years	Total
Non-derivatives				
Borrowings	37,116	77,104	11,840	126,060
Lease liabilities	3,622	8,648	2,357	14,627
Trade payables	103,091	-	-	103,091
Other financial liabilities	28,625	3,794	-	32,419
Total non-derivative liabilities	172,454	89,546	14,197	276,197
Derivatives (net settled)				
Foreign exchange forward contracts	3,447	-	-	3,447
Total derivative liabilities	3,447	-	-	3,447

Impact of hedging activities

a Disclosure of effects of hedge accounting on financial position

March 31, 2021

March 31, 2021								
Type of hedge and risks	Nominal value	Carrying amount of hedging instruments		Maturity date	Hedge ratio	Weighted average strike price / rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
Cash flow hedge								
(i) Foreign exchange forward contracts	MXP 819	93		Apr'2021 - Mar'2022	1:1	USD:MXP : 21.4924	93	(93)
	MXP 88	8		Apr'2021 - Mar'2022	1:1	USD:MXP : 21.2708	8	(8)
	MXP 1,670	96		Apr'2021 - Mar'2022	1:1	USD:MXP : 21.1779	96	(96)
	HUF 16,456	17		May'2021 - Feb'2022	1:1	EUR:HUF : 367.33	17	(17)
	AUD 7	-	6	Apr'2021 - Jul'2021	1:1	USD:AUD : 1.2938	(6)	6
	MXP 313	211		Apr'2021 - Mar'2022	1:1	USD:MXP : 26.1038	211	(211)
	CNY 33	31		Apr'2021 - Oct'2021	1:1	EUR:CNY : 1.2721	31	(31)
	USD 11	4	1	Dec'2022 - Mar'2023	1:1	MXP:USD : 0.0442	2	(2)
	USD 52	368	-	Apr'2021 - Mar'2022	1:1	MXP:USD : 0.0432	368	(368)
	MXP 476	(183)		Jun'2021 - Mar'2022	1:1	USD:MXP : 23.7957	(183)	183
	EUR 8		12	Apr'2021 - Mar'2022	1:1	USD:EUR : 0.8308	(12)	12
(ii) Cross currency interest rate swap	USD 7		37	Dec'2021	1:1	EUR:USD : 1.0900	(40)	40
	USD 60	21	7	Aug'2023	1:1	EUR:USD : 1.1676	(337)	342
	USD 80	-	498	Mar'2022	1:1	EUR:USD : 1.0783	431	(431)
	INR 5,750	-	1135	Mar'2022	1:1	EUR:INR: 70.5900	328	(328)
	INR 8,636		64	Oct'2025	1:1	EUR:INR: 86.3590	(64)	64
	INR 12,995	347		Sep'2023	1:1	EUR:INR: 86.6321	347	(347)
	INR 8,298	204		Sep'2023	1:1	USD:INR: 74.4326	204	(204)

March 31, 2020

March 31, 2020								
Type of hedge and risks	Nominal value	Carrying amount of hedging instruments		Maturity date	Hedge ratio	Weighted average strike price / rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
Cash flow hedge								
(i) Foreign exchange forward contracts	MXP 451		206	Apr'2020 - Mar'2021	1:1	USD:MXP : 20.91	(206)	206
	MXP 54		16	Apr'2020 - Mar'2021	1:1	USD:MXP : 21.816	(16)	16
	MXP 1,543		938	Apr'2020 - Mar'2021	1:1	USD:MXP : 20.16	(938)	938
	HUF 10,743		189	Apr'2020 - Mar'2021	1:1	EUR:HUF : 336.77	(189)	189
	HUF 8,722		141	Apr'2020 - Mar'2021	1:1	EUR:HUF : 338.01	(141)	141
	CNY 2	0		Apr'2020 - May'2020	1:1	EUR:CNY : 7.92	0	(0)
	CNY 90	24	0	Apr'2020 - Mar'2021	1:1	EUR:CNY : 8.07	24	(24)
	USD 15		48	Apr'2020 - Jun'2021	1:1	USD:AUD : 1.55	(48)	48
	MXP 480		240	Apr'2020 - Mar'2021	1:1	USD:MXP : 20.85	(240)	240
	MXP 1,215		710	Apr'2020 - Dec'2021	1:1	USD:MXP : 20.79	(710)	710
	EUR 2		2	Apr'2020 - Mar'2021	1:1	EUR:THB : 35.81	(2)	2
	EUR 8	4	0	Apr'2020 - Nov'2020	1:1	EUR:USD : 1.09	4	(4)
(ii) Cross currency interest rate swap	USD 15	119		May'2020	1:1	MXP:USD : 0.05	119	(119)
	EUR 158		270	Dec'2021	1:1	EUR:USD : 1.11	722	(735)
	EUR 53		115	Jun'2020	1:1	EUR:USD : 1.13	115	(115)
	EUR 51	341		Aug'2023	1:1	EUR:USD : 1.17	167	(180)
	USD 80		67	Mar'2022	1:1	EUR:USD : 1.0783	(142)	142
	INR 5,750		808	Mar'2022	1:1	EUR:INR:70.5900	351	(351)

38. Capital management

(a) Risk management

The group's objectives when managing capital are to safeguard their ability to continue as a going concern and also their ability to fund inorganic growth, 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: Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs plus exceptional expense).

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, 2021	March 31, 2020
Net Debt	48,068	68,973
EBITDA	46,195	50,333
Net Debt to EBITDA^	1.04	1.37

^ Net Debt and EBITDA is inclusive of discontinued operations to make the ratio comparable.

(i) Loan covenants

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

(b) Dividends

	March 31, 2021	March 31, 2020
On Equity shares of INR 1 each		
Dividend		
Amount of dividend paid	-	9,474
Dividend per equity share	-	3.00

39 Distribution made

	March 31, 2021	March 31, 2020
Cash dividends on equity shares declared and paid		
Final cash dividend for the year ended on March 31, 2020: Nil per share (March 31, 2019: INR 1.5) per share	-	4,737
DDT on final dividend*	-	915
Interim dividend for the year ended on March 31, 2021: Nil per share (March 31, 2020: INR 1.5 per share)	-	4,737
DDT on proposed dividend	-	425
	-	10,814
Proposed dividends on Equity shares		
Final cash dividend for the year ended on March 31, 2021: INR 1.50 (March 31, 2020: Nil) per share	4,737	-
	4,737	-

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31.

* Amount of dividend distribution tax (DDT) is net of withholding tax credit on dividend received from subsidiary company

40 Related Party Disclosures

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

a. Promoters / Entities with joint control over the Company

Name	Place of incorporation	Ownership interest	
		March 31, 2021	March 31, 2020
1 Samvardhana Motherson International Limited	India	33.43%	33.43%
2 Sumitomo Wiring Systems Limited, Japan	Japan	25.10%	25.10%

b. Joint Ventures:

- 1 Kyungshin Industrial Motherson Private Limited
- 2 Calsonic Kansei Motherson Auto Products Private Limited
- 3 Ningbo SMR Huaxiang Automotive Mirrors Co. Limited
- 4 Chongqing SMR Huaxiang Automotive Products Limited
- 5 Tianjin SMR Huaxiang Automotive Part Co. Limited
- 6 Eissmann SMP Automotive interieur Slovakia s.r.o.

c. Associate Companies:

- 1 Saks Ancillaries Limited
- 2 Re-time Pty Limited (became subsidiary from August 08, 2019)
- 3 Hubei Zhengao PKC Automotive Wiring Company Ltd.

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

Key management personnel compensation

	March 31, 2021	March 31, 2020
Short-term employee benefits	292	250
Directors commission/sitting fees	40	26
Post-employment benefits payable	50	46
Long-term employee benefits payable	16	16

Terms and conditions:

Transactions relating to sales and purchase of goods with related parties during the year are based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions and at market rates.

There is no significant allowance for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties. Outstanding balances are unsecured and are repayable in cash.

Transactions with related parties

S. No.	Particulars	Associate companies		Joint Ventures		Key management personnel		Joint control over the entity		Other related parties	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
1	Sale of products	-	-	5,799	5,697	-	-	1	1	286	383
2	Sales of services	-	-	488	617	16	41	39	4	135	74
3	Rent income	-	-	25	23	-	-	-	-	45	56
4	Sale of property, plant and equipment	-	-	-	-	-	-	0	0	0	-
5	Purchase of goods	-	-	5,134	2,844	-	-	5,803	5,819	1,941	1,900
6	Purchase of property, plant and equipment & Right-of-use assets	-	-	-	-	-	-	34	84	529	1,883
7	Purchase of services	-	-	0	7	2	-	356	44	3,183	3,515
8	Rent expense	-	-	-	-	5 *	5 *	40	45	169	315
9	Payment of lease liability	-	-	-	-	-	-	-	-	192	180
10	Payment of interest on lease liabilities	-	-	-	-	-	-	-	-	80	70
11	Reimbursement made	-	-	0	0	-	0	7	17	88	80
12	Reimbursement received	0	1	0	0	-	-	5	1	12	8
13	Royalty	-	-	-	-	-	-	279	312	-	-
14	Dividend paid	-	-	-	-	0 **	270 **	-	5,545	48	10
15	Dividend received	-	-	-	101	-	-	-	-	-	2

* Rent of INR 5 million (March 31, 2020: INR 5 million) paid to Mr. V.C Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, and Ms. Vidhi Sehgal.

**Dividend of Nil (March 31, 2020 : INR 270 million) paid to Mr. V. C. Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, Ms. Neelu Mehra, Ms. Geeta Soni, Mr. Pankaj Mital, Mr. G.N. Gauba, Ms. Geeta Mathur, Mr Naveen Ganzu, Arjun Puri, Alok Goel and Mr. Gautam Mukherjee.

MOTHERSON SUMI SYSTEMS LIMITED
Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

Outstanding balances arising from sales / purchases of goods and services

S. No.	Particulars	Associate companies		Joint Venture		Key Management personnel		Joint control over the entity		Other related parties	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
1	Trade Payable	-	-	756	538	0	-	2,045	2,070	949	1,018
2	Trade Receivable	-	-	1,168	853	-	-	10	2	128	175
3	Capital advances	-	-	-	-	-	-	-	-	31	1
4	Advances recoverable	-	-	-	-	-	-	-	-	95	152
5	Investments	-	-	-	-	-	-	-	-	14	-
6	Advances from customer	-	-	3	-	-	-	1	1	-	0

* Investment in joint venture and associates companies are not disclosed in above table. Refer note 48 for investment in joint ventures and associates.

Loans & advances to / from related parties[illegible]

41 Segment Information:

(a) Description of segments and principal activities

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 categorized in to following segments:

Segments	Description
MSSL Standalone	Represents standalone operations of Motherson Sumi Systems Limited, engaged mainly in the business of manufacturing and trading of automobile parts for commercial and passenger vehicles.
SMR	Represents subsidiaries of Samvardhana Motherson Reflectec Group Holdings Limited which are engaged in development, manufacture and supply of rear view mirrors and drive assistance systems.
SMP	Represents subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. (SMRP BV) (an overseas subsidiary of the Company) which are engaged in manufacturing and supplies of plastic parts and system modules for vehicle interiors and exteriors.
PKC	Represents PKC Group Plc including its subsidiaries. PKC is engaged in designing, manufacturing and integrating electrical distribution systems, electronics and related components for commercial vehicle industries, rolling stock manufacturers and other related segments.
Others	Comprise other subsidiaries of the Company (excluding SMR, SMP and PKC defined above) that are below the thresholds for separate reporting as operating segments.

The CODM primarily uses a measure of revenue from operation and earnings before interest, tax, depreciation, amortisation and exceptional item (EBITDA) to assess the performance of the operating segments on monthly basis.

Unallocated:

Revenue, expenses, assets and liabilities have been identified to a segment on the basis of relationship to operating activities of the segment. Assets and liabilities which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed under unallocated.

Inter Segment transfer:

Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

(b) Revenue from operation

Interest income, rental income, dividend income, income recognised on sales of assets and investment are excluded from segment revenue. Transactions between segments are carried out at arm's length and are eliminated on consolidation. The segment revenue is measured in the same way as in the statement of profit or loss.

Revenue from operation (excludes interest income & Foreign exchange gain)

	March 31, 2021	March 31, 2020
MSSL Standalone	36,692	39,850
SMR	113,630	124,029
SMP	306,476	320,998
PKC	90,056	93,822
Others	41,286	44,240
Total	588,140	622,939
Segment revenue from discontinued operation (MSSL Standalone segment) (refer note 51)	41,382	39,439
Less: Intersegment	27,568	27,010
Total revenue from operation as per profit and loss statement	601,954	635,368

Disaggregated revenue from external customer information

Continuing operations

India	31,308	34,789
Germany	128,390	137,034
Spain	28,140	37,059
USA	91,196	98,321
China	68,898	44,986
Others*	212,993	244,123

Discontinued operations (refer note 51)

India	40,996	39,024
China	24	18
Others*	9	14
Total	601,954	635,368

* None of the other countries contribute materially to the revenue of the group.

Type of goods or Services

Continuing operations

Sales of Components	509,161	532,146
Tool development	42,226	54,860
Assembly of components	2,176	2,737
Others operating revenue	3,176	2,062

Discontinued operations (refer note 51)

Sales of Components	40,465	38,726
Assembly of components	282	141
Others operating revenue	67	33
Total revenue from contracts with customers	597,553	630,705

	March 31, 2021	March 31, 2020
Timing of revenue recognition		
Continuing operations		
As a point in time	514,852	538,763
Over a period of time	41,887	53,042
Discontinued operations (refer note 51)		
As a point in time	40,814	38,900
Total revenue from contracts with customers	597,553	630,705

(c) EBITDA

	March 31, 2021	March 31, 2020
MSSL Standalone	4,892	6,154
SMR	12,209	14,598
SMP	17,932	12,930
PKC	5,827	9,457
Others	4,286	5,378
Total	45,146	48,517
EBITDA from discontinued operations (MSSL Standalone segment) (refer note 51)	4,984	5,531
Add: unallocated income / (expenses)		
Dividend Income	0	6
Interest income from continuing and discontinued operations	658	361
Less: Intersegment	(80)	95
Total EBITDA	50,868	54,320
Depreciation	(29,764)	(27,780)
Finance costs	(5,113)	(5,928)
Company's share in net profit / (loss) of associates and joint ventures accounted for using the equity method	849	575
Income tax expense	694	(6,881)
Finance costs - discontinued operations	(89)	(58)
Income tax expense - discontinued operations	(1,129)	(1,303)
Profit after tax	15,693	12,945

Interest and dividend income was allocated to segment EBITDA, which is considered as unallocated income in above table. Previous year number is also reclassified based on new classification of segment EBITDA.

(d) Segment Assets

Segment assets are allocated based on the operations of the segment and the physical location of the asset. Assets not used directly in operations of the segment like investments, other common assets are reported as unallocated assets.

	March 31, 2021	March 31, 2020
MSSL Standalone	60,439	43,415
SMR	100,520	95,556
SMP	235,530	227,734
PKC	55,732	50,907
Others	149,184	151,011
Total	601,405	568,623
Add: Discontinued operation (MSSL Standalone segment) (refer note 51)	17,530	-
Less: Intersegment	160,160	131,603
Unallocated:		
Deferred Tax	10,224	5,030
Non-current Tax	1,843	3,732
Deferred Tax - discontinued operations	259	-
Non-current Tax - discontinued operations	0	-
Other corporate assets and investments	9,747	9,176
Total assets as per balance sheet	480,850	454,958

Total of non-current assets other than financial instruments, investments accounted for using equity methods and deferred tax assets broken down by location of the assets, is shown below

	March 31, 2021	March 31, 2020
India	24,564	23,741
Germany	42,716	38,287
Spain	11,741	14,491
USA	27,005	29,491
China	13,557	12,320
Others*	104,011	109,854
	223,594	228,184

* None of the other countries contribute materially to the non-current assets other than financial instruments, investments accounted for using equity methods and deferred tax assets of the group.

Capital expenditure

	March 31, 2021	March 31, 2020
MSSL Standalone	1,904	3,471
SMR	2,796	4,068
SMP	11,342	10,825
PKC	2,989	2,852
Others	294	726
	19,325	21,942

(e) Segment liabilities

Segment liabilities are allocated based on the operations of the segment. Liabilities not used directly in operations of the segment common liabilities like borrowings are reported as unallocated liabilities.

	March 31, 2021	March 31, 2020
MSSL Standalone	59,590	29,525
SMR	48,826	51,455
SMP	216,582	203,986
PKC	36,068	32,580
Others	38,726	44,636
Total	399,792	362,182
Add: Discontinued operation (MSSL Standalone segment) (refer note 51)	8,353	-
Less: Intersegment	159,792	131,243
Deferred Tax	3,363	4,627
Current Tax	3,342	3,623
Other common / unallocated liabilities	59,953	67,509
Total	315,011	306,698

42 Capital and Other Commitments

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

	March 31, 2021	March 31, 2020
Property, plant and equipment		
Estimated value of contracts in capital account remaining to be executed, (Net of Advances of INR 1,302 million (March 31, 2020: INR 887 million))	4,580	4,428
Estimated value of contracts of discontinued operations in capital account remaining to be executed, (net of advances of INR 8 million)	135	-
Investment Property		
Estimated value of purchase consideration outstanding, (net of advances of Nil (March 31, 2020: INR 110 million))	-	-
Total	4,580	4,428
Other Commitments		
Bank Guarantee	315	487
Others	72	160

Above commitments on property, plant and equipment includes group share of commitments of associates and joint ventures entities.
For capital expenditure contracted relating to associates and joint ventures refer to note 48

43 Contingent Liabilities:

In the ordinary course of business, the Group faces claims and assertions by various parties. The Group assesses such claims and assertions and monitors the legal environment on an on-going basis, with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its consolidated financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the consolidated financial statements but does not record a liability in its accounts unless the loss becomes probable.

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.

Claims against the Group not acknowledged as debts

	March 31, 2021	March 31, 2020
Excise, sales tax and service tax matters #	95	106
Other tax matters	83	-
Claims made by workmen	169	146
Income tax matters	150	207
Unfulfilled export commitment under EPCG scheme	28	115
Others (refer note 'c' below)	2,821	3,263

Against which Group has given bank guarantees amounting to Nil (March 31, 2020 : INR 2 million)

- 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 of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- The Group has acted as surety in respect of subsidy received by one of its subsidiary, which limits the total liability of the Group to 1.2x of the amount of subsidy granted. As per the conditions of subsidy received from the local government the subsidiary is required to incur certain level of capital expenditure along with maintaining the headcount at certain level for a period of 5 years. As of March 31, 2021, both the conditions have been fulfilled however headcount level needs to be sustained for 5 years therefore the Group may be contingently liable for INR 2,518 million (March 31, 2020: INR 2,447 million) in the event of non-compliance of subsidy conditions by the subsidiary in the future.
- Above contingent liability includes group share of contingent liability of the associates and joint ventures entities.

For contingent liabilities relating to associates and joint ventures refer to note 48

44 Assets pledged as security

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

	March 31, 2021	March 31, 2020
Current:		
Financial assets		
Floating charge		
Cash and cash equivalents	21,330	25,286
Inventories	24,787	22,576
Receivables	23,598	27,024
Other current assets	18,527	21,854
Total current assets pledged as security	88,242	96,740
Non Current:		
First charge		
Freehold land	3,035	3,260
Buildings	28,182	30,805
Plant & Machinery	39,042	44,713
PPE under finance lease	-	3,567
Investment Property	835	747
Other non current assets	8,087	9,689
Total non current assets pledged as security	79,182	92,781
Total assets pledged as security	167,424	189,521

Further, loan amounting to INR 12,010 million (March 31, 2020: INR 11,789 million) has been obtained against security of pledge of shares of an overseas subsidiary company which has been eliminated on consolidation and additional loan amounting INR 8,457 million loan has been taken during the financial year for which, pledge of shares of same subsidiary is to be created.

45 Ind AS 115 Revenue from contracts with customers

The transaction price allocated to the remaining performance obligations related to tool development (unsatisfied or partially unsatisfied) are, as follows:

	March 31, 2021	March 31, 2020
Within one year	31,087	27,817
More than one year	30,199	19,477
Total	61,286	47,294

Table below provides information on revenue recognised from :

	March 31, 2021	March 31, 2020
Amounts included in contract liabilities at the beginning of the year	5,543	1,717
Performance obligations partly satisfied in previous years	19,289	25,197

The table below represents summary of contract assets and liabilities relating to contracts with customers :

	March 31, 2021	March 31, 2020
Receivables	71,877	65,782
Contract assets	22,041	28,472
Contract liabilities	6,097	5,342

Contract assets are initially recognised for revenue earned from development of tools and secondary equipment as receipt of consideration is conditional on successful completion and acceptance by the customer. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. The expected credit loss on contract assets is considered very low and hence no provision for credit loss is recorded in respect of contract assets.

46 Ind AS 116 Leases

The Group elected to apply Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from April 01, 2019, using the modified retrospective method. The Group assesses each lease contract and if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Group recognised right to use assets and lease liabilities for those lease contracts except for short-term lease and lease of low-value assets.

	March 31, 2021	March 31, 2020
Current lease liabilities	3,242	3,363
Non-current lease liabilities	9,422	10,300
	12,664	13,663

Refer note 37 (C) for maturity analysis of lease liabilities and note 3 for right-to-use assets recognised. The Company has total cash outflow of INR 4,624 million (March 31, 2020: INR 3,988 million).

Amount recognised in Statement of Profit and Loss during the year:

	March 31, 2021	March 31, 2020
Interest expense on lease liabilities (included in finance cost)	760	738
Depreciation of Right of Use assets	4,283	3,599
Lease expense derecognised	4,624	3,988
Short term and low value lease payments	2,411	3,113

47 Hyperinflation

With the effect from July 1, 2018, the Argentine economy was considered to be hyperinflationary in accordance with the criteria in IAS 29 "Financial Reporting in Hyperinflationary Economies" ("IAS 29"). This standard requires that the entity or components financial information whose functional currency is that of an economy considered hyperinflationary be restated using a general price index that reflects changes in general purchasing power. The inflation index used in Argentina was a synthetic index with the following characteristics: i) The Internal Wholesale Price Index (IPIM) until December 2016 and ii) after that date, the National Consumer Price Index (IPC). Additionally, due to the lack of national index on November and December 2015, Consumer Price Index of City of Buenos Aires (IPC CABA) was used.

The results and financial position of Argentine subsidiary SMRC Automotive Tech Argentina S.A., whose functional currency is the currency of a hyperinflationary economy, are first restated in accordance with IND AS 29 and are then translated into the presentation currency.

All balance sheet items of Argentine subsidiary have been segregated into monetary and nonmonetary items. Monetary items are units of currency held, and assets and liabilities to be received or paid, in fixed or determinable number of units of currency. These monetary items are not restated because they are already expressed in terms of the current monetary unit. In a period of inflation, an entity holding an excess of monetary assets over monetary liabilities loses purchasing power, and an entity with an excess of monetary liabilities over monetary assets gains purchasing power, to the extent the assets and liabilities are not linked to a price level. The gain or loss on the net monetary position is included in profit or loss. The effect of inflation on the net monetary position of the Argentine subsidiary for the year ended March 31, 2021 has been a loss of INR 85 million (March 31, 2020: loss of INR 15 million).

Non-monetary assets and liabilities (items which are not already expressed in terms of the monetary unit) are restated by applying the relevant index. After the IND AS 29 restatement of nonmonetary assets, it is necessary to consider whether the restated amount of the asset might exceed its recoverable amount. Additionally, the application of IND AS 29 results in the creation of temporary differences because while the book value of non-monetary assets is adjusted for inflation but not equivalent adjustment is made for tax purpose; the effect of such a temporary difference is a deferred tax liability.

48 Interest in other entities

A. 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, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
1	MSSL Mauritius Holdings Limited (MMHL)	Mauritius	100%	100%	0%	0%	March 31, 2021
2	Motherson Electrical Wires Lanka Private Limited	Sri Lanka	100%	100%	0%	0%	March 31, 2021
3	MSSL Mideast (FZE)	UAE	100%	100%	0%	0%	March 31, 2021
4	MSSL (S) Pte Limited	Singapore	100%	100%	0%	0%	March 31, 2021
5	Motherson Innovations Tech Limited (esrt MSSL Automobile Component Limited)	India	100%	100%	0%	0%	March 31, 2021
6	Samvardhana Motherson Polymers Limited (SMPL)	India	51%	51%	49%	49%	March 31, 2021
7	MSSL (GB) Limited (Jointly held by the Company and MSSL Mideast (FZE))	UK	100%	100%	0%	0%	March 31, 2021
8	Motherson Wiring System (FZE) (held by MSSL Mideast (FZE))	UAE	100%	100%	0%	0%	March 31, 2021
9	MSSL Tooling (FZE) (held by MSSL Mideast (FZE))	UAE	100%	100%	0%	0%	March 31, 2021
10	MSSL GmbH (held by MSSL Mideast (FZE))	Germany	100%	100%	0%	0%	March 31, 2021
11	Samvardhana Motherson Invest Deutschland GmbH (held by MSSL GmbH)	Germany	100%	100%	0%	0%	March 31, 2021
12	MSSL Advanced Polymers s.r.o. (held by MSSL GmbH)	Czech Republic	100%	100%	0%	0%	March 31, 2021
13	Motherson Techno Precision GmbH (held by MSSL GmbH)	Germany	100%	100%	0%	0%	March 31, 2021
14	MSSL s.r.l. Unipersonale (held by MSSL (GB) Limited)	Italy	100%	100%	0%	0%	March 31, 2021
15	Motherson Techno Precision México, S.A. de C.V (held by Motherson Techno Precision GmbH)	Mexico	100%	100%	0%	0%	March 31, 2021
16	MSSL Manufacturing Hungary Kft (held by MSSL GMBH)	Hungary	100%	100%	0%	0%	March 31, 2021
17	Motherson Air Travel Pvt Ltd (held by MSSL Mideast (FZE))	Ireland	100%	100%	0%	0%	March 31, 2021
18	MSSL Australia Pty Limited (held by MSSL Mauritius Holdings Limited)	Australia	80%	80%	20%	20%	March 31, 2021
19	Motherson Elastomers Pty Limited (held by MSSL Australia Pty Limited)	Australia	100%	100%	0%	0%	March 31, 2021
20	Motherson Investments Pty Limited (held by MSSL Australia Pty Limited)	Australia	100%	100%	0%	0%	March 31, 2021
21	MSSL Ireland Private Limited (held by MSSL (GB) Limited)	Ireland	100%	100%	0%	0%	March 31, 2021
22	MSSL Global RSA Module Engineering Limited (held by MSSL Mauritius Holdings Limited)	South Africa	100%	100%	0%	0%	March 31, 2021
23	MSSL Japan Limited (held by MSSL (S) Pte Limited)	Japan	100%	100%	0%	0%	March 31, 2021
24	Vacuform 2000 (Proprietary) Limited (held by MSSL Mauritius Holdings Limited)	South Africa	51%	51%	49%	49%	March 31, 2021
25	MSSL México, S.A. De C.V. (held by MSSL (S) Pte Limited)	Mexico	100%	100%	0%	0%	March 31, 2021
26	MSSL WH System (Thailand) Co., Ltd (held by MSSL (S) Pte. Ltd.)	Thailand	100%	100%	0%	0%	March 31, 2021
27	MSSL Korea WH Limited (held by MSSL (S) Pte. Ltd.)	South Korea	100%	100%	0%	0%	March 31, 2021
28	MSSL Consolidated Inc. (held by MSSL (GB) Ltd.)	USA	100%	100%	0%	0%	March 31, 2021
29	MSSL Wiring System Inc (held by MSSL Consolidated Inc.)	USA	100%	100%	0%	0%	March 31, 2021
30	Alphabet de Mexico, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2021
31	Alphabet de Mexico de Monclova, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2021
32	Alphabet de Saltillo, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2021
33	MSSL Wirings Juarez, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2021
34	Samvardhana Motherson Global Holdings Ltd. (SMGHL) (held by MSSL Mauritius Holdings Limited)	Cyprus	51%	51%	49%	49%	March 31, 2021
35	Samvardhana Motherson Automotive Systems Group B.V. (SMRPBV) (held by SMGHL and SMPL)	Netherlands	100%	100%	0%	0%	March 31, 2021
36	Samvardhana Motherson Reflectec Group Holdings Limited (SMR) (held by SMRPBV)	Jersey	98.45%	98.45%	1.55%	1.55%	March 31, 2021
37	SMR Automotive Technology Holding Cyprus Limited (held by SMR)	Cyprus	100%	100%	0%	0%	March 31, 2021
38	SMR Automotive Mirror Parts and Holdings UK Ltd (held by SMR)	UK	100%	100%	0%	0%	March 31, 2021

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S.No	Name of the Company	Country of Incorporation	Ownership interest held by the group		Ownership interest held by the non-controlling		Reporting Dates used for Consolidation
			March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
39	SMR Automotive Holding Hong Kong Limited (held by SMR)	Hong Kong	100%	100%	0%	0%	March 31, 2021
40	SMR Automotive Systems India Limited (Jointly held by the Company and SMR Automotive Technology Holding Cyprus Limited)	India	100%	100%	0%	0%	March 31, 2021
41	SMR Automotive Systems France S.A. (held by SMR Automotive Technology Holding Cyprus Limited)	France	100%	100%	0%	0%	March 31, 2021
42	SMR Automotive Mirror Technology Holding Hungary KFT (held by SMR Automotive Technology Holding Cyprus Limited)	Hungary	100%	100%	0%	0%	March 31, 2021
43	SMR Patents S.à.r.l. (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Luxembourg	100%	100%	0%	0%	March 31, 2021
44	SMR Automotive Technology Valencia S.A.U. (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Spain	100%	100%	0%	0%	March 31, 2021
45	SMR Automotive Mirrors UK Limited (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	UK	100%	100%	0%	0%	March 31, 2021
46	SMR Automotive Mirror International USA Inc. (held by SMR Mirrors UK Limited)	USA	100%	100%	0%	0%	March 31, 2021
47	SMR Automotive Systems USA Inc. (held by SMR Automotive Mirror International USA Inc.)	USA	100%	100%	0%	0%	March 31, 2021
48	SMR Automotive Beijing Company Limited (held by SMR Automotive Holding Hong Kong Limited)	China	100%	100%	0%	0%	March 31, 2021
49	SMR Automotive Yancheng Co. Limited (held by SMR Automotive Holding Hong Kong Limited)	China	100%	100%	0%	0%	March 31, 2021
50	SMR Automotive Mirror Systems Holding Deutschland GmbH (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Germany	100%	100%	0%	0%	March 31, 2021
51	SMR Holding Australia Pty Limited (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Australia	100%	100%	0%	0%	March 31, 2021
52	SMR Automotive Australia Pty Limited (held by SMR Holding Australia Pty Ltd.)	Australia	100%	100%	0%	0%	March 31, 2021
53	SMR Automotive Mirror Technology Hungary BT (held by SMR Automotive Technology Holding Cyprus Limited)	Hungary	100%	100%	0%	0%	March 31, 2021
54	Motherson Business Service Hungary Kft. (held by SMR Automotive Mirror Technology Hungary BT)	Hungary	100%	-	0%	-	March 31, 2021
55	SMR Automotive Modules Korea Ltd. (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	South Korea	100%	100%	0%	0%	March 31, 2021
56	SMR Automotive Beteteiligungen Deutschland GmbH (held by SMR)	Germany	100%	100%	0%	0%	March 31, 2021
57	SMR Hyosang Automotive Ltd. (held by SMR Automotive Modules Korea Ltd.)	South Korea	100%	100%	0%	0%	March 31, 2021
58	SMR Automotive Mirrors Stuttgart GmbH (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	Germany	100%	100%	0%	0%	March 31, 2021
59	SMR Automotive Systems Spain S.A.U (held by SMR Automotive Mirrors Stuttgart GmbH)	Spain	100%	100%	0%	0%	March 31, 2021
60	SMR Automotive Vision Systems Mexico S.A de C.V (Jointly held by SMR Automotive Mirrors Stuttgart GmbH and SMR Automotive Systems Spain S.A.U.)	Mexico	100%	100%	0%	0%	March 31, 2021
61	Samvardhana Motherson Corp Management Shanghai Co Ltd. (held by SMR Automotive Mirrors Stuttgart GmbH)	China	100%	100%	0%	0%	March 31, 2021
62	SMR Grundbesitz GmbH & Co. KG (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	Germany	93.07%	93.07%	6.93%	6.93%	March 31, 2021
63	SMR Automotive Brasil Ltda. (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Brazil	100%	100%	0%	0%	March 31, 2021
64	SMR Automotive System (Thailand) Limited (held by SMR Automotive Technology Holding Cyprus Limited)	Thailand	100%	100%	0%	0%	March 31, 2021
65	SMR Automotives Systems Macedonia Dooel Skopje (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Macedonia	100%	100%	0%	0%	March 31, 2021
66	SMR Automotive Operations Japan K.K. (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Japan	100%	100%	0%	0%	March 31, 2021
67	SMR Automotive (Langfang) Co. Ltd (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	China	100%	100%	0%	0%	March 31, 2021
68	SMR Automotive Vision System Operations USA INC (held by SMR)	USA	100%	100%	0%	0%	March 31, 2021
69	SMR Mirror UK Limited (held by SMR Automotive Vision System Operations USA INC)	UK	100%	100%	0%	0%	March 31, 2021
70	Motherson Innovations Company Limited (held by SMR)	UK	100%	100%	0%	0%	March 31, 2021

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			March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
71	Motherson Innovations Deutschland GmbH (held by Motherson Innovations Company Limited)	Germany	100%	100%	0%	0%	March 31, 2021
72	Motherson Innovations LLC (held by Motherson Innovations Company Limited)	USA	100%	100%	0%	0%	March 31, 2021
73	Samvardhana Motherson Global (FZE) (held by SMR)	UAE	100%	100%	0%	0%	March 31, 2021
74	SMR Automotive Industries RUS Limited Liability Company (jointly held by SMR Automotive Mirror Technology Holding Hungary Kft & SMR Automotive Technology Holding Cyprus Ltd.)	Russia	100%	100%	0%	0%	March 31, 2021
75	Samvardhana Motherson Peguform GmbH (SMP) (held by SMRPBV)	Germany	100%	100%	0%	0%	March 31, 2021
76	SMP Automotive Interiors (Beijing) Co. Ltd. (held by SMRPBV)	China	100%	100%	0%	0%	March 31, 2021
77	SMP Deutschland GmbH (held by Samvardhana Motherson Peguform GmbH and SMGHL)	Germany	100%	100%	0%	0%	March 31, 2021
78	SMP Logistik Service GmbH (held by SMP Deutschland GmbH)	Germany	100%	100%	0%	0%	March 31, 2021
79	SMP Automotive Solutions Slovakia s.r.o. (held by SMP Deutschland GmbH)	Slovakia	100%	100%	0%	0%	March 31, 2021
80	Changchun Peguform Automotive Plastics Technology Co., Ltd. (held by SMP Deutschland GmbH)	China	50% +1share	50% +1share	50% -1share	50% -1share	March 31, 2021
81	Foshan Peguform Automotive Plastics Technology Co. Ltd. (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2021
82	Shenyang SMP Automotive Plastic Component Co. Ltd. (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2021
83	Tianjin SMP Automotive Component Company Limited (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2021
84	Shenyang SMP Automotive Trim Co., Ltd (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	-	0%	-	March 31, 2021
85	SMP Automotive Technology Management Services (Changchun) Co. Ltd. (held by SMP Deutschland GmbH)	China	100%	100%	0%	0%	March 31, 2021
86	SMP Automotive Technology Iberica S.L. (held by SMRPBV)	Spain	100%	100%	0%	0%	March 31, 2021
87	Samvardhana Motherson Peguform Barcelona S.L.U (held by SMP Automotive Technology Iberica S.L.)	Spain	100%	100%	0%	0%	March 31, 2021
88	SMP Automotive Technologies Teruel Sociedad Limitada (held by SMP Automotive Technology Iberica S.L.)	Spain	100%	100%	0%	0%	March 31, 2021
89	Samvardhana Motherson Peguform Automotive Technology Portugal S.A. (held by SMP Automotive Technology Iberica S.L.)	Portugal	100%	100%	0%	0%	March 31, 2021
90	SMP Automotive Systems Mexico S.A. de C.V. (held by SMP Automotive Technology Iberica S.L.)	Mexico	100%-1share	100%-1share	0%	0%	March 31, 2021
91	SMP Automotive Produtos Automotivos do Brasil Ltda. (held by SMP Automotive Technology Iberica S.L.)	Brazil	100%-1share	100%-1share	0%	0%	March 31, 2021
92	SMP Automotive Exterior GmbH (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2021
93	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2021
94	Samvardhana Motherson Innovative Autosystems Holding Company BV (held by SMR)	Netherlands	100%	100%	0%	0%	March 31, 2021
95	SM Real Estate GmbH (held by SMGHL & SMP Automotive Exterior GmbH)	Germany	100%	100%	0%	0%	March 31, 2021
96	Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V. (held jointly by SMR & SMP)	Mexico	100%	100%	0%	0%	March 31, 2021
97	SMP Automotive Systems Alabama Inc. (held by SMR Automotive Mirror International USA Inc.)	USA	100%	100%	0%	0%	March 31, 2021
98	Celulosa Fabril (Cefa) S.A. (held by SMP automotive technology Iberica S.L.)	Spain	50%	50%	50%	50%	March 31, 2021
99	Modulos Ribera Alta S.L.Unipersonal (held by Celulosa Fabril (Cefa) S.A.)	Spain	100%	100%	0%	0%	March 31, 2021
100	Motherson Innovations Lights GmbH & Co KG (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2021
101	Motherson Innovations Lights Verwaltungs GmbH (held by Motherson Innovations Lights GmbH & Co KG)	Germany	100%	100%	0%	0%	March 31, 2021
102	SMP Automotive Interior Modules d.o.o. Čuprija (held by SMRC Automotive Holdings Netherlands B.V.)	Serbia	100%	-	0%	-	March 31, 2021
103	MSSL Estonia WH OU (held by MSSL (GB) Limited)	Estonia	100%	100%	0%	0%	March 31, 2021
104	PKC Group Oy (held by MSSL Estonia WH OU)	Finland	100%	100%	0%	0%	March 31, 2021

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			March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
105	PKC Wiring Systems Oy (held by PKC Group Oy)	Finland	100%	100%	0%	0%	March 31, 2021
106	PKC Group Poland Sp. z o.o. (held by PKC Eesti AS)	Poland	100%	100%	0%	0%	March 31, 2021
107	PKC Wiring Systems Llc (held by PKC Wiring Systems Oy)	Serbia	100%	100%	0%	0%	March 31, 2021
108	PKC Group APAC Limited (held by PKC Wiring Systems Oy)	Hong Kong	100%	100%	0%	0%	March 31, 2021
109	PKC Group Canada Inc. (held by PKC Wiring Systems Oy)	Canada	100%	100%	0%	0%	March 31, 2021
110	PKC Group USA Inc. (held by PKC Wiring Systems Oy)	USA	100%	100%	0%	0%	March 31, 2021
111	PKC Group Mexico S.A. de C.V. (held by PKC Wiring Systems Oy)	Mexico	100%	100%	0%	0%	March 31, 2021
112	Project del Holding S.a.r.l. (held by PKC Wiring Systems Oy)	Luxembourg	100%	100%	0%	0%	March 31, 2021
113	PK Cables do Brasil Ltda (jointly held by PKC Wiring Systems Oy & Project Del Holding S.à.r.l.)	Brazil	100%	100%	0%	0%	March 31, 2021
114	PKC Eesti AS (held by PKC Wiring Systems Oy)	Estonia	100%	100%	0%	0%	March 31, 2021
115	TKV-sarijat Oy (held by PKC Wiring Systems Oy)	Finland	100%	100%	0%	0%	March 31, 2021
116	Motherson Rolling Stocks S. de R.L. de C.V. (Jointly held by TKV-sarijat Oy and MSSL (GB) Limited)	Mexico	100%	-	0%	-	March 31, 2021
117	PKC SEGU Systemelektrik GmbH (held by PKC Wiring Systems Oy)	Germany	100%	100%	0%	0%	March 31, 2021
118	Groclin Luxembourg S.à r.l. (held by PKC Group Poland Holding Sp. z o.o.)	Luxembourg	100%	100%	0%	0%	March 31, 2021
119	PKC Vehicle Technology (Suzhou) Co., Ltd. (held by PKC Group APAC Limited)	China	100%	100%	0%	0%	March 31, 2021
120	AEES Inc. (held by PKC Group USA Inc.)	USA	100%	100%	0%	0%	March 31, 2021
121	PKC Group Lithuania UAB (held by PKC Eesti AS)	Lithuania	100%	100%	0%	0%	March 31, 2021
122	PKC Group Poland Holding Sp. z o.o. (held by PKC Wiring Systems Oy)	Poland	100%	100%	0%	0%	March 31, 2021
123	OOO AEK (jointly held by PKC Eesti AS & TKV sarjat O)	Russia	100%	100%	0%	0%	March 31, 2021
124	Kabel-Technik-Polska Sp. z o.o. (held by Groclin Luxembourg S.à r.l.)	Poland	100%	100%	0%	0%	March 31, 2021
125	T.I.C.S. Corporation (held by AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2021
126	AEES Power Systems Limited partnership (jointly held by T.I.C.S. Corporation & AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2021
127	Fortitude Industries Inc. (held by AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2021
128	AEES Manufactura, S. De R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2021
129	Cableodos del Norte II, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2021
130	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2021
131	Arneses y Accesorios de México, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2021
132	Asesoría Mexicana Empresarial, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2021
133	Arneses de Ciudad Juarez, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2021
134	PKC Group de Piedras Negras, S. de R.L. de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2021
135	PKC Group AEES Commercial S. de R.L de C.V (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2021
136	Jiangsu Huakai-PKC Wire Harness Co., Ltd. (held by PKC Group APAC Limited)	China	50%	50%	50%	50%	March 31, 2021
137	PKC Vechicle Technology (Hefei) Co, Ltd. (held by PKC Group APAC Limited)	China	50%	50%	50%	50%	March 31, 2021
138	PKC Vehicle Technology (Fuyang) Co., Ltd. (held by PKC Vechicle Technology (Hefei) Co, Ltd.)	China	100%	-	0%	-	March 31, 2021
139	Shangdong Huakai-PKC Wire Harness Co., Ltd. (held by Jiangsu Huakai-PKC Wire Harness Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2021
140	Motherson Rolling Stock Systems GB Limited (held by Kabel Technik Polska Sp. z o.o.)(incorporated on February 01, 2019)	UK	100%	100%	0%	0%	March 31, 2021
141	Motherson PKC Harness Systems FZ-LLC (held by PKC Eesti AS) (incorporated on July 7, 2019)	UAE	100%	100%	0%	0%	March 31, 2021
142	Global Environment Management (FZC) (held by MSSL Mauritius Holdings Limited)	UAE	100%	100%	0%	0%	March 31, 2021
143	SMRC Automotive Holdings B.V. (held by SMRPBV, jointly held by SMRPBV and SMRC Automotive Interiors Management B.V. till March 24, 2021)	Netherlands	100%	100%	0%	0%	March 31, 2021
144	SMRC Automotive Holdings Netherlands B.V. (held by SMRC Automotive Holdings B.V.)	Netherlands	100%	100%	0%	0%	March 31, 2021

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			March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
145	SMRC Automotives Techno Minority Holdings B.V. (held by SMRC Automotive Holdings Netherlands B.V.)	Netherlands	100%	100%	0%	0%	March 31, 2021
146	SMRC Smart Automotive Interior Technologies USA, LLC (held by SMRC Automotive Holdings Netherlands B.V.)	USA	100%	100%	0%	0%	March 31, 2021
147	SMRC Automotive Modules France SAS (held by SMRC Automotive Holdings Netherlands B.V.)	France	100%	100%	0%	0%	March 31, 2021
148	Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U. (held by SMRC Automotive Holdings Netherlands B.V.)	Spain	100%	100%	0%	0%	March 31, 2021
149	SMRC Automotive Interiors Spain S.L.U. (held by Reydel Automotive Holding Spain , S.L.U)	Spain	100%	100%	0%	0%	March 31, 2021
150	SMRC Automotive Interior Modules Croatia d.o.o (held by SMRC Automotive Holdings Netherlands B.V.)	Croatia	100%	100%	0%	0%	March 31, 2021
151	Samvardhana Motherson Reydel Autotecc Morocco SAS (held by SMRC Automotive Holdings Netherlands B.V.)	Morocco	100%	100%	0%	0%	March 31, 2021
152	SMRC Automotive Technology RU LLC (held by SMRC Automotive Holdings Netherlands B.V.)	Russia	100%	100%	0%	0%	March 31, 2021
153	SMRC Smart Interior Systems Germany GmbH (held by SMRC Automotive Holdings Netherlands B.V.)	Germany	100%	100%	0%	0%	March 31, 2021
154	SMRC Automotive Interiors Products Poland SA (held by SMRC Automotive Holdings Netherlands B.V.)	Poland	100%	100%	0%	0%	March 31, 2021
155	SMRC Automotive Solutions Slovakia s.r.o. (held by SMRC Automotive Holdings Netherlands B.V.)	Slovakia	100%	100%	0%	0%	March 31, 2021
156	SMRC Automotive Holding South America B.V. (held by SMRC Automotive Holdings Netherlands B.V.)	Netherlands	100%	100%	0%	0%	March 31, 2021
157	SMRC Automotive Modules South America Minority Holdings B.V. (held by SMRC Automotive Holdings Netherlands B.V.)	Netherlands	100%	100%	0%	0%	March 31, 2021
158	SMRC Automotive Tech Argentina S.A. (jointly held by SMRC Automotive Holding South America B.V. & SMRC Automotive Modules South America Minority Holdings B.V.)	Argentina	100%	100%	0%	0%	March 31, 2021
159	SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda (held by SMRC Automotive Holding South America B.V.)	Brazil	100%	100%	0%	0%	March 31, 2021
160	SMRC Automotive Products India Limited (held by SMRC Automotive Holdings Netherlands B.V.)	India	100%	100%	0%	0%	March 31, 2021
161	SMRC Automotive Smart Interior Tech (Thailand)	Thailand	100%	100%	0%	0%	March 31, 2021
162	SMRC Automotive Interiors Japan Ltd. (held by SMRC Automotive Holdings Netherlands B.V.)	Japan	100%	100%	0%	0%	March 31, 2021
163	Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd. (held by SMRC Automotive Holdings Netherlands B.V.)	China	100%	100%	0%	0%	March 31, 2021
164	PT SMRC Automotive Technology Indonesia (jointly held by SMRC Automotive Holdings Netherlands B.V. & SMRC Automotives Techno Minority Holdings B.V.)	Indonesia	100%	100%	0%	0%	March 31, 2021
165	Yujin SMRC Automotive Techno Corp. (held by SMRC Automotive Holdings Netherlands B.V.)	South Korea	50.9%	50.9%	49.1%	49.1%	March 31, 2021
166	SMRC Automotives Technology Phil Inc. (held by SMRC Automotive Holdings Netherlands B.V.)	Philippines	100%	100%	0%	0%	March 31, 2021
167	Motherson Ossia Innovations llc. (held by Motherson Innovations LLC)	USA	51%	51%	49%	49%	March 31, 2021
168	Re-time Pty Limited (held by SMR Automotive Australia Pty Limited)	Australia	71.4%	71.4%	28.6%	28.6%	March 31, 2021
169	Wisetime Oy (held by PKC Wiring Systems Oy) (become subsidiary w.e.f March 6, 2020)	Finland	100.0%	100.0%	0%	0%	March 31, 2021
170	Motherson Sumi Wiring India Limited	India	100.0%	-	0%	-	March 31, 2021
171	Motherson Polymers Compounding Solution Limited (merged with the Company from September 30, 2020)	India	0%	100%	0%	0%	March 31, 2021
172	SMRC Automotive Interiors Management B.V. (held by SMRPBV)* (liquidated w.e.f March 24, 2021)	Netherlands	-	100%	-	0%	March 31, 2021
173	MSSL M Tooling Ltd (liquidated w.e.f. 30.10.2020)	Mauritius	-	100%	-	0%	March 31, 2021
174	Samvardhana Motherson Polymers Management Germany GMBH (held by MSSL GmbH) (Merged with MSSL GmbH from August 30, 2019)	Germany	-	100%	-	0%	March 31, 2021

B. Non-controlling interests (NCI)

Set out below the summarised financial information for subsidiary that has non-controlling interests that are material to the group.

Samvardhana Motherson Automotive Systems Group B.V.		
	March 31, 2021	March 31, 2020
Summarised balance sheet		
Current assets	131,017	126,377
Current liabilities	139,672	132,040
Net current assets	(8,655)	(5,663)
Non-current assets	173,692	169,188
Non-current liabilities	95,879	101,575
Net non-current assets	77,813	67,613
Net Assets	69,158	61,950
Accumulated Non controlling Interest	35,523	31,621

Samvardhana Motherson Automotive Systems Group B.V.		
	March 31, 2021	March 31, 2020
Summarised statement of profit and loss		
Revenue	421,444	445,679
Profit for the year	7,539	175
Other comprehensive income	935	1,353
Total comprehensive income	8,474	1,528
Profit allocated to non controlling interest	4,731	1,018
Dividend paid to NCI	1,503	1,381

Samvardhana Motherson Automotive Systems Group B.V.		
	March 31, 2021	March 31, 2020
Summarised cash flows		
Cash flows from operating activities	38,882	35,024
Cash flows from investing activities	(13,438)	(13,194)
Cash flows from financing activities	(17,730)	(11,623)
Net increase / (decrease) in cash and cash equivalents	7,714	10,207

C. Interest in associates companies consolidated using equity method of accounting

Name of the Company	Country of Incorporation	% of ownership interest March 31, 2021	Quoted fair value		carrying amount	
			March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
SAKS Ancillaries Limited	India	40.01%	-*	-*	44	43
Hubei Zhengao PKC Automotive Wiring Company Ltd. (held by PKC)	China	40%	-*	-*	1,074	875

* Unlisted entity - no quoted price available

D. Interest in Joint ventures companies consolidated using equity method of accounting

Name of the Company	Country of Incorporation	% of ownership interest March 31, 2021	Quoted fair value		Carrying amount	
			March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Kyungshin Industrial Motherson Limited	India	50%	-*	-*	2,060	2,076
Calsonic Kansei Motherson Auto Products Private Limited	India	49%	-*	-*	745	685
Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd. (through SMR) (Includes Chongqing SMR Huaxiang Automotive Products Limited & Tianjin SMR Huaxiang Automotive Part Co. Limited) ¹	China	50%	-*	-*	3,243	2,396
Eissmann SMP Automotive Interieur Slovensko s.r.o (through SMP Deutschland GmbH)	Slovakia	49%	-*	-*	(0)	267

* Unlisted entity - no quoted price available

1. Chongqing SMR Huaxiang Automotive Products Limited is 100% subsidiary of Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd. and Tianjin SMR Huaxiang Automotive Part Co. Limited is 100% subsidiary of Chongqing SMR Huaxiang Automotive Products Limited.

E. Summarised financial information of joint ventures

The table below provide summarised financial information for those joint venture that are material to the group.

Summarised balance sheet	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko
March 31, 2021				
Current assets				
Cash and cash equivalents	545	260	2,961	0
Other assets	6,496	1,830	7,255	828
Total current assets	7,041	2,090	10,216	829
Total non-current assets	2,289	1,587	2,688	613
Current liabilities				
Financial liabilities (excluding trade payables)	328	358	-	-
Other liabilities	4,440	1,271	6,228	1,223
Total current liabilities	4,768	1,629	6,228	1,223
Total non-current liabilities	440	527	191	0
Consolidation adjustments and currency translation adjustment	-	-	(0)	(219)
Net assets	4,122	1,521	6,485	(0)

Reconciliation to carrying amounts:

	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko
March 31, 2021				
Opening net assets	4,151	1,399	4,791	545
Profit for the year	(46)	135	1,446	(353)
Impairment / Consolidation adjustments	-	-	-	(213)
Other comprehensive income	16	(13)	-	-
Exchange gain / (loss)	-	-	248	21
Dividend paid	(0)	-	-	-
Closing net assets	4,121	1,521	6,485	(0)
Group's share in %	50%	49%	50%	49%
Group's share in INR	2,060	745	3,243	(0)
Carrying amount	2,060	745	3,243	(0)

Summarised balance sheet	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko s.r.o
March 31, 2020				
Current assets				
Cash and cash equivalents	1,009	491	1,937	186
Other assets	5,496	1,493	4,207	667
Total current assets	6,505	1,984	6,144	853
Total non-current assets	2,087	1,710	2,492	767
Current liabilities				
Financial liabilities (excluding trade payables)	3,078	981	-	-
Other liabilities	936	640	3,812	1,054
Total current liabilities	4,014	1,621	3,812	1,054
Total non-current liabilities	427	674	33	6
Consolidation adjustments and currency translation adjustment	-	-	-	(15)
Net assets	4,151	1,399	4,791	545

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(All amounts in INR Million, unless otherwise stated)

Reconciliation to carrying amounts:

	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko s.r.o
March 31, 2020				
Opening net assets	3,973	1,394	4,373	833
Profit for the year	396	42	863	(331)
Other comprehensive income	(10)	1	-	-
Exchange gain / (loss)	-	-	166	43
Dividend paid	(208)	(38)	(611)	-
Closing net assets	4,151	1,399	4,791	545
Group's share in %	50%	49%	50%	49%
Group's share in INR	2,076	685	2,396	267
Goodwill				
Carrying amount	2,076	685	2,396	267

Summarised statement of profit and loss

	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko
March 31, 2021				
Revenue	14,550	4,659	19,547	5,054
Interest income	203	68	26	-
Depreciation and amortisation	257	431	490	177
Interest expense	38	77	1	2
Income tax expense	54	46	214	-
Profit from continuing operation	(46)	135	1,446	(353)
Other comprehensive income	16	(13)	-	-
Total comprehensive income	(30)	122	1,446	(353)

	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko s.r.o
March 31, 2020				
Revenue	16,053	4,829	12,902	3,392
Interest income	76	24	17	-
Depreciation and amortisation	214	434	392	163
Interest expense	39	110	4	0
Income tax expense	146	133	119	-
Profit from continuing operation	396	42	863	(331)
Other comprehensive income	(10)	(0)	-	-
Total comprehensive income	386	42	863	(331)

F. Summarised financial information of Associate

The table below provide summarised financial information for associate that is material to the group.

Summarised balance sheet	March 31, 2021	March 31, 2020
Hubei Zhengao PKC Automotive Wiring Company Ltd.		
Current assets	5,099	3,300
Non-current assets	405	331
Total assets	5,504	3,631
Non-current liabilities	0	0
Current liabilities	2,810	1,568
Total liabilities	2,810	1,568
Net assets	2,694	2,063
Group Share %	40%	40%

Reconciliation to carrying amounts:

	March 31, 2021	March 31, 2020
Hubei Zhengao PKC Automotive Wiring Company Ltd.		
Opening net assets	875	842
Investment during the year	-	-
Profit for the year	358	92
Exchange gain / (loss)	(9)	73
Dividend paid	(150)	(132)
Carrying amount	1,074	875

G. Individually immaterial associates

The group has interests in a number of individually immaterial associates that are accounted for using equity method. The group share of investment and profit is disclosed below.

	March 31, 2021	March 31, 2020
Aggregate carrying amount of individually immaterial associates	44	43
Aggregate amounts of the group's share of:		
Profit / (loss) from continuing operations	2	1

H. Commitments and contingent liabilities in respect of associates and joint ventures

	March 31, 2021	March 31, 2020
Share of joint venture's contingent liabilities in respect of:		
Excise matters	42	42
Unfulfilled export commitments under EPCG Scheme	28	115
Others	13	13
Commitments - joint ventures		
Share of joint venture's estimated value of contracts in capital account remaining to be executed, (Net of Advances)	50	13

49 Statutory group information required by Schedule III

March 31, 2021:

Sl. No.	Name of entity	Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
1	Motherson Sumi Systems Ltd	41	67,429	33	5,207	(7)	(235)	26	4,972
	Subsidiaries:								
	Indian:								
2	Samvardhana Motherson Polymers Limited	0*	529	0*	(0)	0*	-	0*	(0)
3	Motherson Innovations Tech Limited (esrt MSSL Automobile Component Limited)	0*	3	0*	1	0*	-	0*	1
4	Motherson Polymers Compounding Solution Limited (merged with the Company from September 30, 2020)	0*	-	0*	-	0*	-	0*	-
5	SMR Automotive Systems India Ltd.	2	2,811	1	107	(1)	(36)	0*	71
6	SMRC Automotive Products India Limited	1	1,496	0*	(15)	0*	(1)	0*	(16)
7	Motherson Sumi Wiring India Limited	0*	0	0*	4	0*	-	0*	4
	Foreign:								
8	Samvardhana Motherson Reflectec Group Holdings Limited	14	23,062	19	2,980	0*	-	16	2,980
9	SMR Automotive Technology Holding, Cyprus Ltd.	3	4,242	1	197	0*	-	1	197
10	SMR Automotive Brasil LTDA.	0*	715	(1)	(98)	0*	-	(1)	(98)
11	SMR Automotive Mirror Technology Holding Hungary KFT	1	2,078	2	363	(39)	(1,254)	(5)	(891)
12	SMR Holding Australia Pty Limited	1	1,834	2	361	0*	-	2	361
13	SMR Automotive Australia Pty Limited	1	1,408	2	316	0*	(4)	2	313
14	SMR Automotive Mirror Technology, Hungary BT	8	12,721	11	1,793	0*	5	10	1,797
15	SMR Automotive Systems, France S.A.	0*	184	(3)	(444)	(2)	(55)	(3)	(500)
16	SMR Automotive System (Thailand) Limited	0*	582	0*	47	0*	-	0*	47
17	SMR Automotive Mirror Parts and Holdings, UK Ltd.	6	10,238	2	278	2	53	2	331
18	SMR Patents S.à.r.l.	0*	(15)	0*	25	0*	-	0*	25
19	SMR Automotive Technology Valencia S.A.U.	0*	207	0*	2	0*	-	0*	2
20	SMR Automotive Mirrors UK Limited	1	1,238	2	276	0*	-	1	276
21	SMR Automotive Mirror Systems Holding Deutschland GmbH	2	2,702	1	90	0*	-	0*	90
22	SMR Hyosang Automotive Ltd.	1	2,206	0*	66	0*	-	0*	66
23	SMR Automotive Modules Korea Ltd.	3	4,926	(1)	(227)	0*	(1)	(1)	(228)
24	SMR Automotive Beteiligungen Deutschland GmbH	0*	115	0*	51	0*	-	0*	51
25	SMR Automotive Systems Spain S.A.U.	1	1,525	4	550	0*	-	3	550
26	SMR Automotive Servicios Mexico S.A de C.V. (Liquidated on July 2, 2019)	0*	-	0*	-	0*	-	0*	-
27	SMR Automotive Vision Systems Mexico S.A. de C.V.	2	2,848	1	221	6	208	2	429
28	SMR Automotive Mirrors Stuttgart GmbH	0*	273	2	274	0*	-	1	274
29	SMR Grundbesitz GmbH & Co. KG	0*	293	0*	43	0*	-	0*	43
30	SMR Mirror UK Limited	2	3,558	21	3,326	0*	-	18	3,326
31	SMR Automotive Systems USA Inc.	3	4,184	19	3,046	0*	-	16	3,046
32	SMR Automotive Mirror International USA Inc.	9	15,209	21	3,346	3	112	18	3,457
33	SMR Automotive Vision System Operations USA INC	8	13,120	28	4,362	0*	-	23	4,362
34	SMR Automotive Beijing Company Limited	0*	425	0*	12	3	93	1	105
35	SMR Automotive Yancheng Co. Limited	1	1,016	1	215	2	72	2	287
36	SMR Automotive Holding Hong Kong Limited	0*	491	0*	5	0*	-	0*	5
37	SMR Automotive Operations Japan k.k.	0*	(60)	0*	(1)	0*	-	0*	(1)
38	SMR Automotive (Langfang) Co. Limited	0*	289	1	219	0*	-	1	219
39	SMR Automotives Systems Macedonia Doel Skopje	0*	(15)	0*	(0)	0*	-	0*	(0)
40	SMR Automotive Industries RUS Limited Liability Company	0*	21	0*	2	0*	-	0*	2
41	Samvardhana Motherson Corp Management Shanghai Co.,Ltd	0*	148	0*	19	0*	-	0*	19
42	Re-time Pty Limited (Refer note 50)	0*	14	0*	(5)	0*	-	0*	(5)
43	Samvardhana Motherson Global (FZE)	0*	126	1	80	0*	-	0*	80
44	Motherson Innovations Company Limited	1	1,090	(3)	(488)	0*	-	(3)	(488)
45	Motherson Innovations Deutschland GmbH	0*	53	0*	4	0*	-	0*	4
46	Motherson Innovations LLC	0*	-	0*	-	0*	-	0*	-
47	Motherson Business Service Hungary Kft.	0*	1	0*	(0)	0*	-	0*	(0)
48	Samvardhana Motherson Peguform GmbH	0*	712	2	372	0*	-	2	372
49	SMP Automotive Exterior GmbH	2	2,587	1	146	0*	-	1	146
50	SMP Deutschland GmbH	7	10,845	(9)	(1,406)	(3)	(87)	(8)	(1,493)
51	SMP Logistik Service GmbH	0*	50	0*	0	0*	-	0*	0
52	SMP Automotive Solutions Slovakia s.r.o.	(1)	(1,855)	(2)	(348)	0*	-	(2)	(348)

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(All amounts in INR Million, unless otherwise stated)

Sl. No.	Name of entity	Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
53	Changchun Peguform Automotive Plastics Technology Co.,Ltd.	6	10,139	17	2,640	0*	-	14	2,640
54	Foshan Peguform Automotive Plastics Technology Co. Ltd.	1	1,062	2	316	0*	-	2	316
55	Shenyang SMP Automotive Plastic Component Co. Ltd.	0*	249	0*	(3)	0*	-	0*	(3)
56	SMP Automotive Technology Management Services (Changchun) Co. Ltd.	0*	(46)	0*	(10)	0*	(0)	0*	(10)
57	SMP Automotive Interiors (Beijing) Co. Ltd.	1	1,772	7	1,073	0*	-	6	1,073
58	SMP Automotive Technology Iberica S.L.	6	9,212	5	854	0*	-	5	854
59	SMP Automotive Technologies Teruel Sociedad Limitada	0*	283	0*	44	0*	-	0*	44
60	Samvardhana Motherson Peguform Barcelona S.L.U	0*	507	1	146	0*	-	1	146
61	SMP Automotive Produtos Automotivos do Brasil Ltda	(2)	(2,562)	(7)	(1,057)	0*	-	(6)	(1,057)
62	SMP Automotive Systems México, S. A. de C. V.	3	5,261	(6)	(934)	6	194	(4)	(740)
63	Samvardhana Motherson Peguform Automotive Technology Portugal, S.A.	1	1,294	3	522	0*	-	3	522
64	Celulosa Fabril (Cefa) S.A.	2	2,925	9	1,385	0*	-	7	1,385
65	Modulos Ribera Alta S.L. Unipersonal	2	3,510	5	827	0*	-	4	827
66	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	1	1,482	(9)	(1,394)	0*	-	(7)	(1,394)
67	Samvardhana Motherson Innovative Autosystems Holding Company B.V.	0*	6	0*	(2)	0*	-	0*	(2)
68	Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V.	0*	718	1	205	0*	-	1	205
69	SM Real Estate GmbH	0*	207	0*	56	0*	-	0*	56
70	Motherson Innovations Lights GmbH & Co. KG	0*	12	0*	(26)	0*	-	0*	(26)
71	Motherson Innovations Lights Verwaltungs GmbH	0*	2	0*	0	0*	-	0*	0
72	SMP Automotive Systems Alabama Inc.	(10)	(15,774)	(7)	(1,144)	0*	-	(6)	(1,144)
73	Tianjin SMP Automotive Components Co. Ltd.	0*	313	1	175	0*	-	1	175
74	Shenyang SMP Automotive Trim Co., Ltd	0*	330	0*	(16)	0*	-	0*	(16)
75	SMP Automotive Interior Modules d.o.o. Čuprija	0*	766	(1)	(135)	0*	-	(1)	(135)
76	SMRC Automotive Interiors Management B.V. (liquidated w.e.f March 24, 2021)	0*	-	1	115	0*	-	1	115
77	SMRC Automotive Holdings B.V.	1	833	0*	4	0*	-	0*	4
78	SMRC Automotive Holdings Netherlands B.V.	4	5,990	(1)	(232)	0*	-	(1)	(232)
79	SMRC Automotives Techno Minority Holdings B.V.	0*	70	0*	18	0*	-	0*	18
80	SMRC Smart Automotive Interior Technologies USA, LLC	0*	-	0*	-	0*	-	0*	-
81	SMRC Automotive Modules France SAS	3	5,086	0*	(28)	0*	3	0*	(25)
82	Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.	0*	813	1	90	0*	-	0*	90
83	SMRC Automotive Interiors Spain S.L.U.	2	3,621	3	504	0*	-	3	504
84	SMRC Automotive Interior Modules Croatia d.o.o	0*	11	0*	1	0*	-	0*	1
85	Samvardhana Motherson Reydel Autotecc Morocco SAS	0*	392	0*	(78)	0*	-	0*	(78)
86	SMRC Automotive Technology RU LLC	0*	736	3	451	0*	-	2	451
87	SMRC Smart Interior Systems Germany GmbH	0*	111	0*	4	(1)	(16)	0*	(12)
88	SMRC Automotive Interiors Products Poland SA	0*	-	0*	(1)	0*	-	0*	(1)
89	SMRC Automotive Solutions Slovakia s.r.o.	0*	(12)	(5)	(774)	0*	(1)	(4)	(775)
90	SMRC Automotive Holding South America B.V.	1	1,225	0*	(25)	0*	-	0*	(25)
91	SMRC Automotive Modules South America Minority Holdings B.V.	0*	28	0*	(0)	0*	-	0*	(0)
92	SMRC Automotive Tech Argentina S.A.	0*	773	(1)	(99)	0*	-	(1)	(99)
93	SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda	0*	487	0*	47	0*	-	0*	47
94	SMRC Automotive Smart Interior Tech (Thailand) Ltd.	1	852	0*	49	1	27	0*	76
95	SMRC Automotive Interiors Japan Ltd.	0*	(13)	0*	(27)	0*	(3)	0*	(29)
96	Shanghai Reydel Automotive Technology Consulting Co. Ltd.	0*	18	0*	2	0*	-	0*	2
97	PT SMRC Automotive Technology Indonesia	0*	(54)	0*	(9)	0*	-	0*	(9)
98	Yuiin SMRC Automotive Techno Corp.	1	1,500	(1)	(150)	2	61	0*	(89)
99	SMRC Automotives Technology Phil Inc.	0*	(69)	0*	(42)	0*	-	0*	(42)
100	PKC Group Oy	6	10,369	10	1,600	0*	-	8	1,600
101	PKC Wiring Systems Oy	4	5,932	(2)	(334)	0*	-	(2)	(334)
102	Wisetime Oy	0*	158	0*	76	0*	-	0*	0*
103	Motherson PKC Harness Systems FZ-LLC	0*	(160)	(1)	(161)	0*	-	0*	0*
104	PKC Group Poland Sp. z o.o.	0*	(384)	2	255	0*	-	1	255
105	PKC SEGU Systemelektrik GmbH	0*	(182)	0*	37	0*	-	0*	37
106	PKC Wiring Systems Llc	0*	43	(2)	(259)	0*	-	(1)	(259)

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(All amounts in INR Million, unless otherwise stated)

Sl. No.	Name of entity	Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
107	PKC Eesti AS	9	15,038	3	436	0*	-	2	436
108	TKV-Sarjat Oy	0*	9	0*	(1)	0*	-	0*	(1)
109	OOO AEK	0*	345	0*	(68)	0*	-	0*	(68)
110	PKC Group Lithuania UAB	0*	773	2	304	0*	-	2	304
111	PK Cables do Brasil Ltda	0*	35	(3)	(549)	0*	-	(3)	(549)
112	PKC Group Canada Inc.	0*	320	0*	2	0*	-	0*	2
113	PKC Group Mexico S.A. de C.V.	0*	143	0*	-	0*	-	0*	-
114	Project Del Holding S.à.r.l.	1	1,395	0*	(2)	0*	-	0*	(2)
115	AEES Manufacturera, S. De R.L. de C.V	0*	788	0*	59	0*	-	0*	59
116	Arneses de Ciudad Juarez, S. de R.L. de C.V.	0*	51	0*	18	0*	-	0*	18
117	Arneses y Accesorios de México, S. de R.L. de C.V.	0*	221	1	149	0*	-	1	149
118	Cableados del Norte II, S. de R.L. de C.V.	0*	300	0*	73	0*	-	0*	73
119	Asesoria Mexicana Empresarial, S. de R.L. de C.V.	0*	132	0*	16	0*	-	0*	16
120	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.	0*	3	0*	-	0*	-	0*	-
121	PKC Group de Piedras Negras, S. de R.L. de C.V.	0*	95	0*	28	0*	-	0*	28
122	PKC Group AEES Commercial, S. de R.L. de C.V.	0*	46	0*	4	0*	-	0*	4
123	PKC Group USA Inc.	(7)	(11,708)	6	955	0*	-	5	955
124	AEES Inc.	7	11,414	(10)	(1,576)	0*	-	(8)	(1,576)
125	AEES Power Systems Limited Partnership	1	2,118	0*	7	0*	-	0*	7
126	Fortitude Industries Inc.	1	840	0*	14	0*	-	0*	14
127	PKC Vehicle Technology (Hefei) Co., Ltd.	1	1,254	2	249	0*	-	1	249
128	PKC Vehicle technology (Suzhou) Co. Ltd	0*	119	0*	30	0*	-	0*	30
129	Jiangsu Huakai-PKC Wire Harness Co., Ltd.	3	4,738	3	524	0*	-	3	524
130	Shandong Huakai-PKC Wire Harness Co. Ltd	1	1,500	2	279	0*	-	1	279
131	PKC Group APAC Ltd.	(2)	(2,735)	(1)	(177)	0*	-	(1)	(177)
132	Kabel Technik Polska Sp. z o.o.	1	1,800	6	981	0*	-	5	981
133	PKC Group Poland Holding Sp. z o.o.	0*	745	0*	(37)	0*	-	0*	(37)
134	Groclin Luxembourg S.à r.l.	1	1,915	0*	(2)	0*	-	0*	(2)
135	Motherson Rolling Stock Systems GB Limited	1	1,647	3	470	0*	-	2	470
136	Motherson Rolling Stocks S. de R.L. de C.V.	0*	0	0*	0	0*	-	0*	0
137	PKC Vehicle Technology (Fuyang) Co., Ltd.	0*	32	0*	(23)	0*	-	0*	(23)
138	MSSL Mideast (FZE)	15	25,629	3	468	0*	-	2	468
139	MSSL (GB) Limited	22	37,237	1	200	0*	-	1	200
140	MSSL Mauritius Holdings Limited	9	14,991	5	714	0*	-	4	714
141	Samvardhana Motherson Global Holdings Limited Cyprus	46	76,330	0*	60	0*	-	0*	60
142	MSSL (S) Pte Limited	1	1,202	0*	48	0*	-	0*	48
143	Motherson Electrical Wires Lanka Private Limited	0*	651	1	223	0*	0	1	223
144	MSSL Consolidated Inc. USA	1	1,635	0*	(62)	0*	-	0*	(62)
145	MSSL Wiring System Inc	3	5,457	6	907	5	175	6	1,081
146	Alphabet De Mexico S.A. de C.V	0*	24	0*	20	0*	-	0*	20
147	Alphabet De Saltillo S.A. de C.V.	0*	(54)	0*	27	0*	-	0*	27
148	Alphabet De Mexico de Monclova S.A. de C.V	0*	(17)	0*	14	0*	-	0*	14
149	MSSL Wirings Juarez S.A. de C.V.	0*	4	0*	1	0*	-	0*	1
150	MSSL Japan Limited	0*	17	0*	(9)	0*	-	0*	(9)
151	MSSL Mexico S.A. De C.V.	0*	750	0*	48	0*	15	0*	63
152	MSSL WH System (Thailand) Co. Ltd.	0*	504	1	107	0*	-	1	107
153	MSSL Korea WH Limited	0*	(9)	0*	4	0*	-	0*	4
154	MSSL Ireland Private Limited	0*	32	0*	(1)	0*	-	0*	(1)
155	MSSL s.r.l. Unipersonale	0*	19	0*	4	0*	-	0*	4
156	MSSL Estonia WH OÜ	19	32,116	12	1,854	0*	-	10	1,854
157	MSSL Australia Pty Limited	0*	199	1	124	0*	-	1	124
158	Motherson Elastomers Pty Limited	0*	494	1	163	0*	-	1	163
159	Motherson Investments Pty Limited	0*	23	0*	7	0*	-	0*	7
160	MSSL Global RSA Module Engineering Limited	1	2,330	4	681	0*	-	4	681
161	Vacuform 2000 (Proprietary) Limited	0*	13	0*	(28)	0*	-	0*	(28)
162	MSSL GMBH	1	1,258	0*	(2)	0*	-	0*	-
163	Samvardhana Motherson Invest Deutschland GmbH	0*	72	0*	0	0*	-	0*	-
164	MSSL Advanced Polymers s.r.o.	0*	531	0*	10	0*	-	0*	-
165	Motherson Techno Precision GmbH	0*	20	0*	(37)	0*	-	0*	-
166	Motherson Techno Precision México, S.A. de C.V	0*	(74)	0*	52	0*	-	0*	-
167	MSSL Manufacturing Hungary Kft	0*	(67)	(1)	(108)	0*	-	0*	-
168	Motherson Air Travel Pvt Ltd	0*	(558)	0*	(30)	0*	-	(1)	(232)
169	MSSL Tooling (FZE)	1	2,238	3	539	0*	-	3	539
170	Motherson Wiring System (FZE)	0*	(110)	0*	9	0*	-	0*	9
171	Global Environment Management (FZC)	0*	(35)	0*	26	0*	-	0*	26
172	Samvardhana Motherson Automotive Systems Group B.V.	58	96,929	31	4,858	9	288	27	5,146
173	MSSL M Tooling Ltd (liquidated w.e.f. 30.10.2020)	0*	-	0*	-	0*	-	0*	-

MOTHERSON SUMI SYSTEMS LIMITED
Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

Si. No.	Name of entity	Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
174	Motherson Ossia Innovations Ilc.	0*	-	0*	-	0*	-	0*	-
	Associates (Investment as per Equity method)								
	Indian:								
175	SAKS Ancillaries Limited	0*	42	0*	2	0*	-	0*	2
	Foreign:								
176	Hubei Zhengao PKC Automotive Wiring Company Ltd.	2	2,698	6	895	0*	-	0*	-
	Joint Ventures (Investment as per Equity method)								
	Indian:								
177	Kyungshin Industrial Motherson Limited	1	2,062	0*	(23)	0*	8	0*	(15)
178	Calsonic Kansei Motherson Auto Products Private Limited	0*	687	0*	66	0*	(6)	0*	60
	Foreign:								
179	Eissmann SMP Automotive Interieur Slovensko s.r.o	0*	-	0*	-	0*	-	0*	-
180	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	3	5,678	9	1,417	0*	-	7	1,417
181	Chongqing SMR Huaxiang Automotive Products	1	1,279	0*	52	0*	-	0*	52
182	Tianjin SMR Huaxiang Automotive Part Co. Limited	0*	310	0*	(22)	0*	-	0*	(22)
	Minority Interest in All Subsidiaries	(24)	(40,233)	(34)	(5,302)	(23)	(735)	(32)	(6,037)

MOTHERSON SUMI SYSTEMS LIMITED
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(All amounts in INR Million, unless otherwise stated)

March 31, 2020:

Si. No.	Name of entity	Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
1	Motherson Sumi Systems Ltd	42	62,443	69	8,988	(4)	(112)	57	8,876
	Subsidiaries:								
	Indian:								
2	Samvardhana Motherson Polymers Limited	0*	529	0*	(0)	0*	-	0*	(0)
3	Motherson Innovations Tech Limited (esrt MSSL Automobile Component Limited)	0*	2	0*	2	0*	-	0*	2
4	Motherson Polymers Compounding Solution Limited	0*	22	0*	9	0*	(0)	0*	9
5	SMR Automotive Systems India Ltd.	2	2,699	1	193	(2)	(52)	1	141
6	SMRC Automotive Products India Limited	1	1,376	(2)	(239)	0*	-	(2)	(239)
	Foreign:								
7	Samvardhana Motherson Reflectec Group Holdings Limited	13	19,970	17	2,194	0*	-	14	2,194
8	SMR Automotive Technology Holding, Cyprus Ltd.	3	3,933	5	701	0*	-	5	701
9	SMR Automotive Brasil LTDA.	1	902	1	160	0*	-	1	160
10	SMR Automotive Mirror Technology Holding Hungary KFT	1	2,082	5	608	0*	-	4	608
11	SMR Holding Australia Pty Limited	1	1,531	5	610	0*	-	4	610
12	SMR Automotive Australia Pty Limited	1	1,184	6	757	(1)	(29)	5	728
13	SMR Automotive Mirror Technology, Hungary BT	0*	583	(3)	(366)	(7)	(178)	(3)	(544)
14	SMR Automotive Systems, France S.A.	0*	(293)	(3)	(410)	(1)	(30)	(3)	(440)
15	SMR Automotive System (Thailand) Limited	0*	526	0*	(11)	0*	(9)	0*	(20)
16	SMR Automotive Mirror Parts and Holdings, UK Ltd.	8	12,027	16	2,054	(1)	(14)	13	2,041
17	SMR Patents S.à.r.l.	0*	(39)	1	174	0*	-	1	174
18	SMR Automotive Technology Valencia S.A.U.	0*	199	0*	6	0*	-	0*	6
19	SMR Automotive Mirrors UK Limited	1	923	2	219	0*	-	1	219
20	SMR Automotive Mirror Systems Holding Deutschland GmbH	1	1,615	6	797	0*	(2)	5	796
21	SMR Hyosang Automotive Ltd.	1	2,083	1	151	0*	(11)	1	140
22	SMR Automotive Modules Korea Ltd.	2	3,541	(1)	(159)	(11)	(297)	(3)	(456)
23	SMR Automotive Beteteiligungen Deutschland GmbH	0*	147	0*	(11)	0*	-	0*	(11)
24	SMR Automotive Systems Spain S.A.U.	1	952	6	766	0*	-	5	766
25	SMR Automotive Servicios Mexico S.A de C.V. (Liquidated on July 2, 2019)	0*	-	0*	-	0*	-	0*	-
26	SMR Automotive Vision Systems Mexico S.A. de C.V.	2	2,746	5	688	(7)	(189)	3	499
27	SMR Automotive Mirrors Stuttgart GmbH	1	1,006	4	508	(3)	(76)	3	432
28	SMR Grundbesitz GmbH & Co. KG	0*	256	0*	27	0*	-	0*	27
29	SMR Mirror UK Limited	1	1,315	31	3,954	0*	-	25	3,954
30	SMR Automotive Systems USA Inc.	3	4,653	29	3,702	0*	-	24	3,702
31	SMR Automotive Mirror International USA Inc.	11	15,795	36	4,638	4	94	30	4,731
32	SMR Automotive Vision System Operations USA INC	8	11,353	31	4,041	0*	-	26	4,041
33	SMR Automotive Beijing Company Limited	0*	395	0*	12	4	96	1	108
34	SMR Automotive Yancheng Co. Limited	1	769	0*	36	2	62	1	98
35	SMR Automotive Holding Hong Kong Limited	0*	473	0*	(2)	0*	-	0*	(2)
36	SMR Automotive Operations Japan k.k.	0*	(63)	(1)	(131)	0*	-	(1)	(131)
37	SMR Automotive (Langfang) Co. Limited	0*	64	1	75	0*	-	0*	75
38	SMR Automotives Systems Macedonia Doel Skopje	0*	(14)	0*	(0)	0*	-	0*	(0)
39	SMR Automotive Industries RUS Limited Liability Company	0*	22	0*	2	0*	-	0*	2
40	Samvardhana Motherson Corp Management Shanghai Co.,Ltd	0*	82	0*	(37)	0*	-	0*	(37)
41	Re-time Pty Limited (Refer note 50)	0*	16	0*	(8)	0*	-	0*	1
42	Samvardhana Motherson Global (FZE)	0*	177	1	109	0*	-	1	109
43	Motherson Innovations Company Limited	1	909	(7)	(895)	0*	-	(6)	(895)
44	Motherson Innovations Deutschland GmbH	0*	47	0*	8	0*	-	0*	8
45	Motherson Innovations LLC	0*	-	0*	-	0*	-	0*	-
46	Samvardhana Motherson Peguform GmbH	(1)	(912)	(10)	(1,234)	0*	-	(8)	(1,234)
47	SMP Automotive Exterior GmbH	1	1,823	(1)	(162)	0*	-	(1)	(162)
48	SMP Deutschland GmbH	9	13,693	19	2,435	(3)	(75)	15	2,360
49	SMP Logistik Service GmbH	0*	48	0*	1	0*	-	0*	1
50	SMP Automotive Solutions Slovakia s.r.o.	(1)	(1,467)	(1)	(78)	0*	-	0*	(78)
51	Changchun Peguform Automotive Plastics Technology Co.,Ltd.	6	9,279	14	1,868	0*	-	12	1,868
52	Foshan Peguform Automotive Plastics Technology Co. Ltd.	0*	708	1	75	0*	-	0*	75

MOTHERSON SUMI SYSTEMS LIMITED
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(All amounts in INR Million, unless otherwise stated)

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		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
53	Shenyang SMP Automotive Plastic Component Co. Ltd.	0*	242	1	104	0*	-	1	104
54	SMP Automotive Technology Management Services (Changchun) Co. Ltd.	0*	(34)	0*	-	0*	-	0*	-
55	SMP Automotive Interiors (Beijing) Co. Ltd.	1	1,290	5	623	0*	-	4	623
56	SMP Automotive Technology Iberica S.L.	5	7,964	12	1,517	0*	-	10	1,517
57	SMP Automotive Technologies Teruel Sociedad Limitada	0*	233	1	116	0*	-	1	116
58	Samvardhana Motherson Peguform Barcelona S.L.U	0*	352	2	283	0*	-	2	283
59	SMP Automotive Produtos Automotivos do Brasil Ltda	(1)	(1,937)	(16)	(2,041)	0*	-	(13)	(2,041)
60	SMP Automotive Systems México, S. A. de C. V.	4	5,596	3	448	(21)	(557)	(1)	(109)
61	Samvardhana Motherson Peguform Automotive Technology Portugal, S.A.	1	755	5	703	0*	-	5	703
62	Celulosa Fabril (Cefa) S.A.	1	2,093	5	646	0*	-	4	646
63	Modulos Ribera Alta S.L. Unipersonal	2	3,615	6	807	0*	-	5	807
64	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	2	2,782	(4)	(564)	0*	-	(4)	(564)
65	Samvardhana Motherson Innovative Autosystems Holding Company B.V.	0*	8	0*	0	0*	-	0*	0
66	Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V.	0*	449	(2)	(203)	0*	-	(1)	(203)
67	SM Real Estate GmbH	0*	148	0*	19	0*	-	0*	19
68	Motherson Innovations Lights GmbH & Co. KG	0*	36	0*	(45)	0*	-	0*	(45)
69	Motherson Innovations Lights Verwaltungs GmbH	0*	2	0*	0	0*	-	0*	0
70	SMP Automotive Systems Alabama Inc.	(10)	(15,137)	(102)	(13,154)	0*	-	(84)	#####
71	Tianjin SMP Automotive Components Co. Ltd.	0*	129	0*	(52)	0*	-	0*	(52)
72	SMRC Automotive Interiors Management B.V.	0*	9	0*	-	0*	-	0*	-
73	SMRC Automotive Holdings B.V.	1	857	(1)	(136)	0*	-	(1)	(136)
74	SMRC Automotive Holdings Netherlands B.V.	4	6,045	(4)	(566)	0*	-	(4)	(566)
75	SMRC Automotives Techno Minority Holdings B.V.	0*	51	0*	3	0*	-	0*	3
76	SMRC Smart Automotive Interior Technologies USA, LLC	0*	-	0*	-	0*	-	0*	-
77	SMRC Automotive Modules France SAS	3	4,079	22	2,834	0*	8	18	2,842
78	Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.	0*	704	0*	16	0*	-	0*	16
79	SMRC Automotive Interiors Spain S.L.U.	2	3,077	4	537	0*	-	3	537
80	SMRC Automotive Interior Modules Croatia d.o.o	0*	10	0*	1	0*	-	0*	1
81	Samvardhana Motherson Reydel Autotecc Morocco SAS	0*	247	(1)	(105)	0*	0	(1)	(105)
82	SMRC Automotive Technology RU LLC	0*	(188)	(3)	(445)	0*	-	(3)	(445)
83	SMRC Smart Interior Systems Germany GmbH	0*	96	0*	44	(1)	(23)	0*	22
84	SMRC Automotive Interiors Products Poland SA	0*	112	0*	7	0*	-	0*	7
85	SMRC Automotive Solutions Slovakia s.r.o.	0*	419	(3)	(361)	0*	(2)	(2)	(363)
86	SMRC Automotive Holding South America B.V.	0*	395	0*	(28)	0*	-	0*	(28)
87	SMRC Automotive Modules South America Minority Holdings B.V.	0*	29	0*	(0)	0*	-	0*	(0)
88	SMRC Automotive Tech Argentina S.A.	0*	676	0*	(61)	0*	-	0*	(61)
89	SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda	0*	461	0*	58	0*	-	0*	58
90	SMRC Automotive Smart Interior Tech (Thailand) Ltd.	1	758	0*	(24)	1	16	0*	(8)
91	SMRC Automotive Interiors Japan Ltd.	0*	13	0*	13	0*	(2)	0*	11
92	Shanghai Reydel Automotive Technology Consulting Co. Ltd.	0*	15	0*	3	0*	-	0*	3
93	PT SMRC Automotive Technology Indonesia	0*	(42)	0*	16	0*	-	0*	16
94	Yujin SMRC Automotive Techno Corp.	1	1,600	3	342	2	42	2	384
95	SMRC Automotives Technology Phil Inc.	0*	(27)	0*	(20)	0*	-	0*	(20)
96	PKC Group Oy	7	10,246	8	1,080	0*	-	7	1,080
97	PKC Wiring Systems Oy	5	7,795	2	214	0*	-	1	214
98	PKC Netherlands Holding B.V (Liquidated on July 31, 2019)	0*	81	0*	4	0*	-	0*	4
99	PK Cables Nederland B.V.(Liquidated on July 31, 2019)	0*	(0)	0*	(3)	0*	-	0*	(3)
100	Wisetime Oy (become subsidiary w.e.f March 6, 2020, Refer Note 50)	0*	81	0*	4	0*	-	0*	-
101	Motherson PKC Harness Systems FZ-LLC (incorporated on July 7, 2019)	0*	(0)	0*	(3)	0*	-	0*	-
102	PKC Group Poland Sp. z o.o.	0*	(623)	(2)	(215)	0*	-	(1)	(215)
103	PKC SEGU Systemelektrik GmbH	0*	(212)	0*	59	0*	-	0*	59
104	PKC Wiring Systems Llc	0*	291	(2)	(214)	0*	-	(1)	(214)
105	PKC Eesti AS	10	14,195	8	1,057	0*	-	7	1,057

MOTHERSON SUMI SYSTEMS LIMITED
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		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
106	TKV-Sariat Oy	0*	9	0*	2	0*	-	0*	2
107	OOO AEK	0*	409	0*	(42)	0*	-	0*	(42)
108	PKC Group Lithuania UAB	0*	459	1	94	0*	-	1	94
109	PK Cables do Brasil Ltda	0*	603	0*	(14)	0*	-	0*	(14)
110	PKC Group Canada Inc.	0*	294	0*	(14)	0*	-	0*	(14)
111	PKC Group Mexico S.A. de C.V.	0*	127	0*	-	0*	-	0*	-
112	Project Del Holding S.à.r.l.	1	1,358	0*	(3)	0*	-	0*	(3)
113	AEES Manufacturera, S. De R.L. de C.V	0*	659	0*	0	0*	-	0*	0
114	Arneses de Ciudad Juarez, S. de R.L. de C.V.	0*	30	0*	(1)	0*	-	0*	(1)
115	Arneses y Accesorios de México, S. de R.L. de C.V.	0*	110	1	126	0*	-	1	126
116	Cableados del Norte II, S. de R.L. de C.V.	0*	201	0*	40	0*	-	0*	40
117	Asesoría Mexicana Empresarial, S. de R.L. de C.V.	0*	103	0*	15	0*	-	0*	15
118	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.	0*	3	0*	-	0*	-	0*	-
119	PKC Group de Piedras Negras, S. de R.L. de C.V.	0*	60	0*	28	0*	-	0*	28
120	PKC Group AEES Commercial, S. de R.L. de C.V.	0*	37	0*	19	0*	-	0*	19
121	PKC Group USA Inc.	(9)	(13,152)	(7)	(939)	0*	-	(6)	(939)
122	AEES Inc.	9	12,665	22	2,853	0*	-	18	2,853
123	AEES Power Systems Limited Partnership	1	2,191	2	241	0*	-	2	241
124	Fortitude Industries Inc.	1	855	0*	(45)	0*	-	0*	(45)
125	PKC Vehicle Technology (Hefei) Co., Ltd.	1	956	1	94	0*	-	1	94
126	PKC Vehicle technology (Suzhou) Co. Ltd	0*	(111)	2	278	0*	-	2	278
127	Jiangsu Huakai-PKC Wire Harness Co., Ltd.	3	4,073	1	154	0*	-	1	154
128	Shandong Huakai-PKC Wire Harness Co. Ltd	1	1,163	1	146	0*	-	1	146
129	PKC Group APAC Ltd.	(1)	(2,019)	(1)	(191)	0*	-	(1)	(191)
130	Kabel Technik Polska Sp. z o.o.	1	848	0*	(22)	0*	-	0*	(22)
131	PKC Group Poland Holding Sp. z o.o.	1	770	0*	13	0*	-	0*	13
132	Groclin Luxembourg S.à.r.l.	1	1,863	0*	(2)	0*	-	0*	(2)
133	Motherson Rolling Stock Systems GB Limited	1	990	5	681	0*	-	4	681
134	MSSL Mideast (FZE)	16	24,457	6	804	0*	-	5	804
135	MSSL (GB) Limited	23	34,487	18	2,319	0*	-	15	2,319
136	MSSL Mauritius Holdings Limited	4	5,549	5	651	0*	-	4	651
137	Samvardhana Motherson Global Holdings Limited Cyprus	50	74,124	0*	14	0*	-	0*	14
138	MSSL (S) Pte Limited	1	1,128	0*	6	0*	-	0*	6
139	Motherson Electrical Wires Lanka Private Limited	0*	446	2	296	0*	(0)	2	296
140	MSSL Consolidated Inc. USA	1	1,753	13	1,688	0*	-	11	1,688
141	MSSL Wiring System Inc	3	4,539	11	1,425	(8)	(198)	8	1,227
142	Alphabet De Mexico S.A. de C.V	0*	86	0*	57	0*	-	0*	57
143	Alphabet De Saltillo S.A. de C.V.	0*	(10)	0*	(27)	0*	-	0*	(27)
144	Alphabet De Mexico de Monclova S.A. de C.V	0*	12	0*	(0)	0*	-	0*	(0)
145	MSSL Wirings Juarez S.A. de C.V.	0*	5	0*	4	0*	-	0*	4
146	MSSL Japan Limited	0*	27	0*	(28)	0*	-	0*	(28)
147	MSSL Mexico S.A. De C.V.	0*	710	1	122	0*	(10)	1	112
148	MSSL WH System (Thailand) Co. Ltd.	0*	394	1	124	0*	-	1	124
149	MSSL Korea WH Limited	0*	(13)	0*	(5)	0*	-	0*	(5)
150	MSSL Ireland Private Limited	0*	32	0*	2	0*	-	0*	2
151	MSSL s.r.l. Unipersonale	0*	14	0*	3	0*	-	0*	3
152	MSSL Estonia WH OU	1	1,889	15	1,943	0*	-	12	1,943
153	MSSL Australia Pty Limited	0*	267	1	116	0*	-	1	116
154	Motherson Elastomers Pty Limited	0*	372	1	113	0*	-	1	113
155	Motherson Investments Pty Limited	0*	14	0*	5	0*	-	0*	5
156	MSSL Global RSA Module Engineering Limited	1	1,361	6	745	0*	-	5	745
157	Vacuform 2000 (Proprietary) Limited	0*	37	0*	6	0*	-	0*	6
158	MSSL GMBH	1	1,225	0*	(44)	0*	-	0*	(44)
159	Samvardhana Motherson Invest Deutschland GmbH	0*	70	0*	0	0*	-	0*	0
160	MSSL Advanced Polymers s.r.o.	0*	488	0*	46	0*	-	0*	46
161	Motherson Techno Precision GmbH	0*	55	0*	(25)	0*	-	0*	(25)
162	Samvardhana Motherson Polymers Management Germany GMBH (Merged with MSSL GmbH from August 30, 2019)	0*	-	0*	-	0*	-	0*	-
163	Motherson Techno Precision México, S.A. de C.V	0*	(118)	0*	9	0*	-	0*	9
164	MSSL Manufacturing Hungary Kft	0*	39	0*	3	0*	-	0*	3
165	Motherson Air Travel Pvt Ltd	0*	(513)	(2)	(197)	0*	-	(4)	(566)
166	MSSL Tooling (FZE)	1	1,656	4	458	0*	-	3	458
167	Motherson Wiring System (FZE)	0*	(115)	0*	6	0*	-	0*	6
168	Global Environment Management (FZC)	0*	(62)	0*	6	0*	-	0*	6
169	Samvardhana Motherson Automotive Systems Group B.V.	65	96,929	38	4,858	11	288	33	5,146
170	MSSL M Tooling Ltd	0*	-	0*	-	0*	-	0*	-
171	Motherson Ossia Innovations Ilc.	0*	-	0*	-	0*	-	0*	-

MOTHERSON SUMI SYSTEMS LIMITED
Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

Si. No.	Name of entity	Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
	Associates (Investment as per Equity method)								
	Indian:								
172	SAKS Ancillaries Limited	0*	42	0*	-	0*	-	0*	-
	Foreign:								
173	Hubei Zhengao PKC Automotive Wiring Company Ltd.	1	825	1	92	0*	-	1	92
	Joint Ventures (Investment as per Equity method)								
	Indian:								
174	Kyungshin Industrial Motherson Limited	1	2,077	2	198	0*	(5)	1	193
175	Calsonic Kansei Motherson Auto Products Private Limited	0*	627	0*	21	0*	(0)	0*	20
	Foreign:								
176	Eissmann SMP Automotive Interieur Slovensko s.r.o	0*	319	(1)	(189)	0*	-	(1)	(189)
177	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	3	3,726	3	398	0*	-	3	398
178	Chongqing SMR Huaxiang Automotive Products	1	806	0*	35	0*	-	0*	35
179	Tianjin SMR Huaxiang Automotive Part Co. Limited	0*	43	0*	(1)	0*	-	0*	(1)
	Minority Interest in All Subsidiaries	(24)	(35,650)	(10)	(1,244)	(31)	(822)	(13)	(2,066)

¹ The aforementioned amounts are before group adjustments and intercompany eliminations

* is below the rounding off norm adopted by the Company

50 Business combination

A) Acquisition announced during financial year 2020-21

i) Acquisition of Motherson Rolling Stocks S. de R.L. de C.V. (MRS)

Motherson Rolling Stocks S. de R.L. de C.V. (MRS), a subsidiary of the group, has successfully completed the acquisition of assets and activities of Electrical Wiring Interconnection Systems (EWIS) performed at Bombardier Transportation's manufacturing site in Huehuetoca, Mexico (BT Ensamblados México) on April 30, 2021 for a consideration of USD 8.7 million (subject to final adjustment).

MRS is part of the Rolling Stock Division which designs and manufactures electrical cabinets, power packs and electrical distribution systems for leading rolling stock manufacturers. The group has supported Bombardier's transformation process over the last years and the successful closure of this acquisition in Mexico is in alignment with the same.

As the initial accounting and a detailed study into allocation of purchase price over the fair value assets and liabilities assumed on acquisition is still in progress as at the date of this report, the disclosures generally applicable for a business combination are therefore not produced, however this has no impact on the consolidated financial statements for the year ended March 31, 2021 as the transaction has been completed in the month of April 2021.

ii) Acquisition of Plast Met group

On January 18, 2021 the Group through its subsidiary SMR Automotive Mirrors Stuttgart GmbH signed share purchase agreement for acquisition of 75% stake in Plast Met Plastik Metal San. İmalatveTic.A.Ş.(PM-Bursa) and Plast Met Kalip San.veTic.A.Ş.(PM-Istanbul) together known as Plast Met group (Turkey) for a total purchase consideration of EUR 16.9 Mn (subject to final adjustments).

Plast Met is a large automotive supplier in Turkey for injection moulded parts and sub-assemblies, and also owns a state of art commercial tool room engaged in manufacture and supplying of high end injection moulding tools to customers worldwide. The group is based out of Turkey and is an important supplier of plastic moulded parts, related subassemblies, and injection moulding tools. It reported a turnover of EUR 33 million in 2019 and EUR 28 million (unaudited) in 2020. Two facilities of Plast Met are located at Istanbul and Bursa in Turkey and employ approximately 400 personnel. Building on the capabilities of Plast Met group, SMRP BV will be able to support its customers in the European region more efficiently.

As the initial accounting and a detailed study into allocation of purchase price over the fair value assets and liabilities assumed on acquisition is still in progress as at the date of this report, the disclosures generally applicable for a business combination are therefore not produced, however this has no impact on the consolidated financial statements for the year ended March 31, 2021 as the transaction has been completed in the month of April 2021.

B) Acquisition made during financial year 2019-20

i) Acquisition of Motherson Rolling Stock Systems GB Limited

One of the subsidiaries of the group, Motherson Rolling Stock Systems GB Limited, signed a definitive agreement with Bombardier Transportation (Rolling Stock) UK Ltd. ("Bombardier") on February 28, 2019 and acquired Bombardier's assets in connection with the production and installation of electrical components and systems for applications in the rail industry, comprising among others the manufacturing of wiring harnesses, panel and cabinet build and electromechanical assemblies in Derby, UK. effective from April 01, 2019

Assets and Liabilities recognized as result of acquisition are as follows:

Particulars	Amount in INR Million
ASSETS / (LIABILITIES)	
Property, plant and equipment	54
Intangible assets	509
Inventories	561
Deferred tax liabilities (net)	(102)
Net identifiable assets acquired	1,022
Calculation of goodwill / (gain on bargain purchase)	Amount in INR Million
Purchase consideration	851
Net identifiable assets acquired	1,022
Goodwill / (gain on bargain purchase)	(171)

The Group recognised gain on bargain purchase of INR 171 million (GBP 1.88 million) being excess of fair value of identifiable net assets assumed on acquisition over the purchase consideration. The gain has been recognised under capital reserve on consolidation.

ii) Acquisition of Wisetime Oy

On March 06, 2020, the group through one of its step down subsidiary (PKC Group Ltd) additionally acquired 81% shares of Wisetime Oy. The Group already held 19% shares of Wisetime Oy, therefore it now became 100% subsidiary of the Group.

Wisetime Oy is a Finnish software company founded in 1991 and has long-term experience in developing industrial Enterprise Resource Planning (ERP) systems.

Assets and Liabilities recognized as result of acquisition are as follows:

Particulars	Amount in INR Million
ASSETS / (LIABILITIES)	
Property, plant and equipment	15
Intangible assets	97
Trade receivables	34
Cash and cash equivalents	74
Borrowings	(13)
Deferred tax liabilities (net)	(20)
Trade payables	(3)
Other current liabilities	(31)
Net identifiable assets acquired	153
Calculation of goodwill / (gain on bargain purchase)	Amount in INR Million
Purchase consideration (including fair value of shares held)	444
Net identifiable assets acquired	153
Goodwill / (gain on bargain purchase)	291

The Group had initially recognised goodwill amounting to INR 291 million (EUR 3.5 million) after provisional fair valuation of its Assets and liabilities, recorded in these consolidated financial statements.

iii) Acquisition of Re-Time Pty Limited

On August 08, 2019, the Group acquired 71.4% stake in Re-Time Pty Limited

Re-Time Pty Ltd was formed in 2010 to help people re-time their body clocks and improve sleep through Re-Timer light therapy glasses. The company is dedicated to helping people sleep, and to feel and perform better by using the latest sleep science. Re-Timer is assembled in a state of the art clean room, in Adelaide, Australia. Re-Timer has been sold in more than 40 different countries worldwide and is the world's number one selling wearable light therapy device.

Assets and Liabilities recognized as result of acquisition are as follows:

Particulars	Amount in INR Million
ASSETS / (LIABILITIES)	
Property, plant and equipment	11
Intangible assets	3
Inventories	11
Trade receivables	0
Cash and cash equivalents	13
Borrowings	(5)
Provisions	(2)
Accrued employee liabilities	(1)
Trade payables	(2)
Net identifiable assets acquired	28
- thereof attributable to non-controlling interests	8
Total identifiable net assets attributable to the Group	20
Calculation of goodwill / (gain on bargain purchase)	Amount in INR Million
Purchase consideration	20
Net identifiable assets acquired	20
Goodwill / (Bargain gain)	-

51 Reorganization and discontinued operations

The Board of Directors in its meeting dated July 02, 2020, approved a group reorganization plan with the objective of creating value for the shareholders of the Company ("MSSL"). The reorganization plan approved by the respective Boards of the Company and Samvardhana Motherson International Limited ("SAMIL") among other things, entails demerger of Domestic Wiring Harness ("DWH") business from MSSL into a new company Motherson Sumi Wiring India Limited ("MSWIL") and subsequent merger of SAMIL into MSSL to consolidate 100% shareholding in Samvardhana Motherson Automotive Systems Group BV ("SMRP BV") as well as to bring all auto component and allied businesses in SAMIL under MSSL.

The transaction is to be effected pursuant to a Composite Scheme of Amalgamation and Arrangement ("Scheme") and is likely to be completed during FY2021-22. Subsequent to the year, the Scheme has been approved by the shareholders and has now been submitted to NCLT for its approval.

The aforesaid scheme has been considered as highly probable and demerger of DWH into MSWIL meet the criteria prescribed in Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" to be considered as discontinued operation, hence DWH business has been disclosed as discontinued operation in Consolidated financial statements. Accordingly, all previous periods figures in the financial statements have also been restated.

	March 31, 2021	March 31, 2020
Revenue from contract with customers	41,167	39,282
Other operating revenue	215	157
Revenue from operations	41,382	39,439
Other income	275	64
Total expenses	37,261	34,597
Profit/(loss) before tax for the period	4,396	4,906
Tax expense/ (credit)	1,129	1,303
Profit / (loss) for the period	3,267	3,603

The major classes of assets and liabilities of DWH business classified as held for distribution as on March 31, 2021 are presented below:

	March 31, 2021
ASSETS	
Non-current assets	
Property, plant and equipment	1,559
Right-of-use assets	138
Capital work in progress	1
Financial assets	
i. Loans	26
ii. Other financial assets	82
Deferred tax assets (net)	259
Other non-current assets	151
Non-current tax assets (net)	0
Total non-current assets	2,216
Current assets	
Inventories	7,986
Financial assets	
i. Trade receivables*	6,749
ii. Cash and cash equivalents	372
iii. Loans	12
iv. Other financial assets	103
Other current assets	455
Total current assets	15,677
Total assets	17,893

LIABILITIES**Non current liabilities**

Financial Liabilities

i. Borrowings	139
ii. Lease liabilities	100
iii. Other financial liabilities	75

Employee benefit obligations	211
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Government grants	222
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Total non-current liabilities	747
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Current liabilities

Financial Liabilities

i. Borrowings	675
ii. Lease liabilities	45
iii. Trade payables	

Total outstanding dues of micro, small and medium enterprises and	176
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Total outstanding dues of creditors other than micro, small and medium enterprises*	7,340
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iii. Other financial liabilities	831
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Provisions	8
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Employee benefit obligations	494
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Government grants	30
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Other current liabilities	447
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Total current liabilities	10,046
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Total liabilities

10,793

Net Assets directly associated with DWH business

7,100

*Includes below balances with related parties

Trade receivables from related parties	56
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Trade payable to related parties	1,614
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Net cash flows attributable to the DWH business are as follows:

	March 31, 2021	March 31, 2020
Net cash generated from / (used in) operating activities	(29)	501
Net cash used in investing activities	(299)	(544)
Net cash generated from financing activities	384	158
Net increase in cash and cash equivalents	55	115

The income and expenses of continuing operation includes transactions with discontinued operation, which does not have impact on "Profit / (loss) for the year from continuing and discontinued operations" as disclosed in consolidated statement of profit and loss. Revenue from contract with customers on account of transaction between continuing operations and discontinued operations is as follows:

	March 31, 2021	March 31, 2020
Amount included in continuing operation	12,774	10,978
Amount included in discontinued operation	353	382

Assets and liabilities are disclosed after netting off of below mentioned amount of receivable and payable between continuing operation and discontinued operation in consolidated balance sheet.

	March 31, 2021
Amount receivable from discontinued operation	2,441
Amount payable to discontinued operation	104

The Company has incurred expenses amounting INR 199 million in connection to this scheme of arrangement, which has been disclosed as exceptional expenses in Consolidated statement of profit and loss for the year ended March 31, 2021.

52 During the financial year 2020-21, the Group issued 6.65% Non convertible debentures with maturity of 3 years of Rs 2,130 crores. These funds have been further loaned to Company's subsidiary MSSL Mauritius which is ultimately loaned to Samvardhana Motherson Automotive Group BV (SMRP BV) for. SMRP BV utilised these funds together with cash on the balance sheet, for prepayment of USD 375 million and bought back USD 17.6 million senior secured notes, out of its USD 400 million senior secured notes due in December 2021. SMRP BV has incurred an expenditure of Rs 424 million (EUR 4.9 million) towards prepayment premium and unamortised portion of bonds expenses, which has been disclosed as exceptional expenses in consolidated financial statement.

52 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Group's operations and consolidated financial for the year ended March 31, 2021 have been impacted partially by the outbreak of COVID-19 pandemic and the consequent lockdown announced by governments in many of the jurisdictions, the Group operates, due to which the operations were suspended for a large part of the first quarter of the financial year and resumed gradually with prescribed regulations and precautions. Accordingly, the consolidated financial results for the year ended March 31, 2021 are not strictly comparable with those of previous year.

The Group has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to fulfil its performance obligations under the contract with customers; (ii) revision of estimations of costs to complete the contract because of additional efforts; (iii) termination or deferment of contracts by customers. The Group concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Group will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future demand of its products. The Group has performed analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

In order to support the businesses in dealing with difficult economic circumstances due to COVID-19 outbreak, governments across the globe announced various forms of assistance measures in the form of full or partial compensation of payroll related costs, direct payment assistance to temporarily laid off employees including compensation for short-time working.

In addition to above, the Group secured various bank loans that are guaranteed partly by respective governments in order to provide liquidity to the businesses. As of March 31, 2021 the Group had obtained sanction for INR 9,316 million of such bank loans, of which INR 8,265 million have been drawn down.

53 Amounts appearing as zero "0" in financial are below the rounding off norm adopted by the Group.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**
Partner

Membership No.: 091813

**PANKAJ
CHADHA**

Digitally signed by PANKAJ CHADHA
DN: cn=PANKAJ CHADHA, c=IN,
o=Personal,
email=pankaj.chadha@srb.in
Reason: I am approving this document
Date: 2021.06.02 23:51:31 +05'30'

Place: Gurugram

Date: June 02, 2021

For and on behalf of the Board

**VIVEK
CHAAND
SEHGAL**

Digitally signed by
VIVEK CHAAND
SEHGAL
Date: 2021.06.02
23:08:53 +05'30'

V.C. SEHGAL
Chairman

**Gaya Nand
Gaubha**

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Gaya Nand Gauba
Date: 2021.06.02
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G.N. GAUBA
Chief Financial Officer

Place: Noida

Date: June 02, 2021

**PANKAJ
MITAL**

Digitally signed by
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Date: 2021.06.02
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PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

**Alok
Goel**

Digitally signed
by Alok Goel
Date: 2021.06.02
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ALOK GOEL
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Motherson Sumi System Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of Motherson Sumi System Limited ("the Company"), which comprise the Balance sheet as at March 31 2020, 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 Ind AS 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 Ind AS 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, 2020, its profit 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
De-recognition of trade receivables under factoring facilities <i>(as described in note 8 of the standalone Ind AS financial statements)</i>	
<p>The Company enters into non-recourse factoring arrangements for its trade receivables with various banks/financial institutions.</p> <p>As at 31 March 2020 the Company had factoring facilities in place for trade receivables and amount of INR 1,010 million were de-recognized by using these facilities.</p> <p>The Company derecognizes the receivables from its books if it transfers substantially all the risks and rewards of ownership of the financial asset (i.e. receivables).</p> <p>The assessment of de-recognition of trade receivables under the factoring facilities is complex and requires judgement.</p> <p>Accordingly, the matter has been identified as KAM.</p>	<p>The procedures performed includes following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the process related to de-recognition of trade receivables; • Evaluated the assessment made by management covering significant factoring contracts; • For certain new contracts entered during the year, tested the nature of the contracts and evaluated key terms and conditions of the contract in line with the guidance prescribed under Ind AS 109, “Financial Instruments”; • Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.
Impairment assessment on Investments in subsidiaries <i>(as described in note 6 (a) of the standalone Ind AS financial statements)</i>	
<p>The Company has made investments in various subsidiaries and the carrying amount of total investments as at March 31, 2020 is INR 46,135 million.</p> <p>Considering the long term nature of these investments, their impairment assessment requires judgement and significant estimates to determine the Value-In-Use (VIU) in certain cases. In particular, the determination of the VIU is sensitive to significant assumptions such as discount rate, revenues growth, operating margin and terminal value.</p> <p>Accordingly, the matter has been identified as KAM.</p>	<p>The procedures performed includes following:</p> <ul style="list-style-type: none"> • Assessed the process followed and controls implemented for the impairment review and analysis performed by the management; • Tested management’s impairment calculation and ensured the compliance with the applicable accounting standards; • Read the financial position and operating/financial results of the respective investments from their financial information made available to us by the management; • Where considered necessary, evaluated the key assumptions used in determining VIU and performed sensitivity analysis of key assumptions; • Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements

Emphasis of Matter – Corona developments

The developments surrounding the Corona (Covid-19) virus have a profound impact on people's health and on our society as a whole, as well as on the operational and financial performance of organizations. The situation changes on a daily basis giving rise to inherent uncertainty. The Company is confronted with this uncertainty as well, which has been disclosed in the note 47 to the Ind AS financial statements, together with its evaluation thereof. We draw attention to these disclosures. Our opinion is not modified in respect of this matter.

Other Information

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

Our opinion on the standalone Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the standalone Ind AS 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 standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS 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 Ind AS 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS 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 charged with governance are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 Ind AS 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (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 Ind AS financial statements – Refer Note 43 to the Standalone Ind AS financial statements;

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 37 to the Standalone Ind AS financial statements;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**PANKAJ
CHADHA**

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Date: 2020.06.03 19:51:45 +05'30'

per Pankaj Chadha

Partner

Membership Number: 091813

UDIN: 20091813AAAACH4622

Place of Signature: Gurugram

Date: June 02, 2020

Annexure 1 referred to in paragraph 1 of “Report on Other Legal and Regulatory Requirements” of our report of even date**Re: Motherson Sumi Systems Limited (the “Company”)**

- (i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (i)(b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (i)(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2020 and no material discrepancies were noticed in respect of such confirmations.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of its products and related services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.
- (vii)(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were

outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii)(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, excise duty or value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. million)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	13	A.Y. 2002-03	Supreme Court
Income Tax Act, 1961	Income Tax	20	A.Y. 2003-04 to 2005-06	High Court, Delhi
Income Tax Act, 1961	Income Tax	2	A.Y. 2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	19	A.Y. 2011-12	Transfer Pricing Officer
Income Tax Act, 1961	Income Tax	6	A.Y. 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961**	Income Tax	0	A.Y. 2015-2016	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1	A.Y. 2016-2017	Dispute Resolution Panel
U.P. VAT Act, 2008	Value Added Tax & Sales Tax	1	A.Y. 2017-18	Additional Commissioner (Appeals)
Central Excise Act, 1944	Excise	1	A.Y. 2014-15 to 2017-2018	Additional Commissioner
Central Excise Act, 1944**	Excise	0	A.Y. 2014-15 & 2015-2016	Commissioner (Appeals)
Central Excise Act, 1944**	Excise	0	A.Y. 2011-2012	CESTAT
Finance Act, 1994	Service tax	7	A.Y. 2010-11	Additional Commissioner
Finance Act, 1994**	Service tax	0	A.Y. 2009-10 to 2014-15	Commissioner (Appeals)
Finance Act, 1994	Service tax	2	A.Y. 2002-03 to 2003-04 & 2010-11	Commissioner
Finance Act, 1994	Service tax	13	A.Y. 2002-2004, 2007-08, 2009-10 to 2014-15, & 2015-16,	CESTAT

* The amounts are net of advances

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

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a bank. The Company does not have any dues outstanding to debenture holder or financial institution or government in the nature of loan or borrowing.

- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, 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) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

PANKAJ CHADHA

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per Pankaj Chadha

Partner

Membership Number: 091813

Place of Signature: Gurugram

Date: 2 June 2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MOTHERSON SUMI SYSTEM 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 over financial reporting of Motherson Sumi System Limited ("the Company") as of March 31, 2020 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. 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 over financial reporting 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting with reference to these standalone 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 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 internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these 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 control over financial reporting with reference to these 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 Over Financial Reporting with Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these 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 over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

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Partner

Membership Number: 091813

Place of Signature: Gurugram

Date: 2 June 2020

Motherson Sumi Systems Limited Standalone Financial Statements 2019-20

(All amounts in INR Million, unless otherwise stated)

	Notes	As At March 31, 2020	As At March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	15,819	17,087
Right-of-use assets	3(b)	2,716	-
Capital work in progress	3(a)	903	907
Investment property	4	747	872
Intangible assets	5	0	0
Investment in subsidiaries, joint ventures and associate	6(a)	46,632	45,836
Financial assets			
i. Investments	6(a)	186	188
ii. Loans	7	176	58
iii. Other financial assets	9 (a)	138	-
Deferred tax assets (net)	10	450	296
Other non-current assets	11	387	342
Non-current tax assets (net)	23	594	725
Total non-current assets		68,748	66,311
Current assets			
Inventories	12	9,931	10,551
Financial assets			
i. Investments	6(b)	6	10
ii. Trade receivables	8	8,675	8,090
iii. Cash and cash equivalents	13(a)	2,300	1,333
iv. Bank balances other than (iii) above	13(b)	66	49
v. Loans	7	89	110
vi. Other financial assets	9 (b)	1,050	1,939
Other current assets	14	1,164	2,039
Total current assets		23,281	24,121
Total assets		92,029	90,432
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	3,158	3,158
Other equity			
Reserves and surplus	16(a)	59,153	61,088
Other reserves	16(b)	133	136
Total equity		62,444	64,382
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	17(a)	11,915	11,337
ii. Lease liabilities		791	-
iii. Other financial liabilities	18	226	164
Employee benefit obligations	21	485	424
Government grants	22	275	92
Total non-current liabilities		13,692	12,017
Current liabilities			
Financial Liabilities			
i. Borrowings	17(b)	2,279	2
ii. Lease liabilities		137	-
iii. Trade payables			
Total outstanding dues of micro, small and medium enterprises	19	155	202
Total outstanding dues of creditors other than micro, small and medium enterprises	19	8,901	8,747
iv. Other financial liabilities	18	2,584	2,698
Provisions	20	11	8
Employee benefit obligations	21	579	360
Government grants	22	34	12
Other current liabilities	24	1,213	2,004
Total current liabilities		15,893	14,033
Total liabilities		29,585	26,050
Total equity and liabilities		92,029	90,432
Summary of significant accounting policies			
	2		

This is the Balance Sheet referred to in our report of even date

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

For and on behalf of the Board

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

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per PANKAJ CHADHA

Partner

Membership No.: 091813

Place: Gurugram
Date: June 02, 2020

VIVEK CHAAND SEHGAL
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V.C. SEHGAL

Chairman

Gaya Nand Gauba
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G.N. GAUBA

Chief Financial Officer

PANKAJ KUMAR MITAL
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PANKAJ MITAL

Whole-time Director/
Chief Operating Officer

Alok Goel
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ALOK GOEL

Company Secretary

Place: Noida
Date: June 02, 2020

(All amounts in INR Million, unless otherwise stated)

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue			
Revenue from contract with customers	25 (a)	68,142	75,107
Other operating revenue	25 (b)	596	706
Total revenue from operations		68,738	75,813
Other income	26	3,784	1,865
Total income		72,522	77,678
Expenses			
Cost of materials consumed	27	35,694	42,002
Purchase of stock-in-trade		985	619
Changes in inventory of finished goods, work-in-progress and stock in trade	28	485	(522)
Employee benefit expense	29	12,176	11,785
Depreciation and amortization expense	32	2,883	2,193
Finance costs	31	306	176
Other expenses	30	8,379	9,201
Total expenses		60,908	65,454
Profit before tax		11,614	12,224
Tax expenses	33		
-Current tax		2,742	3,106
-Deferred tax expense/ (credit)		(116)	980
Total tax expense		2,626	4,086
Profit for the year		8,988	8,138
Other comprehensive income			
Items not to be reclassified to profit or loss			
Changes in fair valuation of FVOCI equity investment		(4)	2
Deferred tax on fair valuation of FVOCI equity investment		1	(0)
Remeasurements of employment benefit obligations		(146)	(88)
Deferred tax on remeasurements of employment benefit obligations		37	31
Other comprehensive income for the year, net of tax		(112)	(55)
Total comprehensive income for the year, net of tax		8,876	8,083
Earnings per share: (Refer Note 34)			
Nominal value per share: INR 1/- (Previous year : INR 1/-)			
Basic		2.85	2.58
Diluted		2.85	2.58
Summary of significant accounting policies	2		

This is the Statement of Profit and Loss referred to in our report of even date

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

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

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per PANKAJ CHADHA

Partner

Membership No.: 091813

Place: Gurugram

Date: June 02, 2020

For and on behalf of the Board

VIVEK CHAAND
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V.C. SEHGAL

Chairman

Gaya Nand
Gaubha
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Date: 2020.06.03
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G.N. GAUBHA

Chief Financial Officer

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KUMAR MITAL
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PANKAJ MITAL

Whole-time Director/
Chief Operating Officer

Alok Goel
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Alok Goel
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ALOK GOEL

Company Secretary

Place: Noida

Date: June 02, 2020

(All amounts in INR Million, unless otherwise stated)

A. Equity share capital		Notes	Amount				
As at April 01, 2018			2,105				
Issue of equity share capital		15	1,053				
As at March 31, 2019			3,158				
Issue of equity share capital		15	-				
As at March 31, 2020			3,158				
B. Other equity		Notes	Reserves and surplus				Items of OCI
			Securities premium	Reserve on amalgamation	General Reserve	Retained Earnings	FVOCI equity investments
Balance as at April 01, 2018			27,279	1,663	3,363	27,258	134
Profit for the year			-	-	-	8,138	-
Other comprehensive income			-	-	-	(57)	2
Total comprehensive income for the year			-	-	-	8,081	2
Additions during the year							
Bonus Issue		16 (a)	(1,053)	-	-	-	-
Dividend paid		16 (a)	-	-	-	(4,737)	-
Tax on Dividend		16 (a)	-	-	-	(766)	-
Balance at March 31, 2019			26,226	1,663	3,363	29,836	136
Profit for the year			-	-	-	8,988	-
Other comprehensive income			-	-	-	(109)	(3)
Total comprehensive income for the year			-	-	-	8,879	(3)
Additions during the year							
Bonus Issue		16 (a)	-	-	-	-	-
Dividend paid		16 (a)	-	-	-	(9,474)	-
Tax on Dividend		16 (a)	-	-	-	(1,340)	-
Balance at March 31, 2020			26,226	1,663	3,363	27,901	133
Summary of significant accounting policies		2					

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

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

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per PANKAJ CHADHA

Partner

Membership No.: 091813

Place: Gurugram

Date: June 02, 2020

For and on behalf of the Board

VIVEK CHAAND SEHGAL

V.C. SEHGAL
Chairman

Gaya Nand Gauba

G.N. GAUBA
Chief Financial Officer

Place: Noida

Date: June 02, 2020

PANKAJ KUMAR MITAL

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

Alok Goel

ALOK GOEL
Company Secretary

	For the year Ended March 31, 2020	For the year Ended March 31, 2019
A. Cash flow from operating activities:		
Profit before tax	11,614	12,224
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and amortisation expense	2,883	2,193
Amortisation of government grant	(53)	(12)
Gain on disposal of property, plant and equipment & investment property (net)	(39)	(6)
Liabilities written back to the extent no longer required	(36)	(17)
Bad debts/ advances written off	1	0
Provision for doubtful debts/ advances	4	(3)
Provision for diminution in the value of investment	-	20
Interest income	(23)	(19)
Dividend income	(3,095)	(1,227)
Finance cost	306	177
Unrealised foreign exchange gain (net)	(76)	(168)
Operating profit before working capital changes	11,486	13,162
Change in working Capital:		
Increase/ (decrease) in Trade Payables	10	172
Increase/ (decrease) in Other Payables	(332)	265
Increase/ (decrease) in Other financial liabilities	151	83
(Increase)/ decrease in Trade Receivables	(397)	1,146
(Increase)/ decrease in Inventories	621	(1,309)
(Increase)/ decrease in other financial assets	770	258
(Increase)/ decrease in Other Receivables	636	(571)
Cash generated from operations	12,945	13,206
- Income taxes paid (net of refund)	(2,582)	(3,781)
Net cash flows from operating activities	10,363	9,425
B. Cash flow from Investing activities:		
Payments for property, plant and equipment and investment property (including capital work in progress)	(3,519)	(3,999)
Proceeds from sale of property, plant and equipment & investment property	49	23
Loan (to)/repaid by related parties (net)	(112)	-
Interest received	18	19
Dividend received from subsidiaries	2,963	1,023
Dividend received from others	104	172
(Investment)/ proceeds from maturity of deposits with remaining maturity for more than 12 months	0	(1)
Net cash used in investing activities	(497)	(2,763)
C. Cash flow from financing activities:		
Dividend paid to equity share holders	(9,457)	(4,726)
Dividend distribution tax	(1,340)	(766)
Interest paid	(371)	(342)
Proceeds from long term borrowings	111	-
Proceeds from other short term borrowings	4,779	2
Repayment of long term borrowings	(17)	(554)
Repayment of other short term borrowings	(2,502)	(16)
Payment of lease liabilities	(129)	-
Net cash used in financing activities	(8,926)	(6,402)

(All amounts in INR Million, unless otherwise stated)

	For the year Ended March 31, 2020	For the year Ended March 31, 2019
Net increase/(decrease) in Cash and Cash Equivalents	939	260
Net foreign exchange difference	28	57
Net Cash and Cash equivalents at the beginning of the year	1,333	1,016
Cash and cash equivalents as at current year end	2,300	1,333
Cash and cash equivalents comprise of the following (Note 13(a))		
Cash on hand	10	8
Cheques/drafts on hand	5	6
Balances with banks	2,285	1,319
Cash and cash equivalents as per Balance Sheet	2,300	1,333

Summary of significant accounting policies (Note 2)

Notes:

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

This is the Cash Flow Statement referred to in our report of even date

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

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**PANKAJ
CHADHA**

Digitally signed by PANKAJ CHADHA
DN: cn=PANKAJ CHADHA, c=IN,
o=Personal,
email=pankaj.chadha@srb.in
Reason: I am approving this document
Date: 2020.06.03 19:39:57 +05'30'

per **PANKAJ CHADHA**

Partner

Membership No.: 091813

Place: Gurugram
Date: June 02, 2020

For and on behalf of the Board

**VIVEK
CHAAND
SEHGAL**

V.C. SEHGAL
Chairman

Digitally signed by
Gaya Nand Gauba
Date: 2020.06.03
18:17:51 +05'30'

G.N. GAUBA
Chief Financial Officer

Place: Noida
Date: June 02, 2020

**PANKAJ
KUMAR MITAL**

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

Digitally signed by
Alok Goel
Date: 2020.06.03
18:25:14 +05'30'

ALOK GOEL
Company Secretary

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

1. Corporate Information

Motherson Sumi Systems Limited (MSSL or 'the Company') was incorporated on December 19, 1986 and domiciled in India and is engaged primarily in the manufacture and sale of components to automotive original equipment manufacturers. The address of its registered office is Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra. The Company is a public limited company and is listed in the Bombay Stock Exchange and National Stock Exchange. The Company is a joint venture entity between Samvardhana Motherson International Limited (SAMIL) and Sumitomo Wiring Systems Limited, Japan.

The standalone financial statements were authorised for issue in accordance with a resolution of the Board of directors on June 02, 2020.

2.1 Significant accounting policies

(a) Basis of preparation

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 37
- Certain financial assets and liabilities measured at fair value (refer note I below for accounting policy regarding financial instruments)
- Defined benefit pension plans – plan assets measured at fair value, refer note 21

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The financial statements are presented in INR and all values are rounded to the nearest millions (INR 000,000), except when otherwise indicated.

(b) Current versus non-current classification

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

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

The Company classifies all other assets 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.

(c) Foreign currencies

(i) Functional and presentation currency

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

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

(ii) Transactions and balances

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

Foreign exchange differences on foreign currency borrowings 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.

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 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, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of components

Revenue from sale of components is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment.

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 equipment, 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).

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 components provide customers with a customary right of return in case of defects, quality issues etc. The rights of return give rise to variable consideration.

The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Warranty obligations

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Revenue from assembly of components

The Company has contracts with customers to assemble, on their behalf, customised components from various parts procured from suppliers identified by the customer. The Company is acting as an agent in these arrangements.

When another party is involved in providing goods or services to its customer, the Company determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Company is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Company's role is only to arrange for another entity to provide the goods or services, then the Company is an agent and will need to record revenue at the net amount that it retains for its agency services.

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

Revenue from development of tools

The Company develops customised tooling for its customers and recognises its revenue over time using an input method to measure progress towards complete satisfaction of the tool development.

The Company recognises revenue from development of tools over time if it can reasonably measure its progress towards complete satisfaction of the performance obligation.

Where the Company cannot reasonably measure the outcome of a performance obligation, but the Company expects to recover the costs incurred in satisfying the performance obligation. In those circumstances, the Company recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

Determining the timing of satisfaction of tooling development

The Company concluded that revenue for development of tooling is to be recognised over time because the Company's performance does not create asset with an alternative use to the Company since the tools are customised for each customer and the Company has a legally enforceable right to payment of fair value for performance completed to date.

The Company determined that the input method is the best method in measuring progress of the tooling development because there is a direct relationship between the Company's effort (i.e., costs incurred) and the transfer of tooling to the customer. The Company recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

Principal versus agent considerations

The Company enters into contracts with its customers to assemble, on their behalf, customised components using various parts procured from suppliers identified by the customer. Under these contracts, the Company provides assembly services (i.e., coordinating the procurement of various parts from the identified suppliers and combining or assembling them into components as desired by the customer). The Company determined that it does not control the goods before they are transferred to customers, and it does not have the ability to direct the use of the component or obtain benefits from the component. The following factors indicate that the Company does not control the goods before they are being transferred to customers. Therefore, the Company determined that it is an agent in these contracts.

- The Company is not primarily responsible for fulfilling the promise to provide the specified equipment.
- The Company does not have inventory risk before or after the specified component has been transferred to the customer as it purchases various parts on just-in-time basis and only upon contract of the customer.
- The Company has no discretion in establishing the price for the specified component. The Company's consideration in these contracts is only based on the difference between the maximum purchase price quoted by the customer and the cost of various parts purchased from the suppliers.
- In addition, the Company concluded that it transfers control over its services (i.e., assembling the component from various parts), at a point in time, upon receipt by the customer of the component, because this is when the customer benefits from the Company's agency service.

Consideration of significant financing component in a contract

The Company develops customised tooling and secondary equipment's for which the manufacturing lead time after signing the contract is usually more than one year. This type of contract includes two payment options for the customer, i.e., payment of the transaction price equal to the cash selling price upon delivery of the tooling or payment of the transaction price as part of the component's selling price. The Company concluded that there is a significant financing component for those contracts where the customer elects to pay along with the component's selling price considering the length of time between the transfer of tooling and secondary equipment and the recovery of transaction price from the customer, as well as the prevailing interest rates in the market, if any.

In determining the interest to be applied to the amount of consideration, the Company concluded that the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance) is appropriate because this is commensurate with the rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception.

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

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

of consideration that is unconditional unless they contain significant financing components, when they 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. Trade receivables are disclosed in Note 45.

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. The Company's contract assets are disclosed in Note 45 as Unbilled 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. Contract Liabilities are disclosed in Note 45 as Advances received from customers.

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.

(d) 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.

Rental Income

Rental income arising from investment properties given on 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.

Duty drawback and export incentives

Income from duty drawback and export incentives is recognized on an accrual basis.

Royalty income

Royalty income is recognized in Other operating income on an accrual basis in accordance with the substance of the relevant agreements.

(e) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

When government grants relating to loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

(f) Income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

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

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

Investment allowances and similar tax incentives:

The Company may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure. The Company accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense.

(g) Leases

Pursuant to the notification by the Ministry of Corporate Affairs, The Company adopted IND AS 116 effective from April 1, 2019, prospectively using the modified retrospective method as mandated by Para C5(b) and Para C8(c)(ii) of IND AS 116. Accordingly, the Company has not restated comparative information and there is no cumulative effect of initially applying this Standard to be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

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

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

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.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in *section (h)* 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 insubstance 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.

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.

Key assumptions that the Company is applying for implementing the standard are as follows:

Terms: For each contract, the Company reviewed the renewal and the early termination options within the term of the arrangement and determined, after taking into account all the relevant facts and circumstances, what would be the date at which the Company reasonably expects the contract to be terminated. For certain categories of leased assets, (mainly vehicles), the Company assesses that there is no reasonably certain extension option, consequently the duration selected coincides with the first term of the lease contract. For real estate lease arrangements, the Company defines the reasonable end date of the contracts, while taking into account the renewal and early termination options stated in the agreements, in line with the asset's expected period of use.

Discount rates: The Company determined discount rates reflecting each subsidiary's specific credit risk, the currency of the contract and the weighted average maturity of the reimbursement of the lease liability. For the transition the incremental borrowing rate used is the rate applicable to the residual terms of the contracts. For contracts previously classified as finance leases the Company has recognised the carrying amount of the right of use assets and lease liability at the date of initial application.

As a Lessor

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

(h) Impairment of non-financial assets

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

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

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

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

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

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

(i) 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.

(j) Inventories

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

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

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

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

(k) Financial instruments

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

Financial assets

Initial recognition and measurement

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.

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.

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

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

Debt instruments at amortised cost

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:

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

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.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind 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-

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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.

Derecognition

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

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

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

Impairment of financial assets

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

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b. Financial assets that are debt instruments and are measured as at FVTOCI
- c. Lease receivables under Ind AS 116
- d. 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
- e. Loan commitments which are not measured as at FVTPL
- f. Financial guarantee contracts which are not measured as at FVTPL

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

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:

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

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

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

Loans and borrowings

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

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

This category generally applies to borrowings and other payables.

Financial guarantee contracts

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

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the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

Embedded derivatives

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

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

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.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

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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.

(I) 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
- 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, 36 and 37)
- Quantitative disclosures of fair value measurement hierarchy (note 36)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (note 6, 7, 8, 9, 13, 17, 18, 19, 36 and 37)

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(m) Derivative financial instruments and hedge accounting

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.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking its hedge transactions.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

The Company has an interest rate swap that is used as a hedge for the exposure of changes in the fair value. See Note 37 for more details.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

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Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(n) Property, Plant and equipment

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

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.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

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

Depreciation methods and useful lives

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

Assets	Useful lives(years)*
Leasehold improvements	Over the period of lease or useful life, whichever is lower
Buildings	30 years
Plant & Machinery:	
Plant & Machinery	7.5 years
Die & Moulds	6.17 years
Electric Installation	10 years
Furniture & fixtures	6 years
Office equipment	5 years
Computers:	
Server & Networks	3 years
End user devices, such as desktops, laptops, etc.	3 years
Vehicles	4 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.

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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.

(o) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company depreciates building component of investment property over 30 years.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in notes 4.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

(p) Intangible assets

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

The useful live of intangible assets are as follows:

Asset	Useful lives (years)
Software	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.

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.

Research and development 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

Cost incurred by the Company for Research and Development do not meet the recognition criteria and hence have been classified as research costs and are expensed of in the statement of profit and loss as and when these are incurred.

The amortisation methods, the usual useful lives and the residual values of intangible assets are checked annually.

(q) Borrowing costs

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

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

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

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

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.

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.

(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.

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.

Superannuation fund

The Company has a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The Company contributes up to 12% of the eligible employees' salary or 100,000 / 150,000, whichever is lower, every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligations beyond this contribution.

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Gratuity

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

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

(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) 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.

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(v) Changes in Accounting policies

Ind AS 116 Lease

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the full retrospective method of adoption, with the date of initial application on April 01, 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 01, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The Company as lessee uses the following practical expedients of IND AS 116 at the date of initial application:

- With leases previously classified as operating leases according to IND AS 17, the lease liability is measured at the present value of the outstanding lease payments, discounted by incremental borrowing rate at April 1, 2019. The respective right-of-use asset is generally recognized at an amount equal to the lease liability.
- An impairment review is not performed. Instead, a right-of-use asset is adjusted by the amount of any provision for onerous leases recognized in the Statement of Financial Position at March 31, 2019.
- Regardless of their original lease term, leases for which the lease term ends at the latest on March 31, 2020 were recognized as short-term leases.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it assessed whether the Appendix had an impact on its financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company's and the subsidiaries' tax filings in different jurisdictions include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance and transfer pricing study that it is probable that its tax treatments (including those for the subsidiaries) will be accepted by the taxation authorities.

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.

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the financial statements

(All amounts are in INR Million, unless otherwise stated)

Judgements

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

Estimates and assumptions

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

(i) Useful life of property, plant and equipment and investment properties

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 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 21**

(iii) Fair valuation of unlisted securities

When the fair value of unlisted securities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. **Refer Note 36 of the financials.**

(iv) Taxes

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

(v) Percentage completion of recognition of revenue

The Company uses the percentage-of-completion method in accounting for 'development of tools' contracts. 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

MOTHERSON SUMI SYSTEMS LIMITED
Notes to the financial statements

(All amounts in INR Million, unless otherwise stated)

3(a) Property, plant and equipment

Particulars	Leasehold Land Refer note (v)	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery Refer note (iv)	Furniture & fixtures	Office equipments	Computers	Vehicles	Total	Capital work in progress
Year ended March 31, 2019											
Gross carrying amount											
As at April 01, 2018	1,281	1,091	105	7,017	10,386	118	165	269	51	20,483	922
Additions	273	-	-	243	1,923	87	45	105	22	2,698	1,994
Disposals	-	-	-	-	(45)	-	(2)	-	(15)	(62)	-
Transfer / Other adjustment	104	(104)	-	746	1,192	-	-	-	-	1,938	(2,009)
Closing gross carrying amount	1,658	987	105	8,006	13,456	205	208	374	58	25,057	907
Accumulated depreciation											
As at April 01, 2018	41	-	49	727	4,721	62	80	138	21	5,839	-
Depreciation charge during the year	18	-	13	281	1,700	26	33	93	13	2,177	-
Disposals	-	-	-	-	(32)	-	(2)	(1)	(11)	(46)	-
Other adjustment	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	59	-	62	1,008	6,389	88	111	230	23	7,970	-
Net carrying amount	1,599	987	43	6,998	7,067	117	97	144	35	17,087	907
Year ended March 31, 2020											
Gross carrying amount											
As at April 01, 2019	1,658	987	105	8,006	13,456	205	208	374	58	25,057	907
Additions	-	-	4	683	827	24	31	57	10	1,636	1,004
Disposals	-	-	-	-	(31)	(1)	(8)	(21)	(27)	(88)	-
Reclassification on account of Ind AS 116	(1,658)	-	-	-	-	-	-	-	-	(1,658)	-
Transfer / Other adjustment	-	-	-	192	816	-	0	0	0	1,008	(1,008)
Closing gross carrying amount	-	987	109	8,881	15,068	228	231	410	41	25,955	903
Accumulated depreciation											
As at April 01, 2019	59	-	62	1,008	6,389	88	111	230	23	7,970	-
Depreciation charge during the year	-	-	13	324	1,799	32	33	89	15	2,305	-
Disposals	-	-	-	-	(26)	(1)	(8)	(21)	(24)	(80)	-
Reclassification on account of Ind AS 116	(59)	-	-	-	-	-	-	-	0	(59)	-
Closing accumulated depreciation	-	-	75	1,332	8,162	119	136	298	14	10,136	-
Net carrying amount	-	987	34	7,549	6,906	109	95	112	27	15,819	903

3(b) Right-of-use assets

Particulars	Land Refer note (vi)	Buildings	Vehicles	Total
Year ended March 31, 2020				
Gross carrying amount				
Recognised as at April 01, 2019	90	493	340	923
Reclassification on account of Ind AS 116	1,658	-	-	1,658
Additions (Refer note 40)	411	165	87	663
Disposals	-	-	(1)	(1)
Closing gross carrying amount	2,159	658	426	3,243
Accumulated depreciation				
Reclassification on account of Ind AS 116	59	-	-	59
Depreciation charge during the year	223	104	141	468
Disposals	-	-	-	-
Other adjustment	-	-	-	-
Closing accumulated depreciation	282	104	141	527
Net carrying amount	1,877	554	285	2,716

(i) Refer to note 44 for information on property plant and equipment pledged as security by the Company.

(ii) Contractual obligations: Refer to note 42 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

(iii) Capital work-in-progress: Capital work-in-progress mainly comprise plant & machinery, building and furniture.

(iv) Includes depreciation of INR 11 million (March 31,2019: INR 9 million) capitalized during the year on assets used for the creation of self generated assets. (Refer Note. 32)

(v) Leasehold land represents land obtained on long term lease from various government authorities and considered as finance lease. (Refer note 46).

(vi) The Company has recognised impairment loss amounting to INR 200 million. The impairment losses are included under 'Depreciation expense'.

4 Investment property**Gross carrying amount****Opening gross carrying amount**

Add: Additions during the year

Less: Deletions during the year

Closing gross carrying amount**Accumulated depreciation:**

Opening balance

Add: Depreciation for the year ¹

Less: Deletions during the year

Closing accumulated depreciation

Net carrying amount

March 31, 2020	March 31, 2019
979	909
-	70
7	-
972	979
107	87
122	20
(4)	-
225	107
747	872

¹ The Company has recognised impairment loss amounting to INR 100 million. The impairment losses are included under 'Depreciation expense'.

(i) Amounts recognised in profit or loss for investment property:

Rental Income

Direct operating expenses from property that did not generate rental income

Profit from investment property before depreciation

Depreciation

Profit / (loss) from investment property

March 31, 2020	March 31, 2019
19	25
(1)	(1)
18	24
122	20
(104)	5

(ii) Contractual obligations:

Refer note 42 for disclosure of contractual obligation towards purchase of investment property.

(iii) Leasing arrangements:

Certain investment properties are leased to tenants under long-term and short-term cancellable operating leases with rentals payable monthly.

(iv) Fair value:

Investment property

March 31, 2020	March 31, 2019
1,912	1,862

Estimation of fair value

The fair values of investment properties have been determined by independent valuer. The fair valuation is based on prevailing market prices/ price trend of the property in that locality/ city considering the location, size of plot, approach road, amenities, locality etc.

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MOTHERSON SUMI SYSTEMS LIMITED**Notes to the financial statements****(All amounts in INR Million, unless otherwise stated)****5 Intangible assets**

	Software
Year ended March 31, 2019	
Gross carrying amount	
As at April 01, 2018	17
Closing gross carrying amount	17
Accumulated amortisation	
Opening accumulated amortisation as at April 01, 2018	13
Amortisation charge during the year	4
Closing accumulated amortisation	17
Net carrying amount	0
Year ended March 31, 2020	
Gross carrying amount	
As at April 01, 2019	17
Closing gross carrying amount	17
Accumulated amortisation	
As at April 01, 2019	17
Amortisation charge during the year	-
Closing accumulated amortisation	17
Net carrying amount	0

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6 (a) Non-Current investments

	March 31, 2020	March 31, 2019
Investment in subsidiaries, joint ventures and associate (Unquoted instruments valued at cost unless stated otherwise)		
Investment in Subsidiaries :		
MSSL Mauritius Holdings Limited		
37,820,080 (March 31, 2019: 37,820,080) equity shares of EUR 1 each fully paid-up	2,284	2,284
Net of provision for other than temporary diminution aggregating to INR 70 million (March 31, 2019 : INR 70 million)		
MSSL Mideast (FZE)		
1 (March 31, 2019: 1) equity share of AED 150,000 equivalent to EUR 46,875 each fully paid-up	2	2
44,170,000 (March 31, 2019: 44,170,000) equity shares of EUR 1 each fully paid-up	3,111	3,111
50,000,000 (March 31, 2019: 50,000,000) equity shares of EUR 1 each fully paid-up at a premium of EUR 2.60 per share	12,719	12,719
Add: Effective portion of fair value hedge (refer note 37)	1,885	1,092
Motherston Electrical Wires Lanka Private Limited		
1,456,202 (March 31, 2019: 1,456,202) equity shares of LKR 10 each fully paid-up	7	7
MSSL (S) PTE Limited		
20,554,700 (March 31, 2019: 20,554,700) equity shares of SGD 1 each fully paid-up	960	960
Samvardhana Motherston Polymers Limited		
522,750 (March 31, 2019: 522,750) equity shares of INR 10 each fully paid-up	5	5
1,351,500 (March 31, 2019: 1,351,500) equity shares of INR 10 each fully paid-up at a premium of INR 190 per share	270	270
46,920 (March 31, 2019: 46,920) equity shares of INR 10 each fully paid-up at a premium of INR 2,300 per share	108	108
510 (March 31, 2019: Nil) equity shares of INR 10 each fully paid-up at a premium of INR 4,990 per share	3	-
SMR Automotive Systems India Limited		
6,712,990 (March 31, 2019: 6,712,990) equity shares of INR 10 each fully paid-up	67	67
Motherston Innovations Tech Limited (formerly known as MSSL Automobile Component Limited)		
50,000 (March 31, 2019: 50,000) equity shares of INR 10 each fully paid-up	1	1
MSSL (GB) Limited		
203,422,924 (March 31, 2019: 203,422,924) equity shares of GBP 1 each fully paid-up at a premium of GBP 0.50 per share. (These shares are pledged against borrowings, for further details refer note 17(a) and note 44)	24,705	24,705
Motherston Polymers Compounding Solution Limited		
9,000,000 (March 31, 2019: 9,000,000) equity shares of INR 10 each fully paid-up	8	8
(A)	46,135	45,339
Investment in joint ventures :		
Kyungshin Industrial Motherston Limited		
17,200,000 (March 31, 2019: 17,200,000) equity shares of INR 10 each fully paid-up	86	86
Calsonic Kansei Motherston Auto Products Limited		
30,930,836 (March 31, 2019: 30,930,836) equity shares of INR 10 each fully paid-up	400	400
(B)	486	486
Investment in Associate :		
Saks Ancillaries Limited		
1,000,000 (March 31, 2019: 1,000,000) equity shares of INR 10 each fully paid-up	11	11
(C)	11	11
Total Investment in subsidiaries, joint ventures and associate (A+B+C)	46,632	45,836
Equity investments at FVOCI		
Unquoted		
Motherston Sumi Infotech & Designs Limited		
1,200,000 (March 31, 2019: 1,200,000) equity shares of INR 10 each fully paid-up	185	185
Echanda Urja Private Limited		
120,645 (March 31, 2019: 120,645) equity shares of INR 10 each fully paid-up	1	1
Tulsyan NEC Limited		
Nil (March 31, 2019: 63,750) equity shares of INR 30 each fully paid-up	-	2
(D)	186	188
TOTAL (A+B+C+D)	46,818	46,024
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	46,888	46,094
Aggregate amount of impairment in the value of investments	70	70

6 (b) Current investments

Investment in equity instruments at FVOCI

Quoted

HDFC Bank Limited

4,070 (March 31, 2019: 2,035) equity shares of INR 2 each fully paid up

Balrampur Chini Mills Limited

1,200 (March 31, 2019: 1,200) equity shares of INR 1 each fully paid up

JD Orgochem Ltd

100 (March 31, 2019: 100) equity shares of INR 10 each fully paid up

Meyer Apparel Limited

28,475 (March 31, 2019: 28,475) equity shares of INR 3 each fully paid up

Mahindra & Mahindra Limited

7,288 (March 31, 2019: 7,288) equity shares of INR 5 each fully paid up

Arcotech Limited

1,000 (March 31, 2019: 1,000) equity shares of INR 2 each fully paid up

Unquoted

Pearl Engineering Polymers Limited

3,160 (March 31, 2019: 3,160) equity shares of INR 10 each fully paid up

Daewoo Motors Limited

6,150 (March 31, 2019: 6,150) equity shares of INR 10 each fully paid up

Athena Financial Services Limited

66 (March 31, 2019: 66) equity shares of INR 10 each fully paid up

Inox Leasing & Finance Limited

100 (March 31, 2019: 100) equity shares of INR 10 each fully paid up

Total current investments

Aggregate amount of quoted investments and market value thereof

Aggregate amount of unquoted investments

Aggregate amount of impairment in the value of investments

March 31, 2020 March 31, 2019

4 5

0 0

0 0

0 0

2 5

0 0

- -

- -

- -

- -

0

6 10

6 10

- -

- -

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MOTHERSON SUMI SYSTEMS LIMITED**Notes to the financial statements****(All amounts in INR Million, unless otherwise stated)****7 Loans**

	March 31, 2020		March 31, 2019	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loans to related parties (Refer note 40 & 49)	0	125	14	-
Loans to employees	89	51	96	58
Total	89	176	110	58

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8 Trade receivables

	March 31, 2020	March 31, 2019
Unsecured, considered good	5,951	6,666
Trade receivables from related parties ¹ (Refer note 40)	2,724	1,424
Unsecured, credit impaired	25	37
	8,700	8,127
Less: Allowances for credit loss	25	37
Total	8,675	8,090

¹ Includes receivables from companies in which Director of the Company is also a Director

194 276

Note 1: The Company has derecognised trade receivables amounting INR 1,010 million (March 31, 2019: INR 1,326 million) as it had transferred the contractual right and substantially transferred all risks and rewards of ownership of these receivables to various financial institutions.

9 (a) Other financial assets - Non Current

	March 31, 2020	March 31, 2019
Unsecured, considered good		
Security deposits	138	-
Total	138	-

9 (b) Other financial assets - Current

	March 31, 2020	March 31, 2019
Unsecured, considered good		
Security deposits ¹	580	690
Other advances receivable in cash (Refer note 40)	5	0
Unbilled revenue (Refer note 45)	423	1,214
Receivable from related parties (Refer note 40)	42	31
Others	0	4
Total	1,050	1,939

¹ Includes security deposit given to a partnership firm namely M/S Motherson in which Director of the Company is Partner

8 8

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MOTHERSON SUMI SYSTEMS LIMITED
Notes to the financial statements

(All amounts in INR Million, unless otherwise stated)

10 Deferred tax assets (net)

	March 31, 2020	March 31, 2019
Deferred tax assets		
Derivatives designated as hedges	220	232
Provision for employee benefit obligations	268	274
Provision for doubtful debts and advances	6	13
Government grants	31	44
Others	14	(5)
Deferred tax liabilities		
FVOCI equity instruments	(41)	(42)
Property, plant and equipment and intangible assets & investment property and net of Right-of-use assets & lease liability	(48)	(220)
Total	450	296

Movement in Deferred tax assets

	Property, plant and equipments and intangible assets & investment property and net of Right-of-use assets & lease liability	Derivatives designated as hedges	Provision for employee benefits	Provisions for doubtful debts and advances	Government grants	FVOCI equity instruments	Other items	Total
At April 01, 2018	336	599	207	14	41	(38)	87	1,246
(Charged)/ credited:								
to profit or loss	(556)	(367)	36	(1)	3	(4)	(92)	(981)
to other comprehensive income	-	-	31	-	-	0	-	31
At March 31, 2019	(220)	232	274	13	44	(42)	(5)	296
(Charged)/ credited:								
to profit or loss	172	(12)	(43)	(7)	(13)	(0)	19	116
to other comprehensive income	-	-	37	-	-	1	-	38
At March 31, 2020	(48)	220	268	6	31	(41)	14	450

11 Other non-current assets

	March 31, 2020	March 31, 2019
Unsecured, considered good, unless otherwise stated		
Capital advances	195	238
Prepaid expenses	86	104
Subsidy receivable	106	-
Total	387	342

12 Inventories

	March 31, 2020	March 31, 2019
Raw materials	6,566	6,690
Work-in-progress	1,905	1,922
Finished goods	1,440	1,908
Stores and spares	20	31
Total	9,931	10,551

Inventory include inventory in transit of:

Raw materials	1,451	1,640
Finished goods	249	369

Amount recognised in profit or loss:

During the year ended March 31, 2020 write-back of inventories on account of provision in respect of obsolete/ slow moving items amounted to INR 53 million (March 31, 2019: INR 20 million). These were recognised as an expense during the year and included in changes in value of inventories of work-in-progress, stock-in-trade and finished goods in statement of profit or loss.

13 (a) Cash and cash equivalents *

	March 31, 2020	March 31, 2019
Balances with banks:		
- in current accounts	2,231	1,319
- Deposits with original maturity of less than three months	54	-
Cheques/ drafts on hand	5	6
Cash on hand	10	8
Total	2,300	1,333

* There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior period. For asset pledged refer note 44.

Changes in liabilities arising from financing activities

	Non cash				
			Foreign exchange movements	Fair value changes	
	March 31, 2019	Cash Flow			March 31, 2020
Non current borrowings	11,354	94	512	(45)	11,915
Current borrowings	2	2,277	-	-	2,279
Total liabilities from financing activities	11,356	2,371	512	(45)	14,194

13 (b) Other bank balances

	March 31, 2020	March 31, 2019
Deposits with remaining maturity of more than three months but less than 12 months	5	5
Unpaid dividend account	61	44
Total	66	49

14 Other current assets

	March 31, 2020	March 31, 2019
Unsecured, considered good, unless otherwise stated		
Advances recoverable	371	381
Prepaid expenses	60	243
Balances with government authorities	504	1,119
Subsidy receivable	229	296
Total	1,164	2,039

15 Share Capital

Authorised:

6,050,000,000 (March 31, 2019 : 6,050,000,000) Equity shares of INR 1 each
25,000,000 (March 31, 2019 : 25,000,000) 8% Convertible Cumulative Preference Shares of INR 10 each

Issued, subscribed and Paid up:

3,157,934,237¹ (March 31, 2019 : 3,157,934,237¹) Equity Shares of INR 1 each

March 31, 2020	March 31, 2019
6,050	6,050
250	250
3,158	3,158

a. Movement in equity share capital

As at April 01, 2018
Add: Bonus shares issued by capitalisation of securities premium account ¹
As at March 31, 2019
Add: Changes during the year
As at March 31, 2020

Numbers	Amount
2,105,289,491	2,105
1,052,644,746	1,053
3,157,934,237	3,158
-	-
3,157,934,237	3,158

¹ During the year ended March 31, 2019, the Company allotted 1,052,644,746 equity shares of INR 1 each as bonus shares in proportion of one equity share for every two equity shares held by capitalisation of Securities Premium Account.

b. Rights, preferences and restrictions attached to shares

Equity Shares:

The Company has only one class of equity shares having a par value of INR 1 per share. Each holder of equity is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

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

c. Aggregate number of Shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding March 31, 2020)

	Aggregate No of Shares issued in five years	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Equity shares allotted as fully paid bonus shares by capitalisation of Securities Premium Account	2,195,367,590	-	1,052,644,746	701,763,164	-	440,959,680

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

	March 31, 2020		March 31, 2019	
	Nos.	%	Nos.	%
Equity shares:				
Samvardhana Motherson International Limited	1,055,750,653	33.43%	1,055,750,653	33.43%
Sumitomo Wiring Systems Limited	792,637,291	25.10%	792,637,291	25.10%

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.

16 (a) Reserves and surplus

	March 31, 2020	March 31, 2019
Reserve on amalgamation	1,663	1,663
Securities premium	26,226	26,226
General reserve	3,363	3,363
Retained earnings	27,901	29,836
Total reserves and surplus	59,153	61,088

(i) Reserve on amalgamation

	March 31, 2020	March 31, 2019
Opening balance	1,663	1,663
Closing balance	1,663	1,663

(ii) Securities premium

	March 31, 2020	March 31, 2019
Opening balance	26,226	27,279
Utilisation during the year - issue of bonus shares	-	(1,053)
Closing balance	26,226	26,226

(iii) General reserve

	March 31, 2020	March 31, 2019
Opening balance	3,363	3,363
Closing balance	3,363	3,363

(iv) Retained earnings

	March 31, 2020	March 31, 2019
Opening balance	29,836	27,258
Additions during the year	8,988	8,138
Remeasurements of post-employment benefit obligation, net of tax	(109)	(57)
Dividend paid ¹	(9,474)	(4,737)
Tax on dividend ¹	(1,340)	(766)
Closing balance	27,901	29,836

¹ During the year ended March 31, 2020, the Company has paid final cash dividend for the year ended on March 31, 2019: INR 1.5 (March 31, 2019: INR 2.25) per share and Interim dividend for the year ended on March 31, 2020: INR 1.5 (March 31, 2019: Nil) per share to its share holders. This has resulted in payment of dividend distribution tax (DDT) to the taxation authorities. The Company believes that DDT represents additional payment to taxation authorities on behalf of shareholders. Hence DDT paid is charged to equity.

16 (b) Other reserves

	FVOCI equity investments
As at April 01, 2018	134
Change in fair value of FVOCI equity instruments	2
As at March 31, 2019	136
Change in fair value of FVOCI equity instruments	(3)
As at March 31, 2020	133

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 Act.

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

General reserve

General reserve is the retained earnings of the Company which are kept aside out of the Company's profits to meet future (known or unknown) obligations.

FVOCI equity investments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investment reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

17 (a) Non-current borrowings

	Non Current Portion		Current Maturities	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Secured ⁽ⁱ⁾				
Term Loans				
Foreign currency loans from banks	6,039	5,524	-	-
Indian rupee loan from banks	5,750	5,750	-	-
Indian rupee loan from other than banks	-	-	0	18
Unsecured ⁽ⁱⁱ⁾				
Term Loans				
Indian rupee loan from other than banks	126	63	-	-
Less : Disclosed under Other current financial liabilities (Refer Note 18)	-	-	(0)	(18)
TOTAL	11,915	11,337	-	-

(i) Secured Loans ¹

Nature of Security (In case of Secured Loans)	Principal Terms and Conditions
Foreign currency loan from banks is secured by creating a charge on Investment in shares of one of the subsidiary, MSSSL (GB) Ltd on pari passu basis	INR 6,039 million (March 31, 2019 :INR 5,524 million) repayable in March 2022 entirely in one instalment. The applicable rate of interest in respect of foreign currency loans from banks is 0.52% p.a. (March 31, 2019 : 0.62% p.a.) over 6 months in respect of loans hedged for swap contracts.
Indian Rupee loan from banks is secured by creating a charge on Investment in shares of one of the subsidiary, MSSSL (GB) Ltd on pari passu basis	INR 5,750 million (March 31, 2019 : INR 5,750 million) repayable in March 2022 entirely in one instalment carrying Interest rate of 8.0% p.a.
Indian Rupee loan from other than banks for the purchase of investment property and is secured by the capital advance given for the purchase of investment property.	INR 0 million (March 31, 2019 : INR 18 million) repayable in remaining 12 monthly instalments till April 2020 carrying Interest rate of 10.2% p.a.

(ii) Unsecured Loans

Particulars	Terms of Repayment
Indian Rupee Loan from other than banks	Interest free loan of INR 126 million (March 31, 2019 : INR 63 million) repayable in 3 tranches on November 2022, March 2023 and December 2026 against each disbursements. Bank guarantee is furnished by the Company.

¹ The carrying amount of financials and non financial assets pledged as security for long term borrowings is disclosed in Note 44

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MOTHERSON SUMI SYSTEMS LIMITED
Notes to the financial statements

(All amounts in INR Million, unless otherwise stated)

17 (b) Current borrowings

	March 31, 2020	March 31, 2019
Secured ^{2,3}		
Working capital loans repayable on demand- from banks ¹		
Indian rupee loan	2,279	2
TOTAL	2,279	2

¹ Working capital loans are secured by first pari passu charge on entire current assets of the Company including receivables, both present and future and second pari passu charge over the fixed assets of the Company including equitable mortgage of specified properties and are repayable on demand.

² The carrying amount of financials and non financial assets pledged as security for short term borrowings is disclosed in Note 44

³ Short term borrowings carry interest rate ranging from 3% to 8% p.a.

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MOTHERSON SUMI SYSTEMS LIMITED**Notes to the financial statements****(All amounts in INR Million, unless otherwise stated)****18 Other financial liabilities**

	March 31, 2020	March 31, 2019
Non-current		
Retention money	76	33
Security deposit received (Refer note 40)	52	54
Recovery against Vehicle Loan	98	77
Total	226	164
Current		
Current maturities of long term borrowings (Refer note 17(a))	0	18
Interest accrued but not due on borrowings	4	4
Unpaid dividends ¹	61	44
Payables relating purchase of property, plant & equipments	342	761
Security deposit received	4	2
Employee benefits payable	1,169	1,103
Accrued expenses	75	-
Derivatives designated as hedges	873	665
Recovery against Vehicle Loan	56	101
Total	2,584	2,698

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.

19 Trade payables

	March 31, 2020	March 31, 2019
Total outstanding dues of micro, small and medium enterprises (Refer note 48) and	155	202
Total outstanding dues of creditors other than micro, small and medium enterprises	5,951	6,331
Trade payable to related parties (Refer note 40)	2,950	2,416
Total	9,056	8,949

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20 Provisions

	March 31, 2020	March 31, 2019
For warranties	10	7
For contingencies	1	1
Total	11	8

Warranty

Provision for warranty relates to the estimated outflow in respect of warranty for products sold by the Company. Due to the very nature of such costs, it is not possible to estimate the timing/ uncertainties relating to the outflows of economic benefits.

Contingencies

Provision for contingencies relates to excise, entry tax and octroi demands including interest thereon, where applicable, being contested by the Company. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings.

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

	Warranty		Contingencies	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening Balance	7	19	1	6
Additions/(deletion) during the year	3	(12)	-	(5)
Closing Balance	10	7	1	1

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21 Employee benefit obligations

	March 31, 2020		March 31, 2019	
	Current	Non-current	Current	Non-current
Gratuity	414	-	224	-
Compensated absences	164	485	135	424
for Provident fund scheme	1	-	1	-
Total	579	485	360	424

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

A. Defined Benefit Schemes

Gratuity

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

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

(i) Present Value of Defined Benefit Obligation

Obligations at year beginning

Service Cost - Current
Interest expense

Amount recognised in profit or loss

Remeasurements

Actuarial (gain)/ loss from change in financial assumption
Experience (gain)/loss

Amount recognised in other comprehensive income

Payment from plan:

Benefit payments

Addition/ (deletion) due to transfer of employee

Obligations at year end

For the year ended	
March 31, 2020	March 31, 2019
1,454	1,212
140	120
106	91
246	211
121	25
22	57
143	82
(64)	(48)
(7)	(3)
1,772	1,454

(ii) Fair Value of Plan Assets

Plan assets at year beginning, at fair value

Interest income

Amount recognised in profit or loss

Remeasurements

Actuarial (gain)/ loss from change in financial assumption
Return on plan assets, excluding amount included in interest income

Amount recognised in other comprehensive income

Payment from plan:

Benefit payments

Contributions:

Employers

Plan assets at year end, at fair value

For the year ended	
March 31, 2020	March 31, 2019
1,230	1,087
92	85
92	85
(3)	(4)
0	(2)
(3)	(6)
(4)	(6)
43	70
1,358	1,230

(iii) Assets and Liabilities recognized in the Balance Sheet

Present Value of the defined benefit obligations

Fair value of the plan assets

Amount recognized as Liability

For the year ended	
March 31, 2020	March 31, 2019
1,772	1,454
1,358	1,230
414	224

(iv) Defined benefit obligations cost for the year:

Service Cost - Current
Interest Cost (Net)
Actuarial (gain)/ loss
Net defined benefit obligations cost

For the year ended	
March 31, 2020	March 31, 2019
140	120
14	6
146	88
300	213

(v) Investment details of Plan Assets

The details of investments of plan assets are as follows:

LIC of India
Total

For the year ended	
March 31, 2020	March 31, 2019
100%	100%
100%	100%

Note: In respect of Employees Gratuity Fund, composition of plan assets is not readily available from LIC of India. 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:

Discount Rate per annum
Future salary increases

March 31, 2020	March 31, 2019
6.6%	7.4%
8.0%	8.0%

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

(vii) Amount recognized in current year and previous four years:

	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Defined benefit obligations	1,772	1,454	1,212	1,026	789
Plan assets	(1,358)	(1,230)	(1,087)	(808)	(650)
Deficit/(Surplus)	414	224	125	218	139

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

Gratuity

For the year ended	
March 31, 2020	March 31, 2019
399	228

ix) 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, 2020	March 31, 2019		March 31, 2020	March 31, 2019		March 31, 2020	March 31, 2019
Discount Rate per annum	0.50%	0.50%	Decrease by	(74)	(62)	Increase by	80	66
Future salary increases	1.0%	1.0%	Increase by	167	139	Decrease by	(147)	(123)

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.

x) Risk exposure

The gratuity scheme is a salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability or 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 .

xi) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 9 years (March 31, 2019: 9 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, 2020 Defined benefit obligation (gratuity)	107	88	387	847	1,429
March 31, 2019 Defined benefit obligation (gratuity)	93	114	371	1,067	1,644

B. Defined Contribution Schemes

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

Amount recognised in the Statement of Profit & Loss is as follows (Refer note 29):

Provident fund paid to the authorities
Employee state insurance paid to the authorities
Contribution to other funds (Employee welfare etc.)

For the year ended	
March 31, 2020	March 31, 2019
444	417
83	107
4	2
531	526

MOTHERSON SUMI SYSTEMS LIMITED**Notes to the financial statements****(All amounts in INR Million, unless otherwise stated)****22 Government grants**

	March 31, 2020	March 31, 2019
Opening balance	104	116
Grants received during the year	258	-
Released to profit and loss (Refer note 26)	(53)	(12)
Closing balance	309	104
	March 31, 2020	March 31, 2019
Current portion	34	12
Non-current portion	275	92
Total	309	104

The Company has received an interest free loan from Pradeshia Industrial & Investment Corporation of U.P. Ltd. (PICUP) which is amortised based on the effective interest rate method and the amortised portion is treated as government grant.

The Company has also received Government grants relating to the purchase of property, plant and equipment and has presented the grant as deferred income which is credited to profit or loss on a straight-line basis over the expected lives of the related assets.

23 Current tax liabilities/ Non-current tax assets (net)

	March 31, 2020	March 31, 2019
Tax assets		
Non-current tax assets (net)	594	725
Tax liabilities		
Current tax liabilities (net)	-	-
Net tax liabilities/ (assets)	(594)	(725)

24 Other current liabilities

	March 31, 2020	March 31, 2019
Statutory dues including provident fund and tax deducted at source	368	986
Advances received from customers (Refer note 45)	838	1,010
Unearned revenue	7	8
Total	1,213	2,004

25 (a) Revenue from contract with customers	For the year ended	
	March 31, 2020	March 31, 2019
Sales of products		
Finished goods		
Within India	55,256	63,203
Outside India	9,778	9,731
Traded goods	1,287	1,025
Total gross sales	66,321	73,959
 Sale of services	 1,821	 1,148
Total revenue from contract with customers (Refer note 45)	68,142	75,107
 25 (b) Other operating revenue:		
Scrap sales	255	334
Job work income	16	13
Export incentives	191	194
Liabilities written back to the extent no longer required	36	17
Miscellaneous other operating income	98	148
Total	596	706
 26 Other income	For the year ended	
	March 31, 2020	March 31, 2019
Interest income from financial assets at amortised cost	23	19
Dividend Income		
- From subsidiaries	2,992	1,055
- From joint ventures	101	172
- From equity investments designated at fair value through OCI	2	0
Rent	60	69
Exchange fluctuation (net)	460	500
Gain on disposal of property, plant and equipment & investment property (net)	39	6
Government grants & subsidies (Refer note 22)	53	12
Miscellaneous income	54	32
Total	3,784	1,865
 27 Cost of materials consumed	For the year ended	
	March 31, 2020	March 31, 2019
Opening stock of raw materials	5,050	4,636
Add : Purchases of raw materials	35,759	42,416
Less: Closing stock of raw materials	5,115	5,050
Total	35,694	42,002
 28 Changes in inventory of finished goods, work in progress and stock in trade	For the year ended	
	March 31, 2020	March 31, 2019
(Increase)/ decrease in stocks		
Stock at the opening of the year:		
Finished goods	1,908	1,540
Work-in-progress	1,922	1,768
Total A	3,830	3,308
Stock at the end of the year:		
Finished goods	1,440	1,908
Work-in-progress	1,905	1,922
Total B	3,345	3,830
(Increase)/ decrease in stocks (A-B)	485	(522)
 29 Employee benefit expense	For the year ended	
	March 31, 2020	March 31, 2019
Salary, wages & bonus	10,417	9,975
Contribution to provident & other fund (Refer note 21)	531	526
Gratuity (Refer note 21)	154	126
Staff welfare expenses	1,074	1,158
Total	12,176	11,785

30	Other expenses	For the year ended	
		March 31, 2020	March 31, 2019
	Electricity, water and fuel	1,309	1,400
	Repairs and maintenance:		
	Machinery	620	996
	Building	420	479
	Others	272	316
	Consumption of stores and spare parts	569	699
	Conversion charges	196	229
	Lease rent (Refer note 46)	455	751
	Rates & taxes	48	45
	Insurance	215	137
	Donation	21	19
	Travelling	455	640
	Freight & forwarding	1,218	1,331
	Royalty	315	90
	Cash Discount	-	1
	Commission	54	58
	Provision for diminution in value of investments	-	20
	Bad debts/ advances written off	1	0
	Provision for doubtful debts/advances	4	-
	Legal & professional expenses (Refer note (a) below)	1,164	1,083
	Expenditure towards corporate social responsibility (CSR) activities (Refer note (b) below)	37	130
	Miscellaneous expenses	1,006	777
	Total	8,379	9,201

(a): Payment to auditors:

As Auditor:

Audit fees (including limited review)

Other services

Reimbursement of expenses

Total

For the year ended	
March 31, 2020	March 31, 2019
40	37
2	0
4	3
46	40

(b): Corporate social responsibility expenditure

(i) Contribution to Swarn Lata Motherson Trust

(ii) Contribution towards welfare of the society

Amount required to be spent as per Section 135 of the Act

Amount spent during the year on:

(i) Construction/acquisition of asset

(ii) Purpose other than (i) above

For the year ended	
March 31, 2020	March 31, 2019
35	127
2	3
37	130
230	209
-	-
37	130
37	130

31 Finance costs

Interest on long term borrowings

Exchange differences regarded as an adjustment to borrowing costs ¹

Interest on lease liabilities

Other finance costs

Total

For the year ended	
March 31, 2020	March 31, 2019
92	105
(73)	(175)
88	
199	246
306	176

¹ Includes foreign exchange loss/ (gain) on long term loan facilities of INR 512 million (March 31, 2019 : INR 369 million) and Mark to Market (gain)/ loss on derivatives of INR (585) million (March 31,2019: INR (543) million)

32 Depreciation and amortization expense

Depreciation on property, plant and equipment
Depreciation on right of use assets ¹
Amortization on intangible assets
Depreciation on investment Property ¹
Less: Capitalised during the year ²
Total

For the year ended	
March 31, 2020	March 31, 2019
2,305	2,178
468	-
0	4
121	20
(11)	(9)
2,883	2,193

¹ Includes impairment loss amounting to INR 200 million (March 31, 2019 : Nil) on Right-of-use assets and INR 100 million (March 31, 2019 : Nil) on investment property during the year.

² Includes depreciation of INR 11 million (March 31, 2019 : INR 9 million) capitalised during the year on assets used for creation of self generated assets (Refer note 3).

33 Income tax expense

(a) Income tax expense

Current tax

Current income tax charged
Adjustments for current tax of prior years
Total current tax expense

For the year ended	
March 31, 2020	March 31, 2019
2,729	3,463
13	(357)
2,742	3,106

Deferred tax (Refer note 10)

Decrease/ (increase) in deferred tax assets (net)
Total deferred tax expense / (benefit)
Income tax expense

(116)	980
(116)	980
2,626	4,086

Income tax expense is attributable to:
Profit from continuing operations

2,626	4,086
2,626	4,086

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax for the year and re-measured its deferred tax asset (or/and deferred tax liability) basis the rate prescribed in the said section. Accordingly, deferred tax asset has increased by INR 18 million. The tax charge for the year has decreased by INR 665 million.

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

For the year ended	
March 31, 2020	March 31, 2019
Profit before income tax expense	11,614
Tax at India's tax rate of 25.168% (March 2019: 34.944%)	2,923
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	4,271
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	(263)
Tax impact on impairment loss recognised	52
Impact of tax rate change on opening deferred tax	50
Weighted deduction for expenditure incurred on research and development	-
Adjustments for tax of prior periods	13
Tax deductions under Chapter VIA	-
Tax impact on effective portion of fair value hedge	(200)
Other adjustments	51
Income tax expense	2,626

34 Earnings per share

a) Basic

Net profit after tax available for equity Shareholders

March 31, 2020	March 31, 2019
8,988	8,138
3,157,934,237	2,105,289,491
-	1,052,644,746
3,157,934,237	3,157,934,237
2.85	2.58

Equity shares outstanding at the beginning of the year

Add: Bonus shares issued by capitalisation of securities premium

Weighted average number of equity shares used to compute basic earnings per share

Basic earnings (in INR) per Share of INR 1 each. (March 31, 2019 : INR 1 each)

b) Diluted (Refer note (i) below)

Net profit after tax available for equity Shareholders

Weighted average number of Equity Shares of INR 1 each (March 31, 2019 : INR 1 each)

Diluted earnings (in INR) per share of INR 1 each. (March 31, 2019 : INR 1 each)

8,988	8,138
3,157,934,237	3,157,934,237
2.85	2.58

(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.

35 The following expenses incurred on Research and Development is included under respective account heads:

For the year ended	
March 31, 2020	March 31, 2019
Employee benefit expenses	210
Other expenses	51
Capital expenditure	1
	178
	60
	39

36 Fair value measurements
Financial instruments by category

	March 31, 2020			March 31, 2019		
	FVPL	FVOCI	Amortised Cost*	FVPL	FVOCI	Amortised Cost*
Financial assets						
Investments	-	192	-	-	198	-
Trade receivables	-	-	8,675	-	-	8,090
Loans	-	-	265	-	-	168
Cash and cash equivalents	-	-	2,366	-	-	1,382
Other financial assets	-	-	1,188	-	-	1,939
Total financial assets	-	192	12,494	-	198	11,579
Financial Liabilities						
Borrowings	-	-	14,194	-	-	11,357
Trade payables	-	-	9,056	-	-	8,948
Other financial liabilities	873	-	1,937	665	-	2,180
Total financial liabilities	873	-	25,187	665	-	22,485

i. Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2020

	Level1	Level 2	Level 3	Total
Financial asset				
Financial Investments at FVOCI				
Listed equity investments	6	-	-	6
Unquoted equity investments	-	-	186	186
Total	6	-	186	192
Financial liabilities				
Borrowings	-	-	14,194	14,194
Other financial liabilities	-	873	226	1,099
Total financial liabilities	-	873	14,420	15,293

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2019

	Level 1	Level 2	Level 3	Total
Financial asset				
Financial Investments at FVOCI				
Listed equity investments	10	-	-	10
Unquoted equity investments	-	-	188	188
Total	10	-	188	198
Financial liabilities				
Borrowings	-	-	11,357	11,357
Other financial liabilities	-	665	164	830
Total financial liabilities	-	665	11,521	12,187

*The carrying amounts of trade receivables, borrowings, cash and cash equivalents, other financial assets, trade payables and other financial liabilities are considered to be the same as their face values.

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. Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
- the fair value of the remaining financial instruments covered under level 3 is determined using discounted cash flow analysis.

iii. Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2020 and March 31, 2019:

	Unquoted equity instruments
As at March 31, 2018	186
Additions during the year	-
Disposals during the year	-
Gains/(losses) recognised in other comprehensive income	2
As at March 31, 2019	188
Additions during the year	-
Disposals during the year	-
Gains/(losses) recognised in other comprehensive income	(2)
As at March 31, 2020	186

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

	March 31, 2020		March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Loan to related party ¹	125	125	-	-
Loan to employees ¹	51	51	58	58
	176	176	58	58
Financial liabilities				
Borrowings ²	11,915	11,915	11,337	11,337
Other financial liabilities ¹	226	226	164	164
	12,141	12,141	11,501	11,501

¹ The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

² During financial year 2016-17 loan amounting to INR 10,975 million was taken at market rates. Loan amounting to INR 6,039 million as at March 31, 2020 (March 31, 2019: INR 5,524 million) carries floating rate of interest and hence are adjusted to current market rates. The Company has taken interest rate swap for the borrowing with fixed interest rate amounting to INR 5,750 million, because of this, effective finance cost to the company is at current market rate.

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.

v. Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (ii) above for the valuation techniques adopted:

	Fair Value as at	
	March 31, 2020	March 31, 2019
Unquoted equity instruments	186	188
Significant unobservable inputs¹		
Earnings growth rate	4%	4%
Risk adjusted discount rate	16%	16%
Sensitivity		
Impact of change in risk adjusted discount rate ²		
Decrease in discount rate by 0.50%	19	19
Increase in discount rate by 0.50%	(17)	(17)
Impact of change in earnings growth rate ²		
Decrease in growth rate by 0.50%	(14)	(14)
Increase in growth rate by 0.50%	16	16

¹ There were no significant inter-relationships between unobservable inputs that materially affect fair values

² Holding all the other variables constant

37 (a) Financial risk management

The Company in its capacity as an internationally active supplier for the automobile industry is exposed to various risks i.e., market risk, liquidity risk and credit risk. The company has global presence and decentralized management structure. Concentrating on the plants make it necessary for implementing an organized risk management system. The Company is therefore exposed to risks associated with global organizations and automotive industry in particular.

The Company has set up a Risk Management Committee (RMC) at the board level to periodically review operating, financial and strategic risks in the business and their mitigating factors. RMC has formulated Risk Management Policy for the Company which outlines the risk management framework to help minimize the impact of uncertainty on the Company's strategic goals. The framework enables a structured and disciplined approach to risk management. The Company has developed guidelines on risk controlling and the use of financial instruments. These guidelines contain a clear allocation of duties. Risks are controlled and monitored by means of operational and financial measures.

Below are the major risks which can impact the Company:

A Market risk:

Market risk is the risk that the fair value of future cashflows of a financial instruments will fluctuate because of changes in market price/ rate. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

a. Price risk:

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company in its various products segment. Substantial pricing pressure from major OEMs to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the Company. The Group has set up Global Sourcing Procurement (GSP) at Sharjah which gives leverage of bulk buying and helps in controlling prices to a certain extent.

The key raw material for the Company's wiring harness business is copper. There is substantial fluctuations in prices of copper. The Company has arrangements with its major customers for passing on the price impact.

The major raw materials used by Polymer Division of the Company are polypropylenes, polycarbonates and various grades of nylons and resins. The Company is having arrangement with major customers for actualization of raw material price variations periodically. Motherson Polymer Solutions, compounding unit has been established with a view of taking leverage on group's bulk consumption on major grades. The setting up of GSP further strengthens the procurement function.

The Company is regularly taking initiatives like VA-VE (value addition, value engineering) to reduce its raw material costs to meet targets set up by its customers for cost downs. In respect of customer nominated parts, the Company has back to back arrangements for cost savings with its suppliers.

b. Foreign currency risk:

The exchange variations in India has mainly impacted the imports, but however the Company has arrangements with its major domestic customers for passing on the exchange impact on import purchase and has considerably increased its export sales during last few years to attain natural hedge. The Company also does selective hedging to hedge its risks associated with foreign currency.

The hedged and unhedged foreign currency exposure is as follows:

(i) Derivatives outstanding as at the reporting date

Particulars/ Purpose	Currency (Amount in million)	As At	As At
		March 31, 2020	March 31, 2019
Cross currency swap	USD : EUR	USD 80; EUR 74	USD 80; EUR 74
	INR : EUR	INR 5,750; EUR 81	INR 5,750; EUR 81

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

	March 31, 2020		March 31, 2019	
	Payable / (Receivable)		Payable / (Receivable)	
	Amount in Foreign currency in million	Amount in INR	Amount in Foreign currency in million	Amount in INR
AUD	(0)	(12)	(0)	(7)
CHF	0	17	0	11
CNY	8	85	19	191
EUR	(9)	(768)	(4)	(297)
GBP	(0)	(19)	0	27
JPY	1,881	1,329	2,294	1,433
KRW	(1,431)	(89)	-	-
SEK	0	1	0	1
SGD	0	2	0	2
THB	15	36	14	30
USD	(0)	(20)	92	6,389
ZAR	-	-	0	0

Foreign currency sensitivity on unhedged exposure

1% increase / decrease in foreign exchange rates will have the following impact on profit before tax:

	Impact on profit before tax	
	March 31, 2020	March 31, 2019
Increase by 1% in forex rate	(6)	(78)
Decrease by 1% in forex rate	6	78

(iii) Mark to market losses / (gain) on cross currency interest rate swaps

	For the year ended	
	March 31, 2020	March 31, 2019
Mark to Market losses/(gain) on cross currency interest rate swaps	208	(1,031)

c. Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. During March 31, 2020 and March 31, 2019, the Company's borrowings at variable rate were mainly denominated in INR and USD.

(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, 2020	March 31, 2019
Variable rate borrowings	8,318	5,544
Fixed rate borrowings	5,876	5,813
Total borrowings	14,194	11,357

An analysis by maturities is provided in Note [C (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 before tax	
	March 31, 2020	March 31, 2019
Interest rates-increase by 50 basis points*	(42)	(28)
Interest rates-decrease by 50 basis points*	42	28

* Holding all other variables constant

B Credit risk:

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

Trade receivables

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers (OEMs) with good credit ratings. Non-OEM 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 and impairment.

Financial instruments and cash deposits

The Company has deposited liquid funds at various banking institutions. Primary banking institutions are major Indian and foreign banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due.

C 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.

(i) Financing arrangements

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

	March 31, 2020	March 31, 2019
Floating rate		
- Expiring within one year (cash credit and other facilities)	5,221	5,998

(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 and derivative financial liabilities:

Year Ended March 31, 2020	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	2,351	12,059	-	14,410
Trade payables	9,056	-	-	9,056
Other financial liabilities	1,710	226	-	1,936
Lease liabilities	219	690	645	1,554
Total non-derivative liabilities	13,336	12,975	645	26,956

Derivatives

Foreign exchange forward contracts	873			873
Total derivative liabilities	873	-	-	873

Year Ended March 31, 2019	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	92	11,516	-	11,608
Trade payables	8,949	-	-	8,949
Other financial liabilities	2,015	164	-	2,179
Total non-derivative liabilities	11,056	11,680	-	22,736

Derivatives

Foreign exchange forward contracts	665			665
Total derivative liabilities	665	-	-	665

37 (b) Details related to hedging instrument

Fair value hedge	Nominal amount of the hedging instrument (in million)	Carrying amount of hedging instrument		Line item in balance sheet where hedging instrument is disclosed	Change in fair value for calculating hedge ineffectiveness
		Assets	Liabilities		
March 31, 2020					
(i) Cross currency interest rate swap	USD 80; EUR 74	-	67	Other financial liabilities	(142)
	INR 5,750; EUR 81	-	808		351
(ii) Loan	USD 80	-	6,044	Non-current borrowings	512
	INR 5,750	-	5,750		-
March 31, 2019					
(i) Cross currency interest rate swap	USD 80; EUR 74	-	209	Other financial liabilities	(596)
	INR 5,750; EUR 81	-	456		(435)
(ii) Loan	USD 80	-	5,532	Non-current borrowings	318
	INR 5,750	-	5,750		-

(c) Details related to hedged item

Fair value hedge	Carrying amount of hedged item		Accumulated amount of fair value adjustments on the hedged item included in the carrying amount of the hedged item		Line item in balance sheet where hedging item is disclosed	Change in value used for calculating hedge ineffectiveness	Accumulated amount of fair value adjustments on the hedged item included in the carrying amount of hedged item that have ceased to be adjusted for hedging gains and losses
	Assets	Liabilities	Assets	Liabilities			
For March 31, 2020:							
(i) Investment	14,604		1,885	-	Non-current investments	793	-
For March 31, 2019:							
(i) Investment	13,810		1,092	-	Non-current investments	(487)	-

Details of impact of fair value hedge on statement of profit and loss

Fair value hedge	Ineffectiveness recognized in profit or loss	Line items in profit and loss
For year ended on 31 March 2020:		
(i) Investment	(72)	Finance cost
For year ended on 31 March 2019:		
(i) Investment	(226)	Finance cost

38 Capital management

(a) Risk management

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

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

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

	March 31, 2020	March 31, 2019
Net Debt*	11,888	10,019
EBITDA	14,803	14,592
Net Debt to EBITDA	0.80	0.69

*Lease liabilities recognised as per Ind AS 116 is not included in Net Debt (Refer Note 46)

(b) Loan covenants

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

(c) Dividends

	March 31, 2020	March 31, 2019
On Equity shares of INR 1 each		
Final dividend		
Amount of dividend paid (pertains to previous financial year)	4,737	4,737
Dividend per equity share	1.50	2.25
Interim Dividend		
Amount of dividend paid	4,737	-
Dividend per equity share	1.50	-

39 Distribution made and proposed

	March 31, 2020	March 31, 2019
Cash dividends on equity shares declared and paid		
Final cash dividend for the year ended on March 31, 2019: INR 1.5 (March 31, 2018: INR 2.25) per share	4,737	4,737
DDT on final dividend*	915	766
Interim dividend for the year ended on March 31, 2020: INR 1.5 per share (March 31, 2019: Nil per share)	4,737	-
DDT on interim dividend	425	-
	10,814	5,503
Proposed dividends on Equity shares		
Final cash dividend for the year ended on March 31, 2020: Nil (March 31, 2019: INR 1.5 per share)	-	4,737
DDT on proposed dividend	-	974
	-	5,711

* Actual amount of dividend distribution tax (DDT) deposited is in accordance with provision of Income Tax Act.

40 Related Party Disclosures

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

a. Promoters / Entities with joint control over the Company

		Ownership interest	
Name	Place of incorporation	March 31, 2020	March 31, 2019
1 Samvardhana Motherson International Limited	India	33.43%	33.43%
2 Sumitomo Wiring Systems Limited, Japan	Japan	25.10%	25.10%

Relationship where control exists

b. Subsidiaries of the Company

- 1 MSSL Mauritius Holdings Limited
- 2 Motherson Electrical Wires Lanka Private Limited
- 3 MSSL Mideast (FZE)
- 4 MSSL (S) Pte Limited
- 5 Motherson Innovations Tech Limited (esrt MSSL Automobile Component Limited)
- 6 Samvardhana Motherson Polymers Limited
- 7 Motherson Polymers Compounding Solution Limited
- 8 MSSL (GB) Limited
- 9 Motherson Wiring System (FZE)
- 10 MSSL Tooling (FZE)
- 11 MSSL GmbH
- 12 Samvardhana Motherson Invest Deutschland GmbH
- 13 MSSL Advanced Polymers s.r.o.
- 14 Motherson Techno Precision GmbH
- 15 MSSL s.r.l. Unipersonale
- 16 Motherson Techno Precision México, S.A. de C.V.
- 17 MSSL Manufacturing Hungary Kft
- 18 Motherson Air Travel Pvt Ltd
- 19 MSSL Australia Pty Limited
- 20 Motherson Elastomers Pty Limited
- 21 Motherson Investments Pty Limited
- 22 MSSL Ireland Private Limited
- 23 MSSL Global RSA Module Engineering Limited
- 24 MSSL Japan Limited
- 25 Vacuform 2000 (Proprietary) Limited
- 26 MSSL México, S.A. De C.V.
- 27 MSSL WH System (Thailand) Co., Ltd
- 28 MSSL Korea WH Limited
- 29 MSSL Consolidated Inc.
- 30 MSSL Wiring System Inc
- 31 Alphabet de Mexico, S.A. de C.V.
- 32 Alphabet de Mexico de Monclova, S.A. de C.V.
- 33 Alphabet de Saltillo, S.A. de C.V.
- 34 MSSL Wirings Juarez, S.A. de C.V.
- 35 Samvardhana Motherson Global Holdings Ltd.
- 36 Samvardhana Motherson Automotive Systems Group B.V. (SMRPBV)
- 37 Samvardhana Motherson Reflectec Group Holdings Limited (SMR)
- 38 SMR Automotive Technology Holding Cyprus Limited
- 39 SMR Automotive Mirror Parts and Holdings UK Ltd
- 40 SMR Automotive Holding Hong Kong Limited
- 41 SMR Automotive Systems India Limited
- 42 SMR Automotive Systems France S.A.
- 43 SMR Automotive Mirror Technology Holding Hungary KFT
- 44 SMR Patents S.à.r.l.
- 45 SMR Automotive Technology Valencia S.A.U.
- 46 SMR Automotive Mirrors UK Limited
- 47 SMR Automotive Mirror International USA Inc.
- 48 SMR Automotive Systems USA Inc.
- 49 SMR Automotive Beijing Company Limited
- 50 SMR Automotive Yancheng Co. Limited
- 51 SMR Automotive Mirror Systems Holding Deutschland GmbH
- 52 SMR Holding Australia Pty Limited
- 53 SMR Automotive Australia Pty Limited
- 54 SMR Automotive Mirror Technology Hungary BT

55	SMR Automotive Modules Korea Ltd.
56	SMR Automotive Beteiligungen Deutschland GmbH
57	SMR Hyosang Automotive Ltd.
58	SMR Automotive Mirrors Stuttgart GmbH
59	SMR Automotive Systems Spain S.A.U.
60	SMR Automotive Vision Systems Mexico S.A. de C.V.
61	SMR Grundbesitz GmbH & Co. KG
62	SMR Automotive Brasil Ltda.
63	SMR Automotive System (Thailand) Limited
64	SMR Automotives Systems Macedonia Dooel Skopje
65	SMR Automotive Operations Japan K.K.
66	SMR Automotive (Langfang) Co. Ltd
67	SMR Automotive Vision System Operations USA INC
68	SMR Mirror UK Limited
69	Motherson Innovations Company Limited
70	Motherson Innovations Deutschland GmbH
71	Samvardhana Motherson Global (FZE)
72	SMR Automotive Industries RUS Limited Liability Company
73	Re-time Pty Limited
74	Samvardhana Motherson Peguform GmbH (SMP)
75	SMP Automotive Interiors (Beijing) Co. Ltd.
76	SMP Deutschland GmbH
77	SMP Logistik Service GmbH
78	SMP Automotive Solutions Slovakia s.r.o.
79	Changchun Peguform Automotive Plastics Technology Co., Ltd.
80	Foshan Peguform Automotive Plastics Technology Co. Ltd.
81	Shenyang SMP Automotive Plastic Component Co. Ltd.
82	Tianjin SMP Automotive Component Company Limited
83	SMP Automotive Technology Management Services (Changchun) Co. Ltd.
84	SMP Automotive Technology Iberica S.L.
85	Samvardhana Motherson Peguform Barcelona S.L.U
86	SMP Automotive Technologies Teruel Sociedad Limitada
87	Samvardhana Motherson Peguform Automotive Technology Portugal S.A.
88	SMP Automotive Systems Mexico S.A. de C.V.
89	SMP Automotive Produtos Automotivos do Brasil Ltda.
90	SMP Automotive Exterior GmbH
91	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG
92	Samvardhana Motherson Innovative Autosystems Holding Company BV
93	SM Real Estate GmbH
94	Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V.
95	SMP Automotive Systems Alabama Inc.
96	Celulosa Fabril S.A.
97	Modulos Ribera Alta S.L.Unipersonal
98	Motherson Innovations Lights GmbH & Co KG
99	Motherson Innovations Lights Verwaltungs GmbH
100	MSSL Estonia WH OÜ
101	PKC Group Plc
102	PKC Wiring Systems Oy
103	PKC Group Poland Sp. z o.o.
104	PKC Wiring Systems Llc
105	PKC Group APAC Limited
106	PKC Group Canada Inc.
107	PKC Group USA Inc.
108	PKC Group Mexico S.A. de C.V.
109	Project del Holding S.a.r.l.
110	PK Cables do Brasil Ltda
111	PKC Eesti AS
112	TKV-sarjat Oy
113	PKC SEGU Systemelektrik GmbH
114	Groclin Luxembourg S.à r.l.
115	PKC Vehicle Technology (Suzhou) Co., Ltd.
116	AEES Inc.
117	PKC Group Lithuania UAB
118	PKC Group Poland Holding Sp. z o.o.
119	OOO AEK
120	Kabel-Technik-Polska Sp. z o.o.
121	T.I.C.S. Corporation

- 122 AEES Power Systems Limited partnership
- 123 Fortitude Industries Inc.
- 124 AEES Manufactuera, S. De R.L de C.V.
- 125 Cableodos del Norte II, S. de R.L de C.V.
- 126 Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.
- 127 Arnese y Accesorios de México, S. de R.L de C.V.
- 128 Asesoria Mexicana Empresarial, S. de R.L de C.V.
- 129 Arnese de Ciudad Juarez, S. de R.L de C.V.
- 130 PKC Group de Piedras Negras, S. de R.L. de C.V.
- 131 PKC Group AEES Commercial S. de R.L de C.V
- 132 Jiangsu Huakai-PKC Wire Harness Co., Ltd.
- 133 PKC Vehicle Technology (Hefei) Co, Ltd.
- 134 Shangdong Huakai-PKC Wire Harness Co., Ltd.
- 135 Motherson Rolling Stock Systems GB Limited
- 136 Motherson PKC Harness Systems FZ-LLC (incorporated on July 7, 2019)
- 137 Wisetime Oy (become subsidiary w.e.f March 6, 2020)
- 138 Global Environment Management (FZC)
- 139 SMRC Automotive Interiors Management B.V.
- 140 SMRC Automotive Holdings B.V.
- 141 SMRC Automotive Holdings Netherlands B.V.
- 142 SMRC Automotives Techno Minority Holdings B.V.
- 143 SMRC Smart Automotive Interior Technologies USA, LLC
- 144 SMRC Automotive Modules France SAS
- 145 Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.
- 146 SMRC Automotive Interiors Spain S.L.U.
- 147 SMRC Automotive Interior Modules Croatia d.o.o
- 148 Samvardhana Motherson Reydel Autotecc Morocco SAS
- 149 SMRC Automotive Technology RU LLC
- 150 SMRC Smart Interior Systems Germany GmbH
- 151 SMRC Automotive Interiors Products Poland SA
- 152 SMRC Automotive Solutions Slovakia s.r.o.
- 153 SMRC Automotive Holding South America B.V.
- 154 SMRC Automotive Modules South America Minority Holdings B.V.
- 155 SMRC Automotive Tech Argentina S.A.
- 156 SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda
- 157 SMRC Automotive Products India Private Limited
- 158 SMRC Automotive Smart Interior Tech (Thailand) Ltd.
- 159 SMRC Automotive Interiors Japan Ltd.
- 160 Shanghai Reydel Automotive Technology Consulting Co., Ltd
- 161 PT SMRC Automotive Technology Indonesia
- 162 Yujin SMRC Automotive Techno Corp.
- 163 SMRC Automotives Technology Phil Inc.
- 164 Motherson Innovations LLC
- 165 Samvardhana Motherson Corp Management Shanghai Co Ltd.
- 166 Motherson Osia Innovation Ilc.
- 167 MSSL M Tooling Ltd
- 168 Samvardhana Motherson Polymers Management Germany GmbH (merged with MSSL GmbH on August 30, 2019)
- 169 PKC Netherlands Holding B.V. (Liquidated on July 31, 2019)
- 170 PK Cables Nederland B.V. (Liquidated on July 31, 2019)
- 171 SMR Automotive Servicios Mexico S.A. de C.V. (liquidated on July 2, 2019)
- 172 Global Environment Management Australia Pty Limited (liquidated on April 20, 2018)
- 173 MSSL Overseas Wiring System Ltd. (liquidated on January 29, 2019)

c. Joint Ventures:

- 1 Kyungshin Industrial Motherson Private Limited
- 2 Calsonic Kansei Motherson Auto Products Private Limited
- 3 Ningbo SMR Huaxiang Automotive Mirrors Co. Limited (Indirectly through Subsidiary)
- 4 Chongqing SMR Huaxiang Automotive Products Limited (Indirectly through Subsidiary)
- 5 Tianjin SMR Huaxiang Automotive Part Co. Limited (Indirectly through Subsidiary)
- 6 Eissmann SMP Automotive Interieur Slovensko s.r.o (Indirectly through Subsidiary)

d. Associate Companies:

- 1 Saks Ancillaries Limited
- 2 Hubei Zhengao PKC Automotive Wiring Company Ltd.

MOTHERSON SUMI SYSTEMS LIMITED
Notes to the financial statements

(All amounts in INR Million, unless otherwise stated)

II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 40 (I) above:

(a) Key management personnel compensation

	March 31, 2020	March 31, 2019
Short-term employee benefits	61	55
Directors commission/sitting fees	18	21
Post-employment benefits payable	46	40
Long-term employee benefits payable	16	14

(b) Transactions with related parties

S. No.	Particulars	Subsidiaries		Joint ventures		Key Management personnel		Joint control over the entity		Other related parties	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Sale of products	5,908	5,711	1,679	1,190	-	-	1	4	315	344
2	Sales of services	963	126	480	691	-	-	0	14	8	6
3	Rent income	-	-	23	29	-	-	-	-	34	26
4	Sale of property, plant and equipment	-	-	-	-	-	-	0	0	-	1
5	Purchase of goods	1,230	1,670	4	6	-	-	5,761	6,319	1,605	1,353
6	Purchase of property, plant and equipment & Right-of-use assets	30	10	-	-	-	-	84	44	1,713	1,830
7	Purchase of services	291	246	1	0	-	-	31	55	1,140	1,265
8	Rent expense	-	-	-	-	5 *	5 *	30	31	324	457
9	Payment of lease liability	-	-	-	-	-	-	-	-	169	-
10	Reimbursement made	116	130	0	0	0	0	17	7	30	26
11	Reimbursement received	75	53	0	2	-	-	1	8	5	5
12	Royalty	-	-	-	-	-	-	310	91	-	-
13	Dividend paid	-	-	-	-	270 **	135 **	5,545	2,773	10	5
14	Dividend received	2,991	1,055	101	172	-	-	-	-	2	-
15	Investment made	3	-	-	-	-	-	-	-	-	-
16	Guarantee given during the year	411	13,748	-	-	-	-	-	-	-	-

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

S. No.	Particulars	Subsidiaries		Joint ventures		Associate Companies		Joint control over the entity		Other related parties	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Trade Payable	295	336	0	0	-	-	2,044	1,512	611	568
2	Trade Receivable	2,494	1,106	146	223	-	-	1	1	83	94
3	Other financial assets	42	31	-	-	-	-	-	-	-	-
4	Advances recoverable	3	2	-	0	-	-	-	0	134	178
5	Advances from customer	37	110	-	-	-	-	1	0	0	1
6	Investments	44,320	44,317	486	486	11	11	-	-	14	14
7	Guarantees given	13,127	19,953	-	-	-	-	-	-	-	-

MOTHERSON SUMI SYSTEMS LIMITED
Notes to the financial statements

(All amounts in INR Million, unless otherwise stated)

(d) Loans & advances to / from related parties

S. No.	Particulars	Subsidiaries		Joint ventures		Other related parties	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
i.	Security deposits given:						
	Beginning of the year	-	-	-	-	464	427
	Security deposit given	-	-	-	-	75	68
	Security deposits received back	-	-	-	-	(51)	(31)
	End of the year	-	-	-	-	488	464
ii.	Security Deposit Received:						
	Beginning of the year	-	-	35	35	14	16
	Security deposits received	-	-	-	-	-	-
	Security deposits repaid	-	-	-	-	-	(2)
	End of the year	-	-	35	35	14	14
iii.	Loans given						
	Beginning of the year	14	11	-	-	-	-
	Loans given	-	2	-	-	125	-
	Interest charged	1	1	-	-	6	-
	Interest received	-	-	-	-	-	-
	Loans received back	(13)	-	-	-	-	-
	End of the year	1	14	-	-	131	-

* Rent of INR 5 million (March 31, 2019: INR 5 million) paid to Mr. V.C Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, and Ms. Vidhi Sehgal.

**Dividend of INR 270 million (March 31, 2019 : INR 135 million) paid to Mr. V. C. Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, Ms. Neelu Mehra, Ms. Geeta Soni, Mr. Pankaj Mital, Mr. G.N. Gauba, Ms. Geeta Mathur, Mr Naveen Ganzu, Arjun Puri, Alok Goel and Mr. Gautam Mukherjee.

41 Segment Information:

Description of segments and principal activities

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

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

A. Disaggregated revenue information

i) Revenue from external customers

India

Outside India

March 31, 2020	March 31, 2019
57,926	65,868
10,812	9,944
68,738	75,813

Type of goods or Services

Sales of Components

Tool development

Others operating revenue

Total revenue from contracts with customers

March 31, 2020	March 31, 2019
65,034	72,934
1,287	1,025
1,821	1,148
68,142	75,107

Timing of revenue recognition

As a point in time

Over a period of time

Total revenue from contracts with customers

March 31, 2020	March 31, 2019
66,855	74,082
1,287	1,025
68,142	75,107

ii) Segment Assets

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

India

Outside India

March 31, 2020	March 31, 2019
20,572	19,208
-	0
20,572	19,208

iii) Capital expenditure

March 31, 2020	March 31, 2019
3,471	3,976

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

Customer 1

March 31, 2020	March 31, 2019
22,690	25,171

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42 Capital and Other Commitments

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

	March 31, 2020	March 31, 2019
Property, plant and equipment		
Estimated value of contracts in capital account remaining to be executed, (net of advances of INR 85 million (March 31, 2019: INR 97 million))	534	997
Investment property		
Estimated value of purchase consideration outstanding, (net of advances of INR 110 million (March 31, 2019: INR 107 million))	-	3
Total	534	1,000

43 Contingent liabilities:

Claims against the Company not acknowledged as debts

	March 31, 2020	March 31, 2019
a) Excise, sales tax and service tax matters*	65	94
b) Claims made by workmen	44	41
c) Income tax matters	152	120

* Against which Company has given bank guarantees amounting to INR 2 million (March 31, 2019 : INR 6 million)

- a) The Company does not expect any reimbursements in respect of the above contingent liabilities.
b) The Company has assessed that it is only possible but not probable that outflow of economic resources will be required.

44 Assets pledged as security

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

	Notes	March 31, 2020	March 31, 2019
Current:			
Financial assets			
First charge			
Cash and cash equivalents	13(a)	2,300	1,333
Trade receivables	8	8,675	8,090
Inventory	12	9,931	10,551
Other current assets		2,315	3,902
Total current assets pledged as security		23,220	23,876
Non Current:			
Second charge			
Freehold and leasehold land	3	987	2,586
Buildings and leasehold improvements	3	7,583	7,041
Plant & Machinery	3	6,906	7,067
Other items of PPE	3	343	393
Investment property	4	747	872
Non current investment	6(a)	24,705	24,705
Capital advance	11	110	-
Total non-current assets pledged as security		41,380	42,664
Total assets pledged as security		64,600	66,540

45 Ind AS 115 Revenue from contracts with customers

Effective April 1, 2018, the Company has adopted Ind AS 115, 'Revenue from Contracts with Customers', with a modified retrospective approach. The management has evaluated the implications of implementation of new standard on its revenue and has made appropriate adjustments to these results where significant. In certain contracts, it has been assessed that the Company is acting as an agent and therefore, revenue has been recognised excluding the cost of components sold.

The transaction price allocated to the remaining performance obligations related to tool development (unsatisfied or partially unsatisfied) are, as follows:

	March 31, 2020	March 31, 2019
Within one year	265	496
More than one year	1	-
Total	266	496

Table below provides information on revenue recognised from :

	March 31, 2020	March 31, 2019
Amounts included in contract liabilities at the beginning of the year	352	285
Performance obligations partly satisfied in previous years	289	216

(All amounts in INR Million, unless otherwise stated)

The table below represents summary of contract assets and liabilities relating to contracts with customers :

	March 31, 2020	March 31, 2019
Receivables	8,675	8,090
Contract assets	423	1,214
Contract liabilities (Refer note 24)	838	1,010

46 Leases

The Company elected to apply Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from April 01, 2019, using the modified retrospective method. Accordingly, comparatives for the year ended March 31, 2019 have not been restated. The Company assesses each lease contract and if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Company recognised right to use assets and lease liabilities for those lease contracts except for short-term lease and lease of low-value assets.

The Company has leases contracts for land, premises, plant & machinery and vehicles. These lease arrangements for land are for a period upto 99 years, for premises are for a period upto 10 years, plant & machinery are for a period upto 5 years and vehicles are for a period upto 5 years. The Company also has certain leases of machinery, computers, vehicles with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

As at March 31, 2019, the Company had minimum lease payment commitment under non-cancellable operating leases of INR 18 million. Pursuant to adoption of Ind AS 116, lease liabilities of INR 806 million were recognised on April 01, 2019, the transition date. The difference between the operating lease commitments under Ind AS 17 and lease liabilities recognised under Ind AS 116 is largely due to discounting of lease commitments and adoption of practical expedients on exclusion of short-term leases and leases of lowvalue and other adjustments due to reassessment of terms of the contracts.

As at the transition date April 01, 2019 following impacts were recognised in financial position on account of recognition of right of use assets, lease liabilities and reclassification of existing finance lease assets and liabilities.

	March 31, 2019	April 01, 2019	Change
Property, plant & equipment (Refer note 3)	17,087	16,280	(806)
Right-of-use assets (Refer note 3)	-	923	923
Other receivables and assets (non-current and current)	2,381	2,265	(116)
Borrowings (non-current and non current, including current maturity of long term borrowing)	14,194	14,194	-
Lease Liabilities	-	806	806

The carrying amounts of lease liabilities and the movements during the period is given below:

	March 31, 2020
Recognised as at April 01, 2019 on account of adoption of ind AS 116	806
	806
	March 31, 2020
Current lease liabilities	137
Non-current lease liabilities	791
	928
Amount recognised in statement of profit and loss during the year on account of Ind AS 116	March 31, 2020
Interest expense on lease liabilities (included in finance cost)	88
Depreciation of Right of Use assets	248
Lease expense derecognised	289
Other items included in statement of profit and loss during the year:	
Short term and low value lease payments	455

47 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to fulfil its performance obligations under the contract with customers;(ii) revision of estimations of costs to complete the contract because of additional efforts; (iii) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Investments and other financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future demand of its products. The Company has performed analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

48 Dues to micro, small and medium 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:

	March 31, 2020	March 31, 2019
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	155	202
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	(0)	3
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	1,767	1,864
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	5	14
Further interest remaining due and payable for earlier years	-	-

- 49 During the year, the Company has recognised an expense of INR 56 million (31 March 2019: Nil) toward its proportionate share of costs allocated by the Samvardhana Employees Welfare Trust ('the Trust') constituted by Samvardhana Motherson International Limited for providing share scheme and other benefits to the employees of the participating companies. The trust helps the employees of participating companies to dispose off shares at fair value .

The Company has also given a loan amounting to INR 125 million (31 March 2019: Nil) to the Trust and is outstanding as on March 31, 2020. The loan carries interest @ rate of 9.5% p.a. and is repayable after 5 years from the date of loan.

50 Disclosure pursuant to the Regulation 34(3) read with para A of Schedule V to Securities and Exchange Board of India (Listing Obligations And Disclosures Requirements) Regulation, 2015:

- a) Loans and advances in the nature of loans to subsidiaries and associates

	March 31, 2020	March 31, 2019
Loan to Subsidiary : Samvardhana Motherson Polymer Limited		
Balance as at year end	-	2
Maximum amount outstanding at any time during the year	2	2
Loan to Subsidiary: Motherson Polymers Compounding Solution Limited		
Balance as at year end	-	12
Maximum amount outstanding at any time during the year	12	12

- b) Investment by the loanees in the shares of the Company: The loanees have not made any investment in the shares of the Company.

- 51 The Board of Directors in its meeting dated January 30, 2020, has constituted Sub Committee to examine and submit proposal to the Board for reorganization of business within the group which will, inter alia, demerge domestic wiring harness business of the Company into a newly formed legal entity with mirror shareholding, which shall be listed and consolidating shareholding in Samvardhana Motherson Automotive Systems Group B.V. ("SMRP BV") in MSSL through a process of merger to bring 49% stake held by Samvardhana Motherson International Limited ("SAMIL") in SMRP BV into MSSL. The sub-committee as formed by the Board of directors is currently evaluating all options which will be submitted to the board for their final approval and necessary actions thereafter.

- 52 Amounts appearing as zero "0" in financial are below the rounding off norm adopted by the Company

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

PANKAJ CHADHA
Digitally signed by PANKAJ CHADHA
DN: cn=PANKAJ CHADHA, o=IN,
ou=Personal,
email=pankaj.chadha@srb.in
Reason: I am approving this document
Date: 2020.06.03 19:41:23 +05'30'

per **PANKAJ CHADHA**
Partner
Membership No.: 091813

Place: Gurugram
Date: June 02, 2020

For and on behalf of the Board

VIVEK CHAAND SEHGAL
Digitally signed by VIVEK CHAAND SEHGAL
Date: 2020.06.03 18:05:14 +05'30'

V.C. SEHGAL
Chairman

Gaya Nand Gauba
Digitally signed by Gaya Nand Gauba
Date: 2020.06.03 18:19:11 +05'30'

G.N. GAUBA
Chief Financial Officer

Place: Noida
Date: June 02, 2020

PANKAJ KUMAR MITAL
Digitally signed by PANKAJ KUMAR MITAL
Date: 2020.06.03 18:12:28 +05'30'

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

Alok Goel
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Date: 2020.06.03 18:26:53 +05'30'

ALOK GOEL
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Motherson Sumi Systems Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Motherson Sumi Systems Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures comprising of the consolidated Balance sheet as at March 31 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS 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, associates and joint ventures, the aforesaid consolidated Ind AS 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, its associates and joint ventures as at March 31, 2020, their consolidated profit 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them to us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of Property, Plant and Equipment (PPE) with particular reference to greenfield locations and Goodwill arising out of one of the business combinations <i>(as described in note 3a, and 5 of the consolidated Ind AS financial statements)</i>	
<p>The Group has a total balance of PPE as at March 31, 2020 of INR 147,138 million out of which INR 24,997 million relates to green field locations which are incurring losses and were tested for impairment assessments.</p> <p>Further, consolidated balance sheet also includes the goodwill resulting from one of the earlier business acquisitions amounting to INR 19,964 million as on March 31, 2020.</p> <p>The impairment assessment of PPE belonging to these green field facilities and the Goodwill resulting from earlier acquisition was complex and highly judgmental due to the significant estimation required to determine the Value-In-Use (VIU). In particular, the determination of the VIU is sensitive to significant assumptions, such as changes in the discount rate, revenues (pricing and volume growth), operating margin and terminal value, which are affected by expectations about future market or economic conditions, particularly those related to the greenfield projects.</p> <p>Accordingly, the matter has been identified as KAM.</p>	<p>The procedures performed by us and other auditors includes following:</p> <ul style="list-style-type: none"> Assessed the process followed, impairment methodology applied by the Group and obtained an understanding of the analysis performed by management for the purposes of the impairment assessment; Evaluated through an analysis of internal and external factors impacting the Group, whether there were any indicators of impairment in accordance with Ind AS 36; Assessed the operating margins, discount rates and revenue growth applied within the model, with the support of valuation specialists and sensitivity analysis; Obtained and evaluated reasonableness of the future growth considering historical trend and industry benchmark; Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements, including those related to reasonably possible changes in key assumptions that could lead to an impairment of Property, plant and equipment.
De-recognition of trade receivables under factoring facilities <i>(as described in note 2.1 q and 8 of the consolidated Ind AS financial statements)</i>	
<p>The Group enters into non-recourse factoring arrangements for its trade receivables with various banks/financial institutions.</p> <p>As at 31 March 2020 the Group had factoring facilities in place for trade receivables amounting to INR 42,813 million which were de-recognized in the financial statements.</p> <p>The Group derecognizes the receivables from its books if it transfers substantially all the risks and rewards of ownership of the financial asset (i.e. receivables).</p> <p>The assessment of de-recognition of trade receivables under the factoring facilities is complex and requires judgement.</p>	<p>The procedures performed by us and other auditors includes following:</p> <ul style="list-style-type: none"> Obtained an understanding of the process related to de-recognition of trade receivables; Evaluated the assessment made by management covering significant factoring contracts; For certain new contracts entered during the year, tested their nature and evaluated whether key terms and conditions thereof are in line with the guidance prescribed under Ind AS 109, "Financial Instruments";

Key audit matters	How our audit addressed the key audit matter
Accordingly, the matter has been identified as KAM.	<ul style="list-style-type: none">• Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.

Emphasis of Matter- Corona developments

The developments surrounding the Corona (Covid-19) virus have a profound impact on people's health and on our society as a whole, as well as on the operational and financial performance of organizations. The situation changes on a daily basis giving rise to inherent uncertainty. The Group is confronted with this uncertainty as well, which has been disclosed in the note 52 to the Ind AS financial statements, together with its evaluation thereof. We draw attention to these disclosures. Our opinion is not modified in respect of this matter.

Other Information

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

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

In connection with our audit of the consolidated Ind AS 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 Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS 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 including its associates and joint ventures 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 and of its associates and joint ventures 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 of its associates and joint ventures 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 Ind AS 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 Ind AS financial statements by the 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 and of its associates and joint ventures are responsible for assessing the ability of

the Group and of its associates and joint ventures 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 charged with governance are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

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

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Ind AS 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 Ind AS 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures 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 Ind AS 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 and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 and its joint venture and whose financial information we have audited, to express an opinion on the consolidated Ind AS 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 Ind AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 79 subsidiaries, whose Ind AS financial statements include total assets of Rs.753,579 million as at March 31, 2020, and total revenues of Rs.505,861 million and net cash inflows of Rs.12,195 million for the year ended on that date. These Ind AS financial statements 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. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs.631 million for the year ended March 31, 2020, as considered in the consolidated Ind AS financial statements, in respect of 3 joint ventures, whose financial statements and other financial information have been audited by other auditors and whose reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, 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, joint ventures and associates, is based solely on the reports of such other auditors.
- (b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of 63 subsidiaries, whose financial statements and other financial information reflect total assets of Rs.72,500 million as at March 31, 2020, and total revenues of Rs.9,524 million and net cash inflows of Rs.178 million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs.161 million for the year ended March 31, 2020, as considered in the consolidated Ind AS financial statements, in respect of 2 associates and 2 joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, 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, joint ventures and associates, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS 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

As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, 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 except 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 Ind AS 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 Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS 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 of the Holding Company as on March 31, 2020 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, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India, refer to our separate Report in "Annexure 1" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (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, associates and joint ventures, as noted in the 'Other matter' paragraph:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its

- consolidated Ind AS financial statements – Refer Note 20 and 43 to the consolidated Ind AS financial statements;
- ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 37 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, its associates and joint ventures and (b) the Group's share of net profit in respect of its associates;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India during the year ended March 31, 2020.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

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CHADHA

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per **Pankaj Chadha**

Partner

Membership Number: 091813

UDIN: 20091813AAAACI5488

Place of Signature: Gurugram

Date: June 02, 2020

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF MOTHERSON SUMI SYSTEMS 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 Ind AS financial statements of Motherson Sumi Systems Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Motherson Sumi Systems Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, its associate companies and joint ventures, 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, its associate companies and joint ventures, 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated Ind AS 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 Ind AS 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 Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS 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, its associate companies and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2020, 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 Ind AS financial statements of the Holding Company, insofar as it relates to these 5 subsidiary companies, 2 joint ventures and 1 associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary, joint ventures and associate companies incorporated in India.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

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per Pankaj Chadha

Partner

Membership Number: 091813

UDIN: 20091813AAAACI5488

Place of Signature: Gurugram

Date: June 02, 2020

Motherson Sumi Systems Limited Consolidated Financial Statements 2019-20

(All amounts in INR Million, unless otherwise stated)

	Notes	As At March 31, 2020	As At March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	147,138	140,539
Right-to-use assets	3(b)	15,596	-
Capital work-in-progress		8,154	10,463
Investment property	4	1,197	1,304
Goodwill	5	24,060	22,118
Other intangible assets	5	19,510	20,266
Intangible assets under development		364	205
Investments accounted for using the equity method	48	6,341	6,155
Financial assets			
i. Investments	6 (a)	1,614	2,389
ii. Loans	7	177	58
iii. Trade receivables	8	13,998	11,629
iv. Other financial assets	9	1,228	680
Deferred tax assets (net)	10 (a)	5,030	6,123
Other non-current assets	11	12,165	9,353
Non-current tax assets (net)	23	3,732	2,524
Total non-current assets		260,304	233,806
Current assets			
Inventories	12	51,566	46,634
Financial assets			
i. Investments	6 (b)	6	10
ii. Trade receivables	8	51,784	61,663
iii. Cash and cash equivalents	13(a)	48,688	35,399
iv. Bank balances other than (iii) above	13(b)	101	70
v. Loans	7	313	217
vi. Other financial assets	9	30,882	42,167
Other current assets	14	11,314	13,336
Total current assets		194,654	199,496
Total assets		454,958	433,302
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	3,158	3,158
Other equity			
Reserves and surplus	16 (a)	103,958	102,937
Other reserves	16 (b)	5,493	3,533
Equity attributable to owners of the Company		112,609	109,628
Non controlling interests		35,650	34,797
Total equity		148,259	144,425
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	17 (a)	82,612	80,995
ii. Lease liabilities	46	10,300	-
iii. Other financial liabilities	18	3,794	4,688
Provisions	20	753	886
Employee benefit obligations	21	4,801	4,465
Deferred tax liabilities (net)	10 (b)	4,627	5,762
Government grants	22	2,433	1,956
Other non-current liabilities	24 (a)	1,671	1,220
Total non-current liabilities		110,991	99,972
Current liabilities			
Financial Liabilities			
i. Borrowings	17 (b)	34,079	28,433
ii. Lease liabilities	46	3,363	-
iii. Trade payables	19	103,091	106,613
iv. Other financial liabilities	18	33,082	32,628
Provisions	20	2,052	1,579
Employee benefit obligations	21	2,283	2,270
Government grants	22	357	472
Current tax liabilities (net)	23	3,623	4,148
Other current liabilities	24 (b)	13,778	12,763
Total current liabilities		195,708	188,906
Total liabilities		306,699	288,878
Total equity and liabilities		454,958	433,303

Summary of significant accounting policies

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

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per PANKAJ CHADHA
Partner
Membership No.: 091813

Place: Gurugram
Date: June 02, 2020

PANKAJ CHADHA

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VIVEK CHAAND
SEHGAL

V.C. SEHGAL
Chairman

Gaya Nand
Gauba
G.N. GAUBA
Chief Financial Officer

Place: Noida
Date: June 02, 2020

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PANKAJ
KUMAR MITAL

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

Alok Goel
ALOK GOEL
Company Secretary

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(All amounts in INR Million, unless otherwise stated)

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue			
Revenue from contract with customers	25 (a)	630,705	631,575
Other operating revenue	25 (b)	4,663	3,654
Total revenue from operations		635,368	635,229
Other income	26	2,307	2,202
Total income		637,675	637,431
Expenses			
Cost of materials consumed	27	355,470	363,694
Purchase of stock-in-trade		7,100	5,340
Change in inventories of finished goods, work-in-progress and stock in trade	28	145	(1,651)
Employee benefit expense	29	150,769	141,694
Depreciation and amortisation expense	32	27,780	20,582
Finance costs	31	5,986	4,232
Other expenses	30	69,871	72,668
Total expenses		617,121	606,559
Profit before exceptional items, share of net profit of investments accounted for using equity method and tax		20,554	30,872
Group's share in net profit / (loss) of associates and joint ventures accounted for using the equity method		575	1,131
Profit before tax		21,129	32,003
Tax expenses			
Current tax	33	9,043	11,860
Deferred tax expense/ (credit)	33	(859)	(838)
Total tax expense		8,184	11,022
Profit for the year		12,945	20,981
Other comprehensive income			
Items to be reclassified to profit or loss			
Exchange gain/(losses) on translation of foreign operations		5,940	(1,149)
Deferred gain / (losses) on cash flow hedges		(2,707)	1,027
		3,233	(122)
Income tax on items that may be reclassified to profit or loss		353	172
		3,586	50
Items not to be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		(834)	(14)
Remeasurements of post-employment benefit obligations		(185)	(290)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		(5)	0
		(1,024)	(304)
Income tax relating to items that will not be reclassified to profit or loss		64	71
		(960)	(233)
Other comprehensive income for the year, net of tax		2,626	(183)
Total comprehensive income for the year, net of tax		15,571	20,798
Profit attributable to:			
Owners		11,701	16,131
Non-controlling interest		1,244	4,850
		12,945	20,981
Other comprehensive income attributable to:			
Owners		1,804	(353)
Non-controlling interest		822	170
		2,626	(183)
Total comprehensive income attributable to:			
Owners		13,505	15,778
Non-controlling interest		2,066	5,020
		15,571	20,798
Earnings per share	34		
Nominal value per share: INR 1 (Previous year : INR 1)			
Basic		3.71	5.11
Diluted		3.71	5.11

Summary of significant accounting policies

2

This is the consolidated Statement of Profit and Loss referred to in our report of even date

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

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per PANKAJ CHADHA

Partner

Membership No.: 091813

Place: Gurugram
Date: June 02, 2020

PANKAJ CHADHA

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VIVEK
CHAAND
SEHGAL

V.C. SEHGAL

Chairman

Gaya Nand
Gauba

G.N. GAUBA

Chief Financial Officer

Place:Noida

Date: June 02, 2020

PANKAJ
KUMAR MITAL

PANKAJ MITAL

Whole-time Director/
Chief Operating Officer

Alok Goel

ALOK GOEL
Company Secretary

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MOTHERSON SUMI SYSTEMS LIMITED
Consolidated statement of changes in equity



(All amounts in INR Million, unless otherwise stated)

A. Equity share capital

	Notes	Amount
As at April 01, 2018		2,105
Issue of equity share capital	15	1,053
As at March 31, 2019		3,158
Issue of equity share capital	15	-
As at March 31, 2020		3,158

B. Other equity

	Notes	Reserves and Surplus					Items of OCI			Total attributable to Owners	Non Controlling interests	Total
		Capital reserve on consolidation	Securities premium	Reserve on amalgamation	General Reserve	Retained Earnings	FVOCI equity instrument	Foreign currency translation reserve	Cash flow hedging reserve			
Balance as at April 01, 2018		1,255	27,356	1,663	3,430	59,338	106	4,832	(1,244)	96,736	29,600	126,336
Profit for the year	16(a)	-	-	-	-	16,131	-	-	-	16,131	4,850	20,981
Other comprehensive income	16(a)&(b)	-	-	-	-	(192)	8	(1,122)	953	(353)	170	(183)
Total comprehensive income for the year		-	-	-	-	15,939	8	(1,122)	953	15,778	5,020	20,798
Bonus Issue	16	-	(1,053)	-	-	-	-	-	-	(1,053)	-	(1,053)
Dividend paid	16 (a)	-	-	-	-	(4,737)	-	-	-	(4,737)	-	(4,737)
Tax on Dividend	16 (a)	-	-	-	-	(842)	-	-	-	(842)	-	(842)
Addition on account of business combination (Refer note 50)	16 (a)	494	-	-	-	-	-	-	-	494	1,539	2,033
Dividend to non controlling interest	48 B	-	-	-	-	-	-	-	-	-	(1,413)	(1,413)
Additional contribution by Non controlling interest		-	-	-	-	-	-	-	-	-	161	161
Hyperinflation adjustment (Refer note 47)		-	-	-	-	94	-	-	-	94	91	185
Other addition / (deletion)		-	-	-	-	-	-	-	-	-	(200)	(200)
Balance at March 31, 2019		1,749	26,303	1,663	3,430	69,792	114	3,710	(291)	106,470	34,798	141,268
Profit for the year	16(a)	-	-	-	-	11,701	-	-	-	11,701	1,244	12,945
Other comprehensive income	16(a)&(b)	-	-	-	-	(156)	(420)	4,343	(1,963)	1,804	822	2,626
Total comprehensive income for the year		-	-	-	-	11,545	(420)	4,343	(1,963)	13,505	2,066	15,571
Dividend paid	16 (a)	-	-	-	-	(9,474)	-	-	-	(9,474)	-	(9,474)
Tax on Dividend	16 (a)	-	-	-	-	(1,370)	-	-	-	(1,370)	-	(1,370)
Addition on account of business combination (Refer note 50)	16 (a)	171	-	-	-	-	-	-	-	171	8	179
Dividend to non controlling interest	48 B	-	-	-	-	-	-	-	-	-	(1,381)	(1,381)
Hyperinflation adjustment (Refer note 47)		-	-	-	-	149	-	-	-	149	143	292
Other addition / (deletion)		-	-	-	-	-	-	-	-	-	16	16
Balance at March 31, 2020		1,920	26,303	1,663	3,430	70,642	(306)	8,053	(2,254)	109,451	35,650	145,101

Summary of significant accounting policies

This is the consolidated Statement of changes in equity referred to in our report of even date

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

For S.R. Batliboi & Co. LLP

Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**
Partner
Membership No.: 091813

Place: Gurugram
Date: June 02, 2020

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V.C. SEHGAL
Chairman

Gaya Nand Gauba
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G.N. GAUBA
Chief Financial Officer

Place:Noida
Date: June 02, 2020

For and on behalf of the Board

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PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

ALOK GOEL Alok Goel
Company Secretary
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(All amounts in INR Million, unless otherwise stated)

	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash flow from operating activities:		
Profit before tax	21,129	32,003
Adjustments for:		
Share of (profit)/loss in associates and joint ventures accounted for using the equity method	(575)	(1,131)
Depreciation and amortisation expense	27,780	20,582
Finance cost	5,986	4,232
Interest income	(361)	(354)
Dividend income	(6)	(8)
Loss/ (gain) on disposal of property, plant & equipment	(41)	(96)
Bad debts / advances written off	67	103
Provision for doubtful debts / advances	42	20
Liability no longer required written back	(497)	(130)
Unrealised foreign currency loss/(gain)	4,571	(641)
Operating profit before working capital changes	58,095	54,580
Changes in working capital:		
Increase/(decrease) in trade and other payables	(1,511)	(543)
Increase/(decrease) in other financial liabilities	2,724	7,816
(Increase)/decrease in trade receivables	8,146	4,284
(Increase)/decrease in inventories	(4,360)	(4,826)
(Increase)/decrease in other receivables	307	(2,165)
(Increase)/decrease in other financial assets	10,895	(5,524)
Cash generated from operations	74,296	53,622
Taxes (paid) / received	(10,776)	(10,498)
Net cash generated from operating activities	63,520	43,124
B. Cash flow from Investing activities:		
Payments for purchase of property, plant & equipment and other intangible assets (including capital work-in-progress and intangible assets under development)	(22,741)	(27,627)
Proceeds from sale of property, plant & equipment and other intangible assets	799	774
Proceeds from sale / (payment for purchase) of investments	33	(13)
Loan (to)/repaid by related parties (net)	(199)	215
Interest received	387	349
Dividend received	6	8
Dividend received from associates & joint venture entities	559	406
(Investment)/Proceeds from maturity of deposits with remaining maturity for more than 12 months	(15)	-
Consideration paid on acquisition of subsidiaries (Refer Note 50)	(1,228)	(7,217)
Net cash (used) in investing activities	(22,399)	(33,105)
C. Cash flow from financing activities:		
Proceeds from minority shareholders	-	161
Dividend paid	(9,457)	(4,140)
Dividend distribution tax	(1,370)	(842)
Dividend paid to minority share holders	(1,967)	(1,413)
Interest paid	(5,667)	(4,159)
Proceeds from long term borrowings	355	7,589
Proceeds from short term borrowings	33,869	45,995
Proceeds of loans from other related parties	4,182	5,947
Repayment of long term borrowings	(5,809)	(13,226)
Repayment of short term borrowings	(30,871)	(38,158)
Repayment of loans to other related parties	(7,940)	-
Payment of leased liability	(3,354)	-
Net cash (used) in financing activities	(28,029)	(2,246)

(All amounts in INR Million, unless otherwise stated)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Net Increase/(Decrease) in Cash & Cash Equivalents	13,092	7,773
Net foreign exchange difference on balance with banks in foreign currency	197	(80)
Net Cash and Cash equivalents at the beginning of the year	35,399	27,706
Cash and cash equivalents as at year end	48,688	35,399
Cash and cash equivalents comprise		
Cash on hand	37	20
Cheques / drafts on hand	11	96
Balance with Banks	48,640	35,283
Cash and cash equivalents as per Balance Sheet (restated)	48,688	35,399
Summary of significant accounting policies (Note 2)		

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

This is the Consolidated Cash Flow Statement referred to in our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

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per **PANKAJ CHADHA**

Partner

Membership No.: 091813

Place: Gurugram

Date: June 02, 2020

For and on behalf of the Board

VIVEK
CHAAND
SEHGAL

V.C. SEHGAL
Chairman

Gaya Nand
Gaubha

G.N. GAUBA
Chief Financial Officer

Place:Noida
Date: June 02, 2020

PANKAJ
KUMAR MITAL

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

Alok
Goel

ALOK GOEL
Company Secretary

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the consolidated financial statements

(All amounts are in INR Million, unless otherwise stated)

1. Corporate Information

The consolidated financial statements comprise financial statements of Motherson Sumi Systems Limited (MSSL or 'the Company') and its subsidiaries (hereinafter collectively referred to as 'the Group') for the year ended March 31, 2020. The Company was incorporated and domiciled in India on December 19, 1986 and is engaged primarily in the manufacture and sale of components to automotive original equipment manufacturers. The address of its registered office is Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra. The Company is a public limited company and is listed in the Bombay Stock Exchange and National Stock Exchange. The Company is a joint venture entity between Samvardhana Motherson International Limited (SMIL) and Sumitomo Wiring Systems Limited, Japan. The Group comprises MSSL and it's directly and indirectly held 167 subsidiaries (including stepdown subsidiaries) and exercises joint control over 6 joint ventures and significant influence over 2 associates. The Group has manufacturing plants in India, Sri Lanka, Thailand, United Arab Emirates (UAE), Australia, United Kingdom (UK), Germany, Hungary, Portugal, Spain, France, Slovakia, China, South Korea, USA, Brazil, Mexico, Czech Republic, South Africa, Serbia, Lithuania, Poland, Russia, Morocco, Philippines, Argentina and Croatia.

2.1 Significant accounting policies

a) 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 37
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and distribution liability, Refer Note 36
- Defined benefit pension plans – plan assets measured at fair value. Refer Note 21

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The consolidated financial statements are presented in INR and all values are rounded to the nearest millions (INR 000,000), except when otherwise indicated.

b) Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2020. 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. Intercompany 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

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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 company, 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.

c) Investment in associates and joint ventures

Associates are all entities over which the Group has significant influence but not control or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The financial statements of the associates are prepared for the same reporting period as the Group to enable the parent to consolidate the financial information of the associates. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The group applies Ind AS 111 to all joint arrangements. Under Ind AS 111 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries

Investments in associates and joint ventures are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the other entity.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit and loss.

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d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity attributable to owners of MSSL.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

e) Segment reporting

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 41)

f) 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.

g) Foreign currencies

i. 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 Company's functional and presentation currency.

ii. Transactions and balances

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

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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 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 on foreign currency borrowings 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 foreign currencies are translated into functional currency 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.

iii. Group companies

The results and financial position of foreign operations (except one of the subsidiary in Argentina which has currency of hyperinflation (refer policy described in note aa below), none of the Group's subsidiary, joint venture and associates has the currency of a hyperinflationary economy) 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.

h) 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, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of components

Revenue from sale of components is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment.

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 equipment, 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).

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 components provide customers with a customary right of return in case of defects, quality issues etc. The rights of return give rise to variable consideration.

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The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Warranty obligations

The Group typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Revenue from assembly of components

The Group has contracts with customers to assemble, on their behalf, customised components from various parts procured from suppliers identified by the customer. The Group is acting as an agent in these arrangements.

When another party is involved in providing goods or services to its customer, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Group is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Group's role is only to arrange for another entity to provide the goods or services, then the Group is an agent and will need to record revenue at the net amount that it retains for its agency services.

Revenue from development of tools

The Group develops customised tooling for its customers and recognises its revenue over time using an input method to measure progress towards complete satisfaction of the tool development.

The Group recognises revenue from development of tools over time if it can reasonably measure its progress towards complete satisfaction of the performance obligation.

Where the Group cannot reasonably measure the outcome of a performance obligation, but the Group expects to recover the costs incurred in satisfying the performance obligation. In those circumstances, the Group recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

Costs to obtain a contract

Such costs are recognised as an asset if there are future economic benefits associated with such costs. These are amortised systematically to match the benefits and such amortisation is netted off with revenue. Such assets are presented as Deferred Revenue Expenditure in Note 45 and classified as current and non-current based on the expected amortisation period. In cases where future economic benefits cannot be determined such costs are expensed off as incurred and are netted off with the revenues.

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the timing of satisfaction of tooling development

The Group concluded that revenue for development of tooling is to be recognised over time because the Group's performance does not create asset with an alternative use to the Group since the tools are customised for each customer and the Group has an legally enforceable right to payment for fair value of performance completed to date.

The Group determined that the input method is the best method in measuring progress of the tooling development because there is a direct relationship between the Group's effort (i.e., costs incurred) and the transfer of tooling to the customer. The Group recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

Principal versus agent considerations

The Group enters into contracts with its customers to assemble, on their behalf, customised components using various parts procured from suppliers identified by the customer. Under these contracts, the Group provides assembly services (i.e., coordinating the procurement of various parts from the identified suppliers and combining or assembling them into components as desired by the customer). The Group determined that it does not control the goods before they are transferred to customers, and it does not have the ability to direct the use of the component or obtain benefits from the

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component. The following factors indicate that the Group does not control the goods before they are being transferred to customers. Therefore, the Group determined that it is an agent in these contracts.

- The Group is not primarily responsible for fulfilling the promise to provide the specified equipment.
- The Group does not have inventory risk before or after the specified component has been transferred to the customer as it purchases various parts on just-in-time basis and only upon contract of the customer.
- The Group has no discretion in establishing the price for the specified component. The Group's consideration in these contracts is only based on the difference between the maximum purchase price quoted by the customer and the cost of various parts purchased from the suppliers.
- In addition, the Group concluded that it transfers control over its services (i.e., assembling the component from various parts), at a point in time, upon receipt by the customer of the component, because this is when the customer benefits from the Group's agency service.

Consideration of significant financing component in a contract

The Group develops customised tooling and secondary equipment's for which the manufacturing lead time after signing the contract is usually more than one year. This type of contract includes two payment options for the customer, i.e., payment of the transaction price equal to the cash selling price upon delivery of the tooling or payment of the transaction price as part of the component's selling price. The Group concluded that there is a significant financing component for those contracts where the customer elects to pay along with the component's selling price considering the length of time between the transfer of tooling and secondary equipment and the recovery of transaction price from the customer, as well as the prevailing interest rates in the market.

In determining the interest to be applied to the amount of consideration, the Group concluded that the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance) is appropriate because this is commensurate with the rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception.

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 8.

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. The Group's contract assets are disclosed in Note 45 as Unbilled 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 45 as Advances received from customers.

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.

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i) 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 arising from investment properties given on 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.

Duty drawback and export incentives

Income from duty drawback and export incentives is recognized on an accrual basis.

Royalty income

Royalty income is recognized in Other operating income on an accrual basis in accordance with the substance of the relevant agreements.

j) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected useful lives of the related assets and presented within other income.

When government grants relating to loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

k) 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.

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 Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

Deferred tax liabilities are not recognised:

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- 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.

Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

I) Leases

Pursuant to the notification by the Ministry of Corporate Affairs, The Group adopted IND AS 116 effective from April 1, 2019, prospectively using the modified retrospective method as mandated by Para C5(b) and Para C8(c)(ii) of IND AS 116. Accordingly, the Group has not restated comparative information and there is no cumulative effect of initially applying this Standard to be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

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.

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 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.

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

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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 insubstance 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.

Short-term leases and leases of low-value assets

The Group 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.

Key assumptions that the Group is applying for implementing the standard are as follows:

Terms: For each contract, the Group reviewed the renewal and the early termination options within the term of the arrangement and determined, after taking into account all the relevant facts and circumstances, what would be the date at which the Group reasonably expects the contract to be terminated. For certain categories of leased assets, (mainly vehicles), the Group assesses that there is no reasonably certain extension option, consequently the duration selected coincides with the first term of the lease contract. For real estate lease arrangements, the Group defines the reasonable end date of the contracts, while taking into account the renewal and early termination options stated in the agreements, in line with the asset's expected period of use.

Discount rates: The Group determined discount rates reflecting each subsidiary's specific credit risk, the currency of the contract and the weighted average maturity of the reimbursement of the lease liability. For the transition the incremental borrowing rate used is the rate applicable to the residual terms of the contracts. For contracts previously classified as finance leases the Group has recognised the carrying amount of the right of use assets and lease liability at the date of initial application.

As a Lessor

Lease income from operating leases where the Group 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.

m) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

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When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured at fair value at each reporting date with changes in fair value recognised in statement of profit and loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

n) 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.

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

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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 or 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 CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

o) 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.

p) Inventories

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

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

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

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

q) 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 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 (h) 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

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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 four categories:

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

Debt instruments at amortised cost

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:

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

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 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 P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. The Group elected to classify irrevocably its non-listed equity investments under this category.

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If the Group 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 Group may transfer the cumulative gain or loss within equity.

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated 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:

- 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. Lease receivables under Ind AS 116
- d. 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
- e. Loan commitments which are not measured as at FVTPL
- f. Financial guarantee contracts which are not measured as at FVTPL

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

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

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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'

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

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 designated as hedging instruments in an effective hedge, as appropriate.

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the 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 P&L. 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.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of

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the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

Embedded derivatives

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

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

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 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.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

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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.

r) 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 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, 36 and 37)
- Quantitative disclosures of fair value measurement hierarchy (note 36)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (note 6, 7, 8, 9, 13, 17, 18, 19, 36 and 37)

s) Derivative financial instruments and hedge accounting

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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 profit or loss when the hedge item affects profit or 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.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking its hedge transactions.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

i. Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

The Group has an interest rate swap that is used as a hedge for the exposure of changes in the fair value. See Note 37 for more details.

ii. Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

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If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

iii. Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit or loss (as a reclassification adjustment).

The Group uses a loan as a hedge of its exposure to foreign exchange risk on its investments in foreign subsidiaries.

t) Property, plant and equipment

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the 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.

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, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

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

Depreciation methods and useful lives

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

Assets	Indian entities*	Overseas entities
	Useful lives(years)	Useful lives(years)
Leasehold improvements	Over the period of lease or useful life, whichever is lower	
Buildings	30 years	5 to 61 years
Plant & Machinery:		
Plant & Machinery	7.5 years	3 to 15 years
Die & Moulds	6.17 years	3 to 15 years
Electric Installation	10 years	3 to 15 years
Furniture & fixtures	6 years	3 to 15 years
Office equipment	5 years	3 to 10 years
Computers:		
Server & Networks	3 years	3 to 15 years
End user devices, such as desktops, laptops, etc.	3 years	3 to 15 years
Vehicles	4 years	3 to 12 years
Aircraft	-	8 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

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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.

u) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Group depreciates building component of investment property over 30 years.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in notes 4.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

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Intangible assets

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

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.

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, 2015 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

Business, commercial and other rights

Separately acquired trademarks and licences are shown at historical cost. Trademarks, licenses and customer contracts acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Customer relationships

Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Software

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Separately acquired software are shown at transaction cost, software acquired in a business combination are recognised at fair value at the acquisition date. They are subsequently carried at cost less accumulated amortisation.

Research and development 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

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Currently, research costs incurred by the Group do not meet the recognition criteria and accordingly such research costs are expensed of in the statement of profit and loss as and when these are incurred.

Amortisation methods and periods:

Asset	Useful lives (years)
Technical Knowhow fees	3 to13 years
Business & Commercial rights	3 to 11 years
Intellectual property rights	1 to 3 years
Software	2 to 5 years
Customer relationships	3 to 15 years

The amortisation methods, the usual useful lives and the residual values of intangible assets are checked annually.

v) 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.

w) Provisions and contingent liabilities

Provisions

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

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

When the 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 increase 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.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

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x) 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.

Superannuation fund

The Group has a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The Group contributes up to 12% of the eligible employees' salary or INR 100,000 / 150,000, whichever is lower, every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligations beyond this contribution.

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 vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions to Life Insurance Corporation of India (LIC) under its Company's Gratuity Scheme whereas others are not funded.

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

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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.

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.

Other Long term benefits

Jubilee Bonus: In certain Group entities, the employees are entitled to bonus after completion of certain year of services which are based on the wage agreement or otherwise as per terms of employment. The Group recognizes as an expenditure the present value of such long term jubilee bonuses, where applicable based on the expected amounts to pay by considering expectancies of employee turnover and expected future salary increase.

Termination Benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Other long-term employee benefit obligations

In some countries, the group also has liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

y) 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.

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z) 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.

aa) Hyperinflation

The financial statements (including comparative amounts, if applicable) of the group entities whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period.

bb) Changes in Accounting policies

Ind AS 116 Lease

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Group is the lessor.

The Group adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application on April 01, 2019. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 01, 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The Group as lessee uses the following practical expedients of IND AS 116 at the date of initial application:

- With leases previously classified as operating leases according to IND AS 17, the lease liability is measured at the present value of the outstanding lease payments, discounted by incremental borrowing rate at April 1, 2019. The respective right-of-use asset is generally recognized at an amount equal to the lease liability.
- An impairment review is not performed. Instead, a right-of-use asset is adjusted by the amount of any provision for onerous leases recognized in the Statement of Financial Position at March 31, 2019.
- Regardless of their original lease term, leases for which the lease term ends at the latest on March 31, 2020 were recognized as short-term leases.
- At the date of initial application, the measurement of a right-of-use asset excludes the initial direct costs.
- Current knowledge is given due consideration when determining the lease term if the contract contains options to extend or terminate the lease.

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Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Group applies significant judgement in identifying uncertainties over income tax treatments. Since the Group operates in a complex multinational environment, it assessed whether the Appendix had an impact on its consolidated financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Group considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company's and the subsidiaries' tax filings in different jurisdictions include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Group determined, based on its tax compliance and transfer pricing study that it is probable that its tax treatments (including those for the subsidiaries) will be accepted by the taxation authorities.

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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 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 investment properties

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 21**

(iii) Fair valuation of unlisted securities

When the fair value of unlisted securities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. **Refer Note 36 of the financials.**

(iv) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The 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.

(v) Percentage completion of recognition of revenue

The Group uses the percentage-of-completion method in accounting for 'development of tools' contracts. 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.

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(vi) Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts. Refer note 50.

(vii) Impairment of goodwill

Market related information and estimates are used to determine the recoverable amount of a cash generating unit. Key assumptions on which the management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments

3(a) Property, plant and equipment

Property, plant and equipment	Own Assets									Assets Taken on Finance Lease						Total
Particulars	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery	Furniture & fixtures	Office equipments	Computers	Vehicles	Aircraft	Leasehold Land	Buildings	Plant & Machinery	Furniture & fixtures	Computers	Vehicles	
Year ended March 31, 2019																
Gross carrying amount																
As at April 01, 2018	5,716	845	38,586	84,303	4,531	1,192	2,262	352	1,274	2,188	758	1,084	26	4	14	143,135
Additions	-	141	12,542	29,511	3,317	1,219	596	93	-	377	7	53	3	0	4	47,863
Additions on account of business combination ⁴	1,032	-	2,348	7,591	-	393	-	24	-	-	-	-	-	-	-	11,388
Disposals	(11)	(1)	(57)	(1,376)	(127)	(14)	(13)	(44)	-	-	-	(54)	(1)	-	(5)	(1,703)
Exchange differences	(178)	(12)	(1,057)	(1,567)	(216)	(70)	(31)	(6)	(43)	(18)	(4)	(23)	-	(0)	-	(3,225)
Other adjustment / transfers	45	-	157	1,401	-	-	1	0	-	-	(272)	-	-	(1)	-	1,331
Closing gross carrying amount	6,604	973	52,519	119,863	7,505	2,720	2,815	419	1,231	2,547	489	1,060	28	4	13	198,789
Accumulated depreciation and impairment																
As at April 01, 2018	-	463	4,685	31,689	2,293	590	1,211	145	66	110	46	452	10	1	9	41,770
Depreciation charge during the year ¹	-	151	2,019	12,617	938	395	619	74	23	37	20	172	5	1	2	17,073
Disposals	-	-	(8)	(812)	(116)	(8)	(12)	(27)	-	-	-	(40)	(1)	-	(4)	(1,028)
Exchange differences	-	(6)	(290)	(734)	(133)	(20)	(23)	(2)	(3)	(2)	-	(14)	-	(0)	-	(1,227)
Other adjustment / transfers	0	(49)	224	1,471	32	22	10	14	-	15	(74)	(1)	(3)	(1)	2	1,662
Closing accumulated depreciation and impairment	-	559	6,630	44,231	3,014	979	1,805	204	86	160	(8)	569	11	1	9	58,250
Net carrying amount	6,604	414	45,889	75,632	4,491	1,741	1,010	215	1,145	2,387	497	491	17	3	4	140,539
Year ended March 31, 2020																
Gross carrying amount																
As at April 01, 2019	6,604	973	52,519	119,863	7,505	2,720	2,815	419	1,231	2,547	489	1,060	28	4	13	198,790
Reclassification on account of Ind AS 116	-	-	-	-	-	-	-	-	-	(2,547)	(489)	(1,060)	(28)	(4)	(13)	(4,141)
Additions	332	193	5,002	14,748	1,623	472	461	60	-	-	-	-	-	-	-	22,891
Additions on account of business combination ⁴	-	-	-	60	10	-	-	10	-	-	-	-	-	-	-	80
Disposals	(68)	(23)	(98)	(1,160)	(152)	(58)	(55)	(50)	-	-	-	-	-	-	-	(1,664)
Reclassification	-	-	446	82	-	-	-	-	-	-	-	-	-	-	-	528
Exchange differences	219	(13)	2,588	5,704	471	127	163	15	91	-	-	-	-	-	-	9,365
Other adjustment / transfers ³	-	-	92	234	-	-	-	-	-	-	-	-	-	-	-	326
Closing gross carrying amount	7,087	1,130	60,549	139,531	9,457	3,261	3,384	454	1,322	-	-	-	-	-	-	226,175
Accumulated depreciation and impairment																
As at April 01, 2019	-	559	6,630	44,231	3,014	979	1,805	204	86	160	(8)	569	11	1	9	58,250
Reclassification on account of Ind AS 116	-	-	-	-	-	-	-	-	-	(160)	8	(569)	(11)	(1)	(9)	(742)
Depreciation charge during the year ^{1 & 2}	-	163	2,388	15,040	1,223	480	607	77	62	-	-	-	-	-	-	20,040
Disposals	-	(22)	(55)	(831)	(150)	(50)	(52)	(42)	-	-	-	-	-	-	-	(1,202)
Reclassification	-	-	154	58	-	-	-	-	-	-	-	-	-	-	-	212
Exchange differences	-	(20)	252	1,923	139	34	98	9	10	-	-	-	-	-	-	2,445
Other adjustment / transfers ³	-	(11)	13	32	-	-	-	-	-	-	-	-	-	-	-	34
Closing accumulated depreciation and impairment	-	669	9,382	60,453	4,226	1,443	2,458	248	158	-	-	-	-	-	(0)	79,037
Net carrying amount	7,087	461	51,167	79,078	5,231	1,818	926	206	1,164	-	-	-	-	-	0	147,138

(i) Property, plant and equipment pledged as security: Refer note 44 for information on property plant and equipment pledged as security by the group.

(ii) Contractual obligations: Refer note 42 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

(iii) During the year ended March 31, 2019, the group has capitalised borrowing costs amounting to INR 188 million as qualifying assets. Borrowing costs were capitalised at weighted average rate of its general borrowings March 31, 2019 : 3.43%.

(iv) The recorded values of property, plant and equipment as at March 31, 2020 comprises of INR 25,039 million in respect of the greenfield locations. These amounts have primarily been allocated to the group's cash generating units ("CGU") that align with the operating segments. Based on the Greenfield's five years forecast, management determined the Value-In-Use ("VIU") of the CGUs and no impairment was deemed necessary as at March 31, 2020.

The forecasts include future projected revenues, cost reductions and other capital expenditures, which are based on past experiences and expectations about the future. Estimates relating to the future are inherently uncertain and actuals may differ as a result.

¹ Includes depreciation of INR 11 million (March 31, 2019: INR 9 million) capitalised during the year on assets used for creation of self generated assets.

² The Group has recognised impairment loss amounting to INR 437 million. The impairment losses are included under Depreciation expense.

³ Includes impact of Hyperinflationary adjustment in gross block amounting to INR 308 million (March 31, 2019: INR 241 million) and accumulated depreciation amounting to INR 43 million (March 31, 2019: INR 82 million) in respect of one of the step down subsidiary in Argentina. Refer Note 47.

⁴ Refer note 50 for additions on account of business combination.

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(All amounts in INR Million, unless otherwise stated)

3(b) Right-to-use assets

Particulars	Land	Buildings	Plant & Machinery	Furniture & fixtures	Office equipments	Computers	Vehicles	Total
Year ended March 31, 2020								
Gross carrying amount								
Recognised on April 01, 2019 ¹	226	10,498	408	597	261	40	1,128	13,158
Reclassification on account of Ind AS 116	2,387	498	491	17	-	3	4	3,400
Additions	138	1,654	56	417	34	47	423	2,769
Reclassification	-	(446)	(82)	-	-	(6)	-	(534)
Deletion	-	(285)	(27)	-	-	-	(23)	(335)
Exchange differences	26	770	58	64	21	4	64	1,007
Closing gross carrying amount	2,777	12,689	904	1,095	316	88	1,596	19,465
Accumulated depreciation and impairment								
Depreciation charge during the year ²	259	2,446	299	298	97	41	595	4,035
Deletion	-	(1)	(27)	-	-	-	(8)	(36)
Exchange differences	6	14	22	16	5	(0)	25	88
Reclassification	-	(154)	(58)	(0)	0	(6)	-	(218)
Closing accumulated depreciation and impairment	265	2,305	236	314	102	35	612	3,869
Net carrying amount	2,512	10,384	668	781	214	53	984	15,596

¹Right-to-use assets recognised as on April 01, 2019 includes prepaid rent amounting to INR 198 million related to asset taken on lease .

² The Group has recognised impairment loss amounting to INR 200 million. The impairment losses are included under 'Depreciation expense'.

4 Investment property

	March 31, 2020	March 31, 2019
Opening gross carrying amount	1,516	1,465
Add: Transfers / Additions during the year	-	70
Less: Deletions during the year	7	-
Add / (Less): Exchange differences	43	(19)
Gross Block	1,552	1,516
Accumulated depreciation:		
Opening balance	212	152
Add: Depreciation for the year*	137	64
Deletion during the year	(4)	-
Add / (Less): Exchange differences	10	(4)
Closing accumulated depreciation	355	212
Net Investment Properties	1,197	1,304

*The Group has conducted an impairment analysis and recognised impairment loss amounting to INR 100 million. The impairment losses are included under 'Depreciation expense'.

(i) Amounts recognised in profit or loss for the investment properties

	March 31, 2020	March 31, 2019
Rental Income	106	113
Direct operating expenses arising from property that generated rental income	(39)	(52)
Direct operating expenses arising from property that did not generate rental income	(5)	(1)
Profit from investment properties before depreciation	62	60
Depreciation	137	64
Loss from investment properties	(75)	(4)

(ii) Contractual obligations

Refer note 42 for disclosure of contractual obligation towards purchase of investment property.

(iii) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly.

Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

	March 31, 2020	March 31, 2019
Within one year	88	90
Later than one year but not later than 5 years	334	356
	422	446

(iv) Fair value

	March 31, 2020	March 31, 2019
Investment properties	3,130	2,999

Estimation of fair value

The fair values of investment properties have been determined by independent valuer. The fair valuation is based on prevailing market prices/ price trend of the property in that locality/ city considering the location, size of plot, approach road, amenities, locality etc.

(All amounts in INR Million, unless otherwise stated)

5 Intangible assets

Particulars	Technical Knowhow Fees	Customer Relationships and Contracts	Business and commercial rights	Intellectual Property Rights	Software	Total intangible assets other than goodwill	Goodwill ²
Year ended March 31, 2019							
Gross carrying amount							
As at April 01, 2018	165	27,036	921	43	3,002	31,167	22,646
Additions	8	4	-	(5)	846	853	-
Additions on account of business combination ¹	-	-	-	1,083	505	1,588	-
Disposals	-	-	-	-	(58)	(58)	-
Exchange Difference	(6)	(506)	(50)	(27)	(91)	(680)	(525)
Other adjustment	-	(1,205)	-	-	73	(1,132)	-
Closing gross carrying amount	167	25,329	871	1,094	4,277	31,738	22,121
Accumulated amortisation and impairment							
As at April 01, 2018	46	7,117	292	30	1,880	9,365	3
Amortisation charge during the year	29	2,514	96	122	693	3,454	-
Disposals	-	-	-	-	(56)	(56)	-
Exchange differences	(3)	(71)	(20)	(4)	(46)	(144)	-
Other adjustment	-	(1,205)	-	(15)	73	(1,147)	-
Closing accumulated amortisation and impairment	72	8,355	368	133	2,544	11,472	3
Net carrying amount	95	16,974	503	961	1,733	20,266	22,118
Year ended March 31, 2020							
Gross carrying amount							
As at April 01, 2019	167	25,329	871	1,094	4,277	31,738	22,121
Additions	141	36	-	-	762	939	-
Additions on account of business combination ¹	-	607	-	-	2	609	291
Disposals	-	-	-	-	(54)	(54)	-
Exchange difference	20	1,951	13	18	294	2,296	1,651
Other adjustment	-	1,014	-	(1,014)	-	-	-
Closing gross carrying amount	328	28,937	884	98	5,281	35,528	24,063
Accumulated amortisation and impairment							
As at April 01, 2019	72	8,355	368	133	2,544	11,472	3
Amortisation charge during the year	61	2,657	92	1	768	3,579	-
Disposals	-	-	-	-	(53)	(53)	-
Exchange differences	9	795	(4)	4	216	1,020	-
Other adjustment	-	84	-	(84)	-	-	-
Closing accumulated amortisation and impairment	142	11,891	456	54	3,475	16,018	3
Net carrying amount	186	17,046	428	44	1,806	19,510	24,060

¹ Refer Note 50 for Additions on account of business combination.

² Goodwill consist of the following

A segment-level summary of the goodwill is presented below. Refer note 41 for 'segment reporting'.

	March 31, 2020	March 31, 2019
SMR	577	537
SMP	3,361	3,129
PKC	19,964	18,306
Others	158	146
Total	24,060	22,118

The Group tests goodwill for impairment on an annual basis. The goodwill has been evaluated based on the cashflow forecasts of the related cash generating units (CGUs) and the recoverable amounts of these CGUs exceeded their carrying amounts. The estimated value in use of cash generating units (CGU) is based on the future cash flows using annual growth rate of upto 4% for periods subsequent to the forecast period of 5-10 years and weighted average cost of capital between 8% to 15%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount for any segment. The discount rate was estimated based on past experience and company's average weighted average cost of capital. The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external factors

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(All amounts in INR Million, unless otherwise stated)

6 (a) Non-Current Investments

	March 31, 2020	March 31, 2019
Investment in equity instruments		
Equity instruments at FVOCI		
<u>Quoted:</u>		
Ssangyong Motor Corporation	2	6
18,040 (March 31, 2019 : 18,040) equity shares of EUR 3.394 each fully paid up		
<u>Unquoted:</u>		
Motherson Sumi Infotech & Designs Limited	185	185
1,200,000 (March 31, 2019: 1,200,000) equity shares of INR 10 each fully paid up		
Echanda Urja Private Limited	1	1
120,645 (March 31, 2019: 120,645) equity shares of INR 10 each fully paid-up		
Tulsyan NEC Limited	-	2
Nil (March 31, 2019: 63,750) equity shares of INR 30 each fully paid-up		
N H 2 Limited	-	419
7,918,702 (March 31, 2019: 7,918,702) units of GBP 0.1 each (net of impairment provision)		
Wisetime Oy	-	52
Nil (March 31, 2019: 19) shares (Refer Note 50)		
Purpurin Grundstücksverwaltungsgesellschaft GmbH & Co. Vermietungs KG	0	0
94 (March 31, 2019: 94) equity shares of EUR 51.129 each fully paid up		
Mytrah Vayu (Manjira) Private Limited	-	0
Nil (March 31, 2019: 40,000) equity shares of INR 10 each fully paid up		
OSSIA Inc.	972	905
714,976 (March 31, 2019: 714,976) Series D Preferred Stock		
Quanergy Systems Inc.	426	792
171,528 (March 31, 2019: 171,528) Series B Preferred Stock (net of impairment provision)		
Investment in preference shares at FVOCI		
<u>Unquoted:</u>		
Comunidad de Vertidos, “Les Carrases”	5	5
9.98% preference share of EUR 61,334 (March 31, 2019 : EUR 61,334) fully paid up		
Investment in bonds and promissory notes at FVTPL		
<u>Unquoted:</u>		
Naya Health	-	-
1% Convertible Promissory Note		
OSSIA Inc.	19	18
1 Convertible Promissory Note of USD 250,000		
Others at FVOCI		
Investment in antique arts (unquoted)	4	4
Total non current investments	1,614	2,389
Aggregate amount of quoted investments and market value thereof	2	6
Aggregate amount of unquoted investments	1,612	2,383
Aggregate amount of impairment in the value of investments	828	-

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(All amounts in INR Million, unless otherwise stated)

6 (b) Current Investments

Investment in equity instruments at FVOCI

Quoted:

	March 31, 2020	March 31, 2019
HDFC Bank Limited	4	5
4,070 (March 31, 2019: 2,035) equity shares of INR 2 each fully paid up		
Balrampur Chini Mills Limited	0	0
1,200 (March 31, 2019: 1,200) equity shares of INR 1 each fully paid up		
Jaysynth Dyestuff (India) Limited	0	0
100 (March 31, 2019: 100) equity shares of INR 10 each fully paid up		
Meyer Apparel Limited	0	0
28,475 (March 31, 2019: 28,475) equity shares of INR 3 each fully paid up		
Mahindra & Mahindra Limited	2	5
7,288 (March 31, 2019: 7,288) equity shares of INR 5 each fully paid up		
Arcotech Limited	0	0
1,000 (March 31, 2019: 1,000) equity shares of INR 2 each fully paid up		

Unquoted:

Pearl Engineering Polymers Limited	-	-
3,160 (March 31, 2019: 3,160) equity shares of INR 10 each fully paid up		
Daewoo Motors Limited	-	-
6,150 (March 31, 2019: 6,150) equity shares of INR 10 each fully paid up		
Athena Financial Services Limited	-	-
66 (March 31, 2019: 66) equity shares of INR 10 each fully paid up		
Inox Leasing & Finance Limited	-	-
100 (March 31, 2019: 100) equity shares of INR 10 each fully paid up		
Total current investments	6	10

Aggregate amount of quoted investments and market value thereof	6	10
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

(All amounts in INR Million, unless otherwise stated)

7 Loans

Unsecured, considered good

Loans to related parties (Refer note 40 & 51)
Loans to employees and others

Total

March 31, 2020		March 31, 2019	
Current	Non-current	Current	Non-current
222	125	34	-
91	52	183	58
313	177	217	58

8 Trade Receivables

Unsecured, considered good

Other trade receivables
Trade receivables from related parties (Refer note 40)

Unsecured, credit impaired

Other trade receivables

Less: Allowances for credit loss

Total

March 31, 2020		March 31, 2019	
Current	Non-current	Current	Non-current
50,754	13,998	60,729	11,629
1,030	-	934	-
965	-	916	-
52,749	13,998	62,579	11,629
965	-	916	-
51,784	13,998	61,663	11,629

Note 1: The Group has derecognised trade receivables amounting to INR 42,813 million (March 31, 2019: INR 47,288 million) as it had transferred the contractual right and substantially transferred all risks and rewards of ownership of these receivables to various financial institutions.

Note 2: 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.

9 Other financial assets

Unsecured, considered good

Security deposits to related parties (Refer note 40)
Security deposits to others

Derivatives designated as hedge (Refer note 37)
Derivatives not designated as hedge
Interest receivable
Unbilled Revenue (Refer Note 45)
Deposits with original maturity for more than 12 months
Others

Total

March 31, 2020		March 31, 2019	
Current	Non-current	Current	Non-current
338	142	504	5
569	378	456	487
907	520	960	492
262	611	590	162
87	-	10	-
7	-	33	0
28,402	70	39,581	-
-	27	-	26
1,217	-	993	-
30,882	1,228	42,167	680

10 (a) Deferred tax assets (net)

	March 31, 2020	March 31, 2019
Deferred tax assets		
Unabsorbed depreciation and Tax losses	1,963	3,064
Property, plant and equipments, investment property and intangible assets	479	528
Employee benefits	640	550
Provision for Doubtful debts/Advances/Inventory	1,355	1,400
Others	593	581
Total	5,030	6,123

Movement in Deferred tax assets

	Unabsorbed depreciation and Tax losses	Property, plant and equipments, investment property and intangible assets	Employee benefits	Provision for Doubtful debts / Advances / Inventory	Others	Total
As at April 01, 2018	2,371	600	471	1,827	997	6,266
(Charged) / credited:						
to profit or loss	1,361	(319)	(84)	35	(651)	342
to other comprehensive income	-	-	71	-	172	243
Addition due to business combination	176	228	26	46	11	487
Exchange translation & reclassification adjustments*	(844)	19	66	(508)	52	(1,215)
As at March 31, 2019	3,064	528	550	1,400	581	6,123
(Charged) / credited:						
to profit or loss	2	(154)	(151)	26	(282)	(559)
to other comprehensive income	-	-	64	-	354	418
Exchange translation & reclassification adjustments*	(1,103)	105	177	(71)	(60)	(952)
As at March 31, 2020	1,963	479	640	1,355	593	5,030

10 (b) Deferred tax liabilities (net)

	March 31, 2020	March 31, 2019
Deferred tax liabilities		
Property, Plant and equipment, investment property and intangible assets	3,317	3,270
Others	1,310	2,492
Total	4,627	5,762

Movement in Deferred tax liabilities

	Property, Plant and equipment, investment property and intangible assets	Others	Total
As at April 01, 2018	3,042	2,194	5,236
(Charged) / credited:			
to profit or loss	(449)	(47)	(496)
Acquisition due to business combination	785	450	1,235
Exchange translation & reclassification adjustments*	(108)	(105)	(213)
As at March 31, 2019	3,270	2,492	5,762
(Charged) / credited:			
to profit or loss	(82)	(1,336)	(1,418)
Acquisition due to business combination	(122)	-	(122)
Exchange translation & reclassification adjustments*	251	154	405
As at March 31, 2020	3,317	1,310	4,627

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

* Reclassifications generally represents netting off between deferred tax assets and liabilities in respective jurisdictions, transfers out of deferred tax pursuant to change in tax positions in filed tax returns

11. Other non-current assets

	March 31, 2020	March 31, 2019
Capital advances	997	645
Advances recoverable	28	60
Unamortised expenditure	8,819	6,889
Prepaid expenses	133	203
Balances with government authorities	1,924	1,173
Others	264	383
Total	12,165	9,353

12. Inventories

	March 31, 2020	March 31, 2019
Raw materials	31,365	27,545
Work-in-progress	7,390	7,252
Finished goods	9,496	8,736
Stock-in-trade	295	324
Stores and spares	3,020	2,777
Total	51,566	46,634
Inventory include inventory in transit of:		
Raw materials	1,918	2,126
Finished goods	557	605

Amount recognised in profit or loss:

During the year ended March 31, 2020, the group has written down inventories to net realisable value (net of reversal of written down related to goods sold during the year at price equal to or above cost) and also made provision in respect of obsolete / slow moving items amounted to INR 271 million (March 31, 2019: INR 305 million). These were recognised as an expense during the year and included in changes in value of inventories of work-in-progress, stock-in-trade and finished goods in consolidated statement of profit or loss.

13.(a) Cash and cash equivalents

	March 31, 2020	March 31, 2019
Balances with banks:		
- in current accounts	47,554	34,230
- Deposits with original maturity of less than three months	1,086	1,053
Funds in transit & cheques and drafts on hand	11	96
Cash on hand	37	20
Total	48,688	35,399

There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior period. For asset pledged refer note 44

Changes in liabilities arising from financing activities

	March 31, 2019	Cash Flow	Non cash items	March 31, 2020
Long term borrowings*	86,616	(9,212)	6,218	83,622
Short term borrowings	28,433	2,998	2,648	34,079
Total liabilities from financing activities	115,049	(6,214)	8,866	117,701

Borrowings as on March 31, 2019, excludes finance lease liabilities, which is classified as lease liabilities on transition to Ind AS 116 effective from April 01, 2019

13.(b) Other bank balances

	March 31, 2020	March 31, 2019
Deposits with remaining maturity of more than three months but less than 12 months	40	26
Unpaid dividend account	61	44
Total	101	70

Unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividend.

14. Other current Assets

	March 31, 2020	March 31, 2019
Advances recoverable	3,637	4,481
Unamortised expenditure	486	365
Prepaid expenses	2,202	1,966
Balances with government authorities	4,759	6,228
Others	230	296
Total	11,314	13,336

15. Share Capital

	March 31, 2020	March 31, 2019
Authorised:		
6,050,000,000 (March 31, 2019 : 6,050,000,000) Equity shares of INR 1 each)	6,050	6,050
25,000,000 (March 31, 2019 : 25,000,000) 8% Convertible Cumulative Preference Shares of INR 10 each)	250	250
Issued, subscribed and Paid up:		
3,157,934,237 ¹ (March 31, 2019 : 3,157,934,237 ¹) Equity Shares of INR 1 each	3,158	3,158

a. Movement in equity share capital

Equity Shares:

	Numbers	Amount
As at April 01, 2018	2,105,289,491	2,105
Add: Bonus shares issued by capitalisation of securities premium account ¹	1,052,644,746	1,053
As at March 31, 2019	3,157,934,237	3,158
Add: Changes during the year	-	-
As at March 31, 2020	3,157,934,237	3,158

¹ During the year ended March 31, 2019, the Company allotted 1,052,644,746 equity shares of INR 1 each as bonus shares in proportion of one equity share for every two equity shares held by capitalisation of Securities Premium Account.

b. Rights, preferences & restrictions attached to shares

Equity Shares:

The Company has only one class of equity shares having a par value of INR 1 per share. Each holder of equity is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

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

c. Aggregate number of Shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding March 31, 2020)

	Aggregate No of Shares issued in five years	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Equity shares allotted as fully paid bonus shares by capitalization of Securities Premium Account	2,195,367,590	-	1,052,644,746	701,763,164	-	440,959,680

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

	March 31, 2020		March 31, 2019	
	Nos.	%	Nos.	%
Equity shares:				
Samvardhana Motherson International Limited	1,055,750,653	33.43%	1,055,750,653	33.43%
Sumitomo Wiring Systems Limited	792,637,291	25.10%	792,637,291	25.10%

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.

16. (a) Reserves and surplus

	March 31, 2020	March 31, 2019
Capital reserve on consolidation	1,920	1,749
Securities premium	26,303	26,303
Reserve on amalgamation	1,663	1,663
General Reserve	3,430	3,430
Retained earning	70,642	69,792
Total reserves and surplus	103,958	102,937

Capital reserve on consolidation

	March 31, 2020	March 31, 2019
Opening balance	1,749	1,255
Addition on account of business combination (Refer Note 50)	171	494
Closing balance	1,920	1,749

Securities premium

	March 31, 2020	March 31, 2019
Opening Balance	26,303	27,356
Bonus Issue	-	(1,053)
Closing balance	26,303	26,303

Reserve on amalgamation

	March 31, 2020	March 31, 2019
Opening balance	1,663	1,663
Closing balance	1,663	1,663

General reserve

	March 31, 2020	March 31, 2019
Opening balance	3,430	3,430
Closing balance	3,430	3,430

Retained earnings

	March 31, 2020	March 31, 2019
Opening balance	69,792	59,338
Additions during the year	11,701	16,131
Remeasurements of post-employment benefit obligation, net of tax	(151)	(192)
Share of OCI of associates and joint ventures, net of tax	(5)	0
Dividend paid (Refer note 39)	(9,474)	(4,737)
Tax on dividend (Refer note 39)	(1,370)	(842)
Hyperinflation adjustment (Refer note 47)	149	94
Closing balance	70,642	69,792

During the year ended March 31, 2020, the Company has paid final cash dividend for the year ended on March 31, 2019: INR 1.5 (March 31, 2019: INR 2.25) per share and Interim dividend for the year ended on March 31, 2020: INR 1.5 (March 31, 2019: Nil) per share to its shareholders. This has resulted in payment of dividend distribution tax (DDT) to the taxation authorities. The Company believes that DDT represents additional payment to taxation authorities on behalf of shareholders. Hence DDT paid is charged to equity.

16. (b) Other reserves

	Foreign currency translation reserve	Cash flow hedging reserve	FVOCI equity investments	Total
As at April 01, 2018	4,832	(1,244)	106	3,694
Currency translation difference	(1,122)	-	-	(1,122)
Change in fair value of hedging instruments (net of tax)	-	953	-	953
Change in fair value of FVOCI equity instruments (net of tax)	-	-	8	8
As at March 31, 2019	3,710	(291)	114	3,532
Currency translation difference	4,343	-	-	4,343
Change in fair value of hedging instruments (net of tax)	-	(1,963)	-	(1,963)
Change in fair value of FVOCI equity instruments (net of tax)	-	-	(420)	(420)
As at March 31, 2020	8,053	(2,254)	(306)	5,493

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 Act.

Cash flow hedging reserve

The group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale and inventory purchases and interest rate risk associated with variable interest rate borrowings. For hedging foreign currency risk, the group uses foreign currency forward contracts which are designated as cash flow hedges. For hedging interest rate risk, the group uses interest rate swaps which is also designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss (e.g. sales and interest payments).

Capital reserve on consolidation

It represents capital reserve on acquisition of subsidiaries.

Reserve on amalgamation

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

General Reserve

This reserve comprises retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

FVOCI equity investments

The group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investment reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Bracket denotes appropriations / deductions.

17 (a) Non-current borrowings

	March 31, 2020	March 31, 2019
Secured[#]:		
i) 3.7% Senior Secured Notes Due 2025 (EUR 100 million (March 31, 2019 : EUR 100 million))	8,226	7,638
ii) 4 ^{7/8} % Senior Secured Notes Due 2021 (USD 400 million (March 31, 2019 : USD 400 million))	30,123	27,511
iii) 1.8% Senior Secured Notes Due 2024 (EUR 300 million (March 31, 2019 : EUR 300 million))	24,593	22,794
iv) Term loans:		
From Banks:		
- Rupee Loan	5,750	5,797
- Foreign currency loan	10,890	15,514
From others		
- Indian rupee loan	0	18
- Foreign Currency Loan	13	22
v) Finance lease liabilities (Refer note 46)	-	286
	79,595	79,580
Unsecured:		
i) Term loan:		
From Banks:		
- foreign currency loan	1,333	1,071
From others		
- Indian rupee loan	126	63
- Foreign currency loan	443	486
- Vehicle Loan		
ii) Finance lease liabilities (Refer note 46)	-	7
iii) Deposits from related parties		
- Foreign currency loan - from related parties (Refer note 40)	2,125	5,701
- Indian rupee loan - from related parties (Refer note 40)	-	1
	4,027	7,329
Total	83,622	86,909
Less : Amounts disclosed under the head "other current financial liabilities" (Refer Note 18)		
Current maturities of long-term debt	1,010	5,797
Current maturities of finance lease obligations	-	117
	82,612	80,995

17 (b) Current borrowings

	March 31, 2020	March 31, 2019
Secured[#]:		
i) Loans repayable on demand from banks		
- Rupee Loan ¹	2,279	372
- Foreign Currency Loan ²	11,263	13,319
	13,542	13,691
Unsecured:		
i) Loans repayable on demand from banks		
- Foreign Currency Loan	959	1,569
ii) Other short term loans from banks		
- Foreign Currency Loan	15,995	8,131
iii) Other short term loans - (Other than banks)		
- Foreign Currency Loan	3,583	5,042
	20,537	14,742
	34,079	28,433

MOTHERSON SUMI SYSTEMS LIMITED**Notes to the consolidated financial statements****(All amounts in INR Million, unless otherwise stated)****Non-current borrowings:****(a) Nature of Security and terms of repayment for secured borrowings:**

Nature of Security	Terms of Repayment
3.7% Senior Secured Notes Due 2025 Loan amounting to INR 8,226 million (March 31, 2019: INR 7,638 million) secured by: a. Guarantee given by some of the material subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. b. 100% share pledge of material subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. c. Assets security given by some subsidiaries of Samvardhana Motherson Automotive Systems Group B.V.	The Notes bear interest at a rate of 3.70% payable annually on 18th June and will mature on 18th June, 2025. The Notes carry a prepayment option and as per the terms of the indenture the Subsidiary may at any time prior to June 18, 2025, redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest and additional amounts, if any, to the date of redemption, plus a "make-whole" premium. In addition, prior to June 18, 2025, the subsidiary may redeem, at its option, up to 35% of the Notes with the net proceeds from certain equity offerings.
4^{7/8}% Senior Secured Notes Due 2021 Loan amounting to INR 30,123 million (March 31, 2019: INR 27,511 million) secured by: The Notes are structured as senior secured obligations and will rank pari passu in right of payment with all the existing and future senior obligations of SMRP BV, including the obligations under the 2025 Notes, the 2021 Notes and the Revolving Credit Facilities. The Notes are guaranteed on a senior secured basis by certain subsidiaries of SMRP BV and are secured by share pledge and security interests granted over certain property and assets of SMRP BV and certain of its subsidiaries.	The Notes bear interest at a rate of 4.875% payable semi annually on June 16 & December 16 each year and will mature on December 16, 2021. The Notes carry a prepayment option and as per the terms of the indenture, the subsidiary may at any time on or after June 16, 2019, redeem all or part of the Notes by paying the redemption prices set forth in the indenture. Prior to June 16, 2019, the subsidiary is entitled at its option, to redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest, if any, plus a "make-whole" premium. In addition, prior to June 16, 2019, the subsidiary may redeem, at its option, up to 35% of the principal amount of the Notes at a redemption price equal to 104.875% of the principal amount of the Notes, plus accrued and unpaid interest, if any, up to the redemption date.
1.8% Senior Secured Notes Due 2024 Loan amounting to INR 24,593 million (March 31, 2019: INR 22,794 million) secured by: The Notes are senior obligations of SMRP BV and rank pari passu in right of payment with all the SMRP BV's existing and future senior obligations that are not subordinated in right of payment to the Notes, including the SMRP BV's obligations under the existing Notes and the Revolving Credit Facilities. The Notes are guaranteed on a senior basis by SMRP BV and certain of its subsidiaries and are also secured by security interests granted over certain property and assets of the SMRP BV and certain of its subsidiaries.	The Notes were issued at 99.299% of the nominal value and carry coupon at a rate of 1.80% payable annually on July 06th each year and will mature on July 06, 2024. The Notes are listed on the Irish Stock Exchange and trade on the Global Exchange Market.
Long term Indian Rupee loans from Bank include:	
Loan amounting to INR 5,750 million (March 31, 2019: INR 5,750 million) secured by creating a pledge on Investment in shares of one of the subsidiary, MSSL (GB) Ltd on pari passu basis.	The principal amount to be paid to bank within period of 5 years from date of disbursement as a bullet payment. The loan carries interest rate of 8% p.a.
Loan amounting Nil million (March 31, 2019: INR 47 million) secured against all assets of SMRC Automotive Products India Private Limited	Fully repaid during financial year 2019-20 The loan carries interest rate based on base rate + 1.25% p.a.
Long term foreign currency loans from Bank include:	
i Loan amounting to INR 6 million (March 31, 2019: INR 12 million) secured by General Notarial Bond on assets of Vacuform 2000 Pty Ltd.	1) Nil (March 31, 2019: INR 1 million) fully repaid during financial year 2019-20. 2) INR 6 million (March 31, 2019: INR 11 million) is repayable in monthly instalments till December 2021. The applicable rate of interest in respect of these loans is Prime lending rate in South Africa minus 3%
ii Loan amounting to INR 74 million (March 31, 2019: INR 157 million) secured by specified assets located at Boetzingen plant of SMP Deutschland GmbH	Repayable in monthly instalments from January 2016 and ending in December 2020. The applicable rate of interest is 4.96 %
iii Loan amounting to INR 23 million (March 31, 2019: INR 22 million) secured against land and building of MSSL Japan.	Repayable in quarterly instalments from June 2015 till June 2029. The applicable rate of interest is 3 months Tibor + 0.95%

MOTHERSON SUMI SYSTEMS LIMITED
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(All amounts in INR Million, unless otherwise stated)

iv Loan amounting to Nil (March 31, 2019: INR 2 million) secured by pledge of the specific machinery by MSSL GMBH and future insurance receivables of debtors related to the same in favour of the Bank.	Fully repaid during financial year 2019-20 The applicable rate of interest was Euribor + 0.975%
v Loan amounting to INR 167 million (March 31, 2019: INR 155 million) secured by first mortgage on plant & machinery of Samvardhana Motherson Invest Deutschland GmbH	Repayable in one bullet payment on September 30, 2025. The applicable rate of interest in respect of this loans is 2.2%
vi Loan amounting to INR 0 million (March 31, 2019: INR 2 million) secured against vehicle of Vacuform 2000 (Proprietary) Limited.	Repayable in 60 instalments from November 01, 2015. The applicable rate of interest in respect of this loan is 10%
vii INR 6,039 million (March 31, 2019 : INR 5,524 million) secured by creating a pledge on Investment in shares of one of the subsidiary, MSSL (GB) Ltd on pari passu basis.	Repayable as bullet payment in March 2022. The applicable rate of interest in respect of this loan is 6 months Libor + 120 basis points to be paid on half yearly basis.
viii Nil (March 31, 2019 : INR 5,430 million) secured by creating a pledge on Investment in shares of one of the subsidiary, MSSL (GB) Ltd on pari passu basis.	Fully paid in March 2020. The applicable rate of interest in respect of this loan was 3 months Euribor + 39 basis points.
ix INR 90 million (March 31, 2019 : INR 122 million) secured against the land & building & current receivables.	Repayable as quarterly instalments upto bullet payment in June 2022. The applicable rate of interest in respect of this loans is 3M Euribor + 1.15%
x Nil (March 31, 2019 : INR 2 million) secured against the plant & machinery	Fully repaid during financial year 2019-20. The applicable rate of interest in respect of this loans was 5%
xi INR 4,488 million (March 31, 2019 : INR 4,086 million). Facility is guaranteed on a senior secured basis by certain subsidiaries of SMRP BV and are secured by share pledge and security interests granted over certain property and assets of SMRP BV and certain of its subsidiaries.	Repayable in one bullet payment on August 29, 2023. The applicable rate of interest in respect of this loans is Libor + 1.1%
xii INR 2 million (March 31, 2019: Nil). Facility is secured against the vehicle for which the loan is availed.	Repayable in monthly instalments till December 2023. The applicable rate of interest in respect of this loan is prime lending rate applicable in South Africa, which is 8.75%.
Long term Indian Rupee Loans from Other than Banks include:	
i. Indian Rupee loan amounting to INR 0 million (March 31, 2019: INR 18 million) from other than banks for the purchase of Investment Property and is secured by the capital advance given for the purchase of investment property.	Repayable in remaining 1 monthly instalments till April 2020 carrying Interest rate of 10.2% p.a.
Long term Foreign Currency Loans from Other than Banks include:	
i. INR 10 million (March 31, 2019 : INR 14 million) secured against the office equipments of MSSL GmbH for which this loan has been taken.	Repayable in monthly instalments until December 2021 The applicable rate of interest in respect of this loan is 4.309%
ii. INR 3 million (March 31, 2019 : INR 8 million) secured against the office equipment of MSSL GmbH for which this loan has been taken.	Repayable in monthly instalments until October 2020. The applicable rate of interest in respect of this loan is 3.43%

(b) Terms of repayment for unsecured borrowings:

	Terms of Repayment
Unsecured Foreign Currency Term Loans from Banks -	
i. Loan amounting to INR 619 million (March 31, 2019: INR 436 million).	Repayable by October 2020. The applicable rate of interest is 5%
ii. Loan amounting to INR 7 million (March 31, 2019: INR 14 million).	Repayable in remaining 12 equal monthly instalments until March 2021.
iii. Loan amounting to Nil (March 31, 2019: INR 2 million)	Applicable interest rate of 4.74%, fully repaid in April, 2019.
iv. Loan amounting to 22 million (March 31, 2019: INR 42 million).	Repayable in 12 equal monthly instalments until March 2021.
v. INR 327 million (March 31, 2019 : INR 360 million)	Repayable as quarterly instalments upto July 2025. The applicable rate of interest in respect of this loans is 0.75%
vi. Loan amounting to INR 346 million (March 31, 2019: INR 218 million).	Repayable in 15 equal quarterly instalments commencing from April 2020 upto November 2023. The applicable rate of interest is BIBOR + 1.45% p.a
vii. Loan amounting to INR 12 million (March 31, 2019: Nil).	Repayable in monthly instalments upto January 2023. The applicable rate of interest is 2.2%
Unsecured Indian Rupee Loan from Other than Banks -	
	Interest free loan of INR 126 million (March 31, 2019 : INR 63 million) repayable in 3 tranches in November 2022, March 2023 and December 2026 against each disbursements. Bank guarantee is furnished by the Company.

Unsecured Foreign Currency Loan from Other than Banks -

Loan amounting to INR 53 million (March 31, 2019: INR 55 million) with no fixed repayments terms carrying Prime rate interest applicable in South Africa, which is 8.75%.

Loan amounting to INR 2 million (March 31, 2019: INR 2 million) interest free with no fixed repayments terms.

Loan amounting to INR 39 million (March 31, 2019: INR 44 million) repayable in half yearly instalments until March 2024.

Loan amounting to INR 40 million (March 31, 2019: INR 42 million) repayable in 10 yearly instalments commencing from 2074.

Loan amounting to INR 5 million (March 31, 2019: INR 20 million) repayable in financial year 2020-21 carrying interest rate of 5%

Loan amounting to INR 5 million (March 31, 2019: INR 4 million) fully repayable in financial year 2020-21 carrying interest rate of 5%

Loan amounting to INR 30 million (March 31, 2019: INR 27 million) repayable in yearly instalments upto February 2026 carrying interest rate of 5%

Loan amounting to INR 2 million (March 31, 2019: INR 7 million) fully repayable during financial year 2020-21 carrying interest rate of 5%

Loan amounting to INR 12 million (March 31, 2019: Nil) to be repaid by September 2023 carrying interest rate of 5%

Loan amounting to INR 86 million (March 31, 2019: INR 92 million). Interest free loan to be repaid yearly upto July 2026.

Loan amounting to INR 45 million (March 31, 2019: INR 56 million) carrying interest rate of 3.95% to be repaid yearly upto November 2022.

Loan amounting to INR 125 million (March 31, 2019: INR 136 million). Interest free loan to be repaid in yearly instalments until 2025.

Unsecured Foreign Currency Loans from Related Parties -

Loan amounting to INR 2,125 million (March 31, 2019: INR 5,701 million) repayable in December 2026.

Unsecured Indian Rupee Loans from Related Parties -

Loan amounting to Nil (March 31, 2019: INR 1 million) fully repaid during financial year 2019-20

Current borrowings:

Nature of Security for secured borrowings:

¹ INR 2,279 million (March 31, 2019: INR 1 million) repayable on demand, secured by first pari passu charge on entire current assets of the Company including receivables, both present and future and second pari passu charge over the fixed assets of the Company including equitable mortgage of specified properties.

Nil (March 31, 2019: INR 370 million) repayable on demand, secured by first pari passu charge on entire current assets of the Company including receivables, both present and future and second pari passu charge over the fixed assets of the Company including equitable mortgage of specified properties of SMR Automotive Systems India Limited.

² INR 997 million (March 31, 2019: INR 968 million) secured by charge on the inventory and receivables of MSSL Wiring System Inc.

INR 227 million (March 31, 2019: INR 1,106 million) secured by first pari passu charge on entire current assets SMP Automotive Systems Mexico S.A. de C.V. including receivables, both present and future and second pari passu charge over the fixed assets of SMP Automotive Systems Mexico S.A. de C.V. including equitable mortgage of specified properties.

INR 10,015 million (March 31, 2019: 10,469 million) is secured against guarantee of Samvardhana Motherson Automotive Systems Group BV (SMRP BV) and certain subsidiaries and also against same collaterals as all the existing Senior Secured Notes issued by SMRP BV and reported under non-current borrowings. Nil (March 31, 2019: INR 776 million) is secured against pledge on the share of SMP Automotive Technology Iberica S.L.U.

INR 25 million (March 31, 2019: Nil) is secured against land & building of SMR Automotive (Langfang) Co. Limited

The rate of interest in respect of short term borrowing is applicable inter bank lending rate for loan currency / applicable base rate of commercial banks of the country of borrower plus spread of 0.0 % to 5.0%

[#] The carrying amounts of financial and non financial assets pledged as security for current and non current borrowings are disclosed in Note 44

18. Other financial liabilities

	March 31, 2020	March 31, 2019
Non-current		
- Retention Money	77	34
- Security Deposit Received (Refer Note 40)	204	211
- Recovery against Vehicle Loan	106	89
- Derivatives designated as hedges (Refer Note 37)	-	421
- Amounts payable to obtain contracts	385	346
- Accrued expenses	3,022	3,587
	3,794	4,688
Current		
- Current maturities of long term debt (Refer Note 17 (a))	1,010	5,797
- Current maturities of finance lease obligations (Refer Note 17 (a) & 46)	-	117
- Interest accrued but not due on borrowings	1,288	969
- Unpaid dividends ¹	61	629
- Employee benefits payable	12,602	11,257
- Security deposit received	5	4
- Payables relating purchase of fixed assets	3,354	3,726
- Derivatives designated as hedges (Refer Note 37)	3,365	665
- Derivatives not designated as hedges	82	0
- Advance recovery from employee	55	101
- Amounts payable to obtain contracts	4,402	3,619
- Accrued expenses	3,194	2,124
- Others	3,664	3,620
Total	33,082	32,628

¹ There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

19. Trade Payables

	March 31, 2020	March 31, 2019
Total outstanding dues of creditors other than related parties	99,465	103,720
Trade payable to related parties (Refer note 40)	3,626	2,893
Total	103,091	106,613

20 Provisions

	March 31, 2020		March 31, 2019	
	Current	Non-current	Current	Non-current
For warranties	1,251	182	1,089	303
For litigation, disputes and other contingencies	801	571	490	583
Total	2,052	753	1,579	886

Warranty

A provision is recognized for expected warranty claims on products sold during the last year, based on past experience of the level of repairs and returns. Due to the very nature of such costs, it is not possible to estimate the uncertainties relating to the outflows of economic benefits.

Litigation, disputes and other contingencies

Provision for litigation, disputes and other contingencies represents claims against the Group not acknowledged as debts that are expected to materialise in respect of matters in litigation / disputes etc.

The group has the following provisions in the books of account:

	Warranty		Litigation, disputes and other contingencies	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening Balance	1,392	1,448	1,073	175
Additions during the year	407	235	543	753
Addition on account of business combination (Refer Note 50)	-	189	2	696
Utilised / reversed during the year	(431)	(455)	(278)	(581)
Exchange translation adjustment	65	(25)	34	30
Closing Balance	1,433	1,392	1,374	1,073

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(All amounts in INR Million, unless otherwise stated)

21 Employee benefit obligations

	March 31, 2020		March 31, 2019	
	Current	Non-current	Current	Non-current
Gratuity and pensions	530	3,061	304	2,838
Compensated absences	1,668	591	1,633	518
Longevity / jubilee bonus	-	239	-	199
Restructuring / Severance costs	25	82	242	171
Others	60	828	91	739
Total	2,283	4,801	2,270	4,465

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

A. Defined Benefit Schemes

Gratuity / Pension Benefits

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, 2020	March 31, 2019
Obligations at year beginning	6,039	3,421
Current service cost	574	492
Interest expense	224	196
(Gains) and losses on curtailment and settlement	(11)	10
Amount recognised in profit or loss	787	698
Remeasurements		
Actuarial (gain) / loss from change in demographic assumption	10	(5)
Actuarial (gain) / loss from change in financial assumption	268	111
Experience (gains)/losses	(91)	160
Amount recognised in other comprehensive income	187	266
Effect of Exchange rate change	231	90
Payment from plan:		
Benefit payments	(308)	(255)
Contributions:		
Employers	(89)	(36)
Addition on account of business combination	-	1,859
Addition due to transfer of employee	(7)	(4)
Obligations at year end	6,840	6,039

(ii) Fair Value of Plan Assets

	For the year ended	
	March 31, 2020	March 31, 2019
Plan assets at year beginning, at fair value	2,897	1,910
Interest income	126	116
Amount recognised in profit or loss	126	116
Remeasurements		
Actuarial gain / (loss) from change in financial assumption	(4)	(4)
Return on plan assets, excluding amount included in interest income	(4)	(10)
Experience (gains)/losses	5	(9)
Amount recognised in other comprehensive income	(3)	(23)
Effect of Exchange rate change	33	3
Payment from plan:		
Benefit payments	(141)	(103)
Settlements	-	(45)
Contributions:		
Employers	337	441
Addition on account of business combination	-	598
Plan assets at year end, at fair value	3,249	2,897

(iii) Assets and Liabilities recognized in the Balance Sheet

	For the year ended	
	March 31, 2020	March 31, 2019
Present Value of the defined benefit obligations	6,840	6,039
Fair value of the plan assets	3,249	2,897
Amount recognized as Liability	3,591	3,142

The group has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions.

(iv) Defined benefit obligations cost for the year:

	For the year ended	
	March 31, 2020	March 31, 2019
Current service cost	574	492
Interest Cost	224	196
Interest income	(126)	(116)
(Gains) and losses on curtailment and settlement	(11)	10
Actuarial (gain) / loss	190	290
Net defined benefit obligations cost	851	872

(v) Investment details of Plan Assets

Companies within the Group operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds. In respect of the companies incorporated in India, 100% of the plan assets are lying in the Gratuity fund administered through Life Insurance Corporation of India (LIC) under its Group Gratuity Scheme. In case of South Korea fund has been deposited with multiple financial institutions as required by local regulations and is guaranteed by government. In respect of other overseas entities, plan assets are funded through various institutions.

The details of investments of plan assets are as follows:

	For the year ended	
	March 31, 2020	March 31, 2019
LIC	997	1,309
Deposits with financial institution	2,252	1,588
Total	3,249	2,897

In respect of LIC plan assets are invested by LIC as per their guidelines and no further details are available with the company. Further in respect of deposits with financial institutions although they are low interest bearing investments but are guaranteed by government.

(vi) Actuarial assumptions:

	March 31, 2020		March 31, 2019	
	Indian Entities	Outside India Entities	Indian Entities	Outside India Entities
Discount Rate per annum	6.60%	1.70%- 8.90%	7.40%	1.70%- 8.90%
Future salary increases	8.00%	1% - 8%	8.00%	2% - 8%
Pension growth rate	-	1.50% - 2%	-	1.50% - 2%
Mortality table *	-	-	-	-

* Due to the use of different tables at different locations , this information is not disclosed.

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

	For the year ended	
	March 31, 2020	March 31, 2019
Gratuity	515	305

MOTHERSON SUMI SYSTEMS LIMITED
Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

(viii) The following table shows breakdown of the defined benefit obligation and plan assets by country:

Plan Type	March 31, 2020			March 31, 2019		
	India	Outside India	Total	India	Outside India	Total
Present value of obligation	2,125	4,715	6,840	1,697	4,342	6,039
Fair value of plan asset	1,492	1,757	3,249	1,309	1,588	2,897
Net liability	633	2,958	3,591	388	2,754	3,142

(ix) 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, 2020	March 31, 2019		March 31, 2020	March 31, 2019		March 31, 2020	March 31, 2019
Discount Rate per annum	0.50%	0.50%	Decrease by	(79)	(64)	Increase by	85	69
Future salary increases	0.50%-1%	0.50%-1%	Increase by	176	145	Decrease by	(155)	(129)
Pension rate per annum	0.50%	0.50%	Increase by	9	11	Decrease by	(14)	(14)
Life expectancy	1 year	1 year	Increase by	(3)	6	Decrease by	3	(6)

The above sensitivity analyses are 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.

The method and type of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

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Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

(x) Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility	The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. In respect of companies incorporated in India, 100% of plan assets are lying with LIC under its group gratuity scheme. LIC is a central government monitored entity and its investment norms ensure adequate returns for investors along with surety of plan assets. In respect of overseas subsidiaries in Korea, the amount has been deposited with multiple financial institutions as required by local regulations and is guaranteed by government.
Changes in bond yields	A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.
Inflation risks	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life expectancy	The pension obligation is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The liability recognised in the balance sheet in respect of defined benefit pension/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 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 like India, there is no deep market in such bonds, therefore 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.

(xi) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 2-14 years (March 31, 2019: 2-14 years)

Expected benefit payments are as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Between 6-14 years	Total
March 31, 2020	280	254	1,044	3,722	5,300
Defined benefit obligation (pension & gratuity)					
March 31, 2019	200	320	1,259	2,620	4,399
Defined benefit obligation (pension & gratuity)					

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, Employee State Insurance (ESI) and other funds for the benefit of the employees. Accordingly, the Group's contribution during the year that has been recognised in consolidated statement of profit and loss, amounting INR 14,475 million (March 31, 2019 : INR 13,650 million).

22 Government grants

	March 31, 2020	March 31, 2019
Opening balance	2,428	2,044
Grants received during the year	1,466	1,432
Released to profit or loss (Refer note 26)	(1,210)	(809)
Exchange differences	106	(239)
Closing balance	2,790	2,428
	March 31, 2020	March 31, 2019
Current portion	357	472
Non-current portion	2,433	1,956
Total	2,790	2,428

23 Current tax liabilities / (Non-current tax assets) (net)

Income tax assets and Income tax liabilities have been offset to the extent they relate to the same governing taxation laws.

	March 31, 2020	March 31, 2019
Non-Current tax assets (net)	3,732	2,524
Current tax liabilities (net)	3,623	4,148
Net tax liabilities / (Assets)	(109)	1,624

24 (a) Other non-current liabilities

	March 31, 2020	March 31, 2019
Advance from Customers (Refer Note 45)	21	87
Unearned Revenue (Refer Note 45)	1,418	326
Others	232	807
	1,671	1,220

24 (b) Other current liabilities

	March 31, 2020	March 31, 2019
Other current liabilities		
- Unearned Revenue (Refer Note 45)	1,173	1,326
- Statutory dues payable	6,400	6,881
- Advances received from customers (Refer Note 45)	2,730	1,618
- Other payables	3,475	2,938
	13,778	12,763

		For the year ended	
		March 31, 2020	March 31, 2019
25 (a) Revenue from contract with customers			
Sales of products			
Finished goods			
Within India		64,895	72,942
Outside India		551,411	547,680
Traded goods		9,425	5,094
Total gross sales		625,731	625,716
Sales of services		4,974	5,859
Total revenue from contract with customers (Refer Note 45)		630,705	631,575
25 (b) Other operating revenue:			
Scrap sales		496	797
Recovery from customers		1,625	1,370
Export incentives		191	194
Liabilities written back to the extent no longer required		492	130
Miscellaneous income		1,859	1,163
		4,663	3,654
26 Other income			
Interest income		361	354
Dividend income from equity investments designated at fair value through OCI		6	8
Profit on sales of fixed assets		41	96
Rent income (Refer Note 4)		179	196
Government grants & subsidies (Refer Note 22)		1,210	809
Foreign exchange gain (net)		510	490
Miscellaneous income		0	249
Total		2,307	2,202
27 Cost of materials consumed			
Opening stock of raw materials		25,420	22,499
Addition on account of business combination (Refer note 50)		369	741
Add : Purchases of raw materials		356,935	365,988
Less: Closing stock of raw materials		29,447	25,420
Add: Exchange adjustment:			
Exchange differences opening stock (gain)/loss		390	207
Exchange differences closing stock (loss)/gain		1,803	(321)
Total		355,470	363,694
28 Changes in inventory of finished goods, work in progress and stock in trade			
(Increase)/ decrease in stocks			
Stock at the opening of the year:			
Finished goods		8,736	7,796
Work-in-progress		7,252	5,931
Stock in trade		324	128
Total A		16,312	13,855
Add: Addition on account of business combination (Refer note 50)			
Finished goods		7	686
Work-in-progress		194	250
Total B		201	936
Stock at the end of the year:			
Finished goods		9,496	8,736
Work-in-progress		7,390	7,252
Stock in trade		295	324
Total C		17,181	16,312
Exchange adjustment:			
Exchange differences opening stock (gain)/loss		202	149
Exchange differences closing stock (loss)/gain		611	(279)
Total D		813	(130)
(Increase)/ decrease in stocks (A+B-C+D)		145	(1,651)

MOTHERSON SUMI SYSTEMS LIMITED
Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

29	Employee benefit expense	For the year ended	
		March 31, 2020	March 31, 2019
	Salary, wages & bonus	129,108	120,646
	Contribution to provident, superannuation & other fund	14,475	13,650
	Gratuity & pension (Refer note 21)	661	582
	Staff welfare expenses	6,304	6,318
	Restructuring/ severance costs	221	498
	Total	150,769	141,694
30	Other expenses	For the year ended	
		March 31, 2020	March 31, 2019
	Electricity, water and fuel	10,107	9,763
	Repairs and Maintenance:		
	Machinery	7,565	8,223
	Building	2,001	1,622
	Others	2,191	2,355
	Consumption of stores and spare parts	2,966	2,921
	Conversion charges	721	2,471
	Lease rent (Refer note 46)	3,113	7,353
	Rates & taxes	1,321	1,178
	Insurance	1,448	1,170
	Donation	94	50
	Travelling	3,517	4,100
	Freight & forwarding	8,051	8,149
	Royalty	317	91
	Commission	55	59
	Bad debts/advances written off	67	103
	Provision for doubtful debts/advances	42	20
	Legal & professional expenses (Refer note (a) below)	7,132	5,500
	Miscellaneous expenses	19,163	17,540
	Total	69,871	72,668
(a): Payment to Group Auditors:			
	As Auditor:	For the year ended	
		March 31, 2020	March 31, 2019
	Audit fees (including limited review)	144	103
	Other services	2	41
	Reimbursement of expenses	8	6
	Total	154	150
31	Finance costs	For the year ended	
		March 31, 2020	March 31, 2019
	Interest on long term borrowings	3,287	2,594
	Interest on lease liabilities (Refer Note 46)	743	-
	Commitment charges on borrowings	137	107
	Other finance costs ¹	1,819	1,531
	Total	5,986	4,232
¹ Includes foreign exchange loss/(gain) on long term loan facilities.			
32	Depreciation and amortization expense	For the year ended	
		March 31, 2020	March 31, 2019
	Depreciation on Property, plant and equipment ²	20,040	17,073
	Depreciation of right to use assets ²	4,035	-
	Amortization on Intangible assets	3,579	3,454
	Depreciation on Investment Property ²	137	64
	Less: Capitalised during the year ¹	(11)	(9)
	Total	27,780	20,582

¹ Depreciation on assets used for creation of self generated assets. (Refer Note 3)

² Depreciation includes impairment of property, plant and equipments, right-to-use assets and investment properties (Refer Note 3 & 4)

33	Income tax expense	For the year ended	
		March 31, 2020	March 31, 2019
	(a) Income tax expense		
	Current tax		
	Current income tax charged	9,382	11,827
	Adjustments for current tax of prior years	(339)	33
	Total current tax expense	9,043	11,860
	Deferred tax (Refer note 10)		
	Decrease / (increase) in deferred tax assets	559	(342)
	(Decrease) / increase in deferred tax liabilities	(1,418)	(496)
	Total deferred tax expense / (benefit)	(859)	(838)
	Income tax expense	8,184	11,022

The Company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The provision for taxation and deferred tax assets / liabilities has been re-measured basis the rates prescribed in the said Section. For certain other subsidiaries and joint venture entities incorporated in India, income tax is calculated at existing applicable tax rate.

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

	For the year ended	
	March 31, 2020	March 31, 2019
Profit before income tax expense	21,129	32,003
Tax at India's tax rate of 25.168% (March 2019: 34.944%)	5,318	11,183
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	957	(36)
Withholding Taxes	288	176
Utilisation of previously unrecognised tax losses	(2,138)	(1,058)
Adjustments for current tax of prior periods	(339)	33
Tax effect of losses on which deferred tax assets not recognised	3,117	1,177
Difference in overseas tax rates	350	(731)
Other adjustments	631	278
Income tax expense	8,184	11,022

Tax is calculated at domestic tax rates applicable in the respective countries. The weighted average applicable tax rate was 25% for the year ended March 31, 2020 (March 31, 2019: 34%). The movement in weighted average tax rate is mainly on account of variation in profitability of the Group's subsidiaries in the respective countries. There have been no significant changes in tax rates applicable to the Group's subsidiaries during the year.

(c) Tax losses

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The group did not recognise deferred income tax assets in respect of losses amounting to INR 44,486 million (March 31, 2019: INR 45,319 million) that can be carried forward against future taxable income. These losses can be carried-forward as below:

	March 31, 2020	March 31, 2019
Losses without expiration date	39,608	33,636
Losses with expiration date	4,878	11,683
	44,486	45,319

(d) Certain subsidiaries, joint ventures and associates of the group have undistributed retained earnings (excluding retained earnings for entities where there is no tax on dividend distribution) amounting to INR 25,609 million (March 31, 2019: INR 59,973 million), which if distributed out as dividend would result in tax liability of group. Keeping in view that, no profit is proposed to be distributed in the immediate future by way of dividend out of such undistributed retained earnings, no deferred tax liabilities has been recognised.

Temporary differences arose as a result of the translation of the financial statements of the group's subsidiaries outside India. However, deferred tax liability has not been recognised as the liability will only crystallise in the event of disposal of the subsidiary, and no such disposal is expected in the foreseeable future. Refer note 16 for Foreign currency translation reserve

34 Earnings per share

	March 31, 2020	March 31, 2019
a) Basic		
Net profit after tax available for equity Shareholders of parent entity	11,701	16,131
Equity shares outstanding at the beginning of the year	3,157,934,237	2,105,289,491
Add: Bonus shares issued by capitalisation of securities premium	-	1,052,644,746
Weighted Average number of equity shares used to compute basic earnings per share	3,157,934,237	3,157,934,237
Basic earnings (in INR) per share of INR 1 each (March 31, 2019: INR 1 each)	3.71	5.11
b) Diluted		
Net profit after tax available for equity Shareholders of parent entity	11,701	16,131
Weighted average number of Equity Shares of INR 1 each (March 31, 2019 : INR 1 each)	3,157,934,237	3,157,934,237
Diluted earnings (in INR) per share of INR 1 each (March 31, 2019: INR 1 each)	3.71	5.11

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.

35 Offsetting Financial Assets and Financial Liabilities:

The following table present the Group's financial assets and liabilities that are subject to offsetting, enforceable master netting arrangements and similar agreements:

	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the Balance sheet	Net amounts of financial assets presented in the balance sheet
Trade Receivable			
As on March 31, 2020	69,277	3,495	65,782
As on March 31, 2019	74,816	1,524	73,292

	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the Balance sheet	Net amounts of financial assets presented in the balance sheet
Unbilled Revenue			
As on March 31, 2020	38,766	10,294	28,472
As on March 31, 2019	51,812	12,231	39,581

36 Fair value measurements
Financial instruments by category

	March 31, 2020			March 31, 2019		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets						
Investments	-	1,620	-	-	2,399	-
Trade receivables	-	-	65,782	-	-	73,292
Loans	-	-	490	-	-	275
Cash and cash equivalents	-	-	48,688	-	-	35,399
Bank balances other than above	-	-	101	-	-	70
Derivative financial assets	87	873	-	10	752	-
Other financial assets	-	-	31,150	-	-	42,085
Total financial assets	87	2,493	146,211	10	3,151	151,121
Financial Liabilities						
Borrowings including current maturities	-	-	117,701	-	-	115,342
Lease liabilities	-	-	13,663	-	-	-
Derivative financial liabilities	82	3,365	-	-	1,086	-
Trade payable	-	-	103,091	-	-	106,613
Other financial liabilities	-	-	32,419	-	-	30,316
Total financial liabilities	82	3,365	266,874	-	1,086	252,271

i. Fair value hierarchy

Financial assets and liabilities measured at fair value-recurring fair value measurements as at March 31, 2020

	Notes	Level 1	Level 2	Level 3	Total
Financial asset					
Financial Investments at FVOCI					
Listed equity investments	6(a), 6(b)	8	-	-	8
Unquoted equity investments	6(a), 6(b)	-	1,417	195	1,612
Derivatives designated as hedges					
Foreign exchange forward contracts	9	-	29	-	29
Cross currency interest rate swap	9	-	844	-	844
Derivatives not designated as hedges					
Foreign exchange forward contracts	9	-	-	87	87
Total		8	2,290	282	2,580
Financial liabilities					
Derivatives designated as hedges					
Cross currency interest rate swap	18	-	875	-	875
Foreign exchange forward contracts	18	-	2490	-	2,490
Total		-	3,365	-	3,365

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2019

	Notes	Level 1	Level 2	Level 3	Total
Financial asset					
Financial Investments at FVOCI					
Listed equity investments	6(a), 6(b)	16	-	-	16
Unquoted equity investments	6(a), 6(b)	-	2,134	249	2,383
Derivatives designated as hedges					
Foreign exchange forward contracts	9	-	752	-	752
Derivatives not designated as hedges					
Cross currency interest rate swap	9	-	-	10	10
Total		16	2,886	259	3,161
Financial liabilities					
Derivatives designated as hedges					
Cross currency interest rate swap	18	-	1,086	-	1,086
Total		-	1,086	-	1,086

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

	Level 1	Level 2	Level 3	Total
At March 31, 2020				
Financial liabilities				
Borrowings ^{1 & 2}	48,596	-	61,974	110,570
Total financial liabilities	48,596	-	61,974	110,570
At March 31, 2019				
Financial liabilities				
Borrowings ^{1 & 2}	48,214	-	64,573	112,787
Total financial liabilities	48,214	-	64,573	112,787

Other financial assets and liabilities which are measured at amortised cost are disclosed in sub-note iv below. Fair values for these financial assets and liabilities are Level 3 valuations.

Due to the short-term nature of cash and cash equivalents and the short-term maturities of trade receivables, loans, other current receivables, trade payables and other financial liabilities, their fair values are equal to their carrying amounts.

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.

¹ Includes 3.7% senior secured notes due 2025 amounting to EUR 100 million, [INR 7,214 million (March 31, 2019: INR 7,175 million)] which are held by limited set of investors and are not very actively traded on the stock exchange, as a result fair value of these notes is based on computed prices and hence fall in level 3 hierarchy.

² The Company has taken interest rate swap for the borrowing with fixed interest rate amounting to INR 5,750 million (March 31, 2019: INR 5,750 million), because of this, effective finance cost to the company is at current market rate.

ii. **Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

iii. **Fair value measurements using significant unobservable inputs (level 3)**

	Unquoted Equity securities
As at April 01, 2018	2,461
Addition / Addition on account of business combination (Refer Note 50)	18
Disposals	(5)
Exchange gain / (loss)	(77)
Gains / (losses) recognised in other comprehensive income	(14)
As at March 31, 2019	2,383
Converted as subsidiary (Refer note 50)	(52)
Disposals	(2)
Exchange gain / (loss)	111
Gains / (losses) recognised in other comprehensive income	(828)
As at March 31, 2020	1,612

iv. **Fair value of financial assets and liabilities measured at amortised cost**

	March 31, 2020		March 31, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Loans	177	177	58	58
Trade receivables	13,998	13,998	11,629	11,629
Other financial assets	617	617	518	518
	14,792	14,792	12,205	12,205
Financial liabilities				
Borrowings	117,701	110,570	115,342	112,787
Lease liabilities	13,663	13,663	-	-
Other financial liabilities	3,794	3,794	4,267	4,267
	135,158	128,027	119,609	117,054

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.

v. **Valuation inputs and relationships to fair value**

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (ii) above for the valuation techniques adopted:

	Fair value as at	
Particulars	March 31, 2020	March 31, 2019
Unquoted equity shares	195	249
Significant unobservable inputs[#]		
Earnings growth rate	4%	4%
Risk adjusted discount rate	16%	16%
Impact of change in risk adjusted discount rate*		
Decrease in discount rate by 0.50%	19	19
Increase in discount rate by 0.50%	(17)	(17)
Impact of change in earning growth rate*		
Decrease in growth rate by 0.50%	(14)	(14)
Increase in growth rate by 0.50%	16	16

[#] There were no significant inter-relationships between unobservable inputs that materially affect fair values

* Holding all the other variable constant, for other significant investment, fair valuation was not performed as at reporting date since the acquisition is made close to reporting period or there is recent investment by other investors and thus transaction value represents fair value, hence sensitivity analysis has not been considered.

37 Financial risk management

The Group, as an internationally active supplier for the automobile industry 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 risk in which the group is exposed to and how it manages the risk.

A. Market risk:

Market risk is the risk that the fair value of future cashflows of a financial instruments will fluctuate because of changes in market price/ rate. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

a. Price risk:

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the group in its various products segment. Pricing pressure from major OEMs to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the group. The group has set up Global Sourcing Procurement (GSP) at Sharjah which gives leverage of bulk buying and helps in controlling prices to a certain extent.

The key raw material for the group's wiring harness business is copper. There is substantial fluctuations in prices of copper. The group has arrangements with its major customers for passing on the price impact. The group has also entered into forward contracts to hedge copper prices at the behest of the customers .

The major raw materials used by Polymer Division of the group are polypropylenes, polycarbonates and various grades of nylons and resins. The group is having arrangement with major customers for actualization of raw material price variations periodically. Motherson Polymer Solutions has been established with a view of taking leverage on group's bulk consumption on major grades. The group will further achieve operational synergies through the horizontal and vertical integration of SMP's operations and products, by sourcing raw materials, inputs like wiring harnesses and smaller plastic parts etc. from its group companies where possible. The setting up of GSP further strengthens the procurement function.

The main inputs for the group's mirror business are glass actuators, powerfolds, glass, electrochromatic glass ("EC glass"), wiring harnesses, electronics, electrical parts, die casting, plastic parts and resins. The group has arrangements with its major customers for passing on the price impact.

The group is regularly taking initiatives like VA-VE (value Addition , value engineering) to reduce its raw material costs to meet targets set up by the customers for cost downs. In respect of customer nominated parts, the group has back to back arrangements for cost savings with its suppliers .

b. Foreign currency risk:

Foreign currency risk arise from monetary receivables and obligations expressed in a currency other than functional currency of each entity in the group. The group has operations in 41 countries, largely catering domestic customers in the country of its operation. Primarily the group is catering to customers in their local currency resulting in natural hedge. However in certain geographies wherein there are certain foreign currency expenditure, the group companies obtain hedge against those material foreign currency risk exposures which aligns to group's risk management policies. The group's major exposure in foreign currency is in respect of borrowings which is availed based on consideration of optimisation of overall cost of borrowing. The group has entered into fixed cross currency interest rate swap to hedge said foreign currency exposure.

(All amounts in INR Million, unless otherwise stated)

The derivative instruments exposure is as follows:

(i) Derivatives outstanding as at the reporting date

Particulars/ Purpose	Currency	Amounts in million	
		March 31, 2020	March 31, 2019
Forward Contract (Buy)	HUF : EUR	HUF 19,466; INR 4,816	HUF 9,856; INR 2,327
	USD : INR	-	USD 3 ; INR 192
	EUR : INR	-	EUR 1 ; INR 66
	JPY : INR	-	JPY 49 ; INR 31
	EUR : USD	EUR 8 ; INR 685	EUR 3 ; INR 194
	USD : MXP	USD 77 ; INR 5,782	USD 158 ; INR 9,633
	MXP : USD	MXP 2,192; INR 7,970	MXP 613; INR 1,974
	CZK : EUR	-	CZK 5; INR 16
	CNY : INR	-	CNY 19; INR 195
	CNY : EUR	CNY 92; INR 949	CNY 93; INR 889
	EUR : CNY	EUR 0; INR 11	EUR 5; INR 39
	USD : AUD	-	USD 9; INR 638
	USD : MXP	-	USD 21; INR 1,509
Forward Contract (Sell)	CZK : EUR	-	CZK 10; INR 31
	EUR : CNY	-	EUR 0 ; INR 0
	EUR : THB	EUR 2 ; INR 198	-
	USD : AUD	USD 15; INR 1,056	-
	EUR : KRW	EUR 7 ; INR 601	EUR 5 ; INR 391
Cross currency swap	USD : EUR	USD 80; INR 5,755	USD 80; INR 5,755
	INR : EUR	INR 5,750; EUR 81	INR 5,750; EUR 81
	USD : EUR	USD 295; INR 21,875	USD 295; INR 20,324
	USD : MXP	USD 15; INR 1,038	-
	USD : BRL	USD 5; INR 290	-
	USD : EUR	USD 2; INR 151	USD 25; INR 1,693
	CNY : BRL	CNY 5; INR 53	-
	EUR : USD	-	USD 2; INR 138

Sensitivity

Due to vary nature of our contracts with major OEMs any significant change in foreign currency on imported purchase are passed on to customers. In respect of borrowings the management expects natural hedge as earnings in foreign currency will be utilised for repayment of borrowings and thus no material impacts.

c. Interest rate risk:

Interest rate is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long term debt obligation at floating interest rates.

The group's approximately 87% (previous year 82%) of long term debt (i.e. more than 60% of gross debt) is borrowed at a fixed rate of interest in a range of 0.6% p.a. to 8.75% p.a. (March 31, 2019 0.6% p.a. to 9.00% p.a.)

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

	March 31, 2020	March 31, 2019
Variable rate borrowings	40,399	43,406
Fixed rate borrowings	77,302	71,936
Total borrowings	117,701	115,342

Profit / loss is sensitive to higher / lower interest expense from borrowings as a results of changes in interest rates. Holding all other variable constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rate on floating portion of borrowings.

	Impact on profit before tax	
	March 31, 2020	March 31, 2019
Interest rates-increase by 50 basis points*	(202)	(217)
Interest rates-decrease by 50 basis points*	202	217

* Holding all other variables constant

B. Credit risk:

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.

Trade receivables

The Group has developed guidelines for the management of credit risk from trade receivables. The Group's primary customers are major automobile manufacturers (OEMs) with good credit ratings. Non-OEM 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 and impairment.

Financial instruments and cash deposits

The Group has deposited liquid funds at various banking institutions. Primary banking institutions are major international banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due over past years.

C. 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 entities of the group and aggregated by Group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements on the basis of future cashflow projections 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.

(a) Financing arrangements

The Group has access to the following undrawn borrowing facilities, which are in nature of working capital loans, at the end of the reporting period.

	March 31, 2020	March 31, 2019
Floating rate	56,576	52,527

(b) 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

Contractual maturities of financial liabilities

Year Ending March 31, 2020	Less than 1 Year	Between 1 and 5 years	More than 5 Years	Total
Non-derivatives				
Borrowings	37,116	77,104	11,840	126,060
Lease liabilities	3,622	8,648	2,357	14,627
Trade payables	103,091	-	-	103,091
Other financial liabilities	28,625	3,794	-	32,419
Total non-derivative liabilities	172,454	89,546	14,197	276,197
Derivatives (net settled)				
Foreign exchange forward contracts	3,447	-	-	3,447
Total derivative liabilities	3,447	-	-	3,447
Year Ending March 31, 2019	Less than 1 Year	Between 1 and 5 years	More than 5 Years	Total
Non-derivatives				
Borrowings	36,332	50,653	38,539	125,524
Obligation under finance lease	128	187	3	318
Trade payables	106,613	-	-	106,613
Other financial liabilities	26,049	4,267	-	30,316
Total non-derivative liabilities	169,122	55,107	38,542	262,771
Derivatives (net settled)				
Foreign exchange forward contracts	665	421	-	1,086
Total derivative liabilities	665	421	-	1,086

Impact of hedging activities

a Disclosure of effects of hedge accounting on financial position

March 31, 2020

March 31, 2020								
Type of hedge and risks	Nominal value	Carrying amount of hedging instruments		Maturity date	Hedge ratio	Weighted average strike price / rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
Cash flow hedge								
(i) Foreign exchange forward contracts	MXP 451		206	Apr'2020 - Mar'2021	1:1	USD:MXP : 20.91	(206)	206
	MXP 54		16	Apr'2020 - Mar'2021	1:1	USD:MXP : 21.816	(16)	16
	MXP 1,543		938	Apr'2020 - Mar'2021	1:1	USD:MXP : 20.16	(938)	938
	HUF 10,743		189	Apr'2020 - Mar'2021	1:1	EUR:HUF : 336.77	(189)	189
	HUF 8,722		141	Apr'2020 - Mar'2021	1:1	EUR:HUF : 338.01	(141)	141
	CNY 2	0		Apr'2020 - May'2020	1:1	EUR:CNY : 7.92	0	(0)
	CNY 90	24	0	Apr'2020 - Mar'2021	1:1	EUR:CNY : 8.07	24	(24)
	USD 15		48	Apr'2020 - Jun'2021	1:1	USD:AUD : 1.55	(48)	48
	MXP 480		240	Apr'2020 - Mar'2021	1:1	USD:MXP : 20.85	(240)	240
	MXP 1,215		710	Apr'2020 - Dec'2021	1:1	USD:MXP : 20.79	(710)	710
	EUR 2		2	Apr'2020 - Mar'2021	1:1	EUR:THB : 35.81	(2)	2
	EUR 8	4	0	Apr'2020 - Nov'2020	1:1	EUR:USD : 1.09	4	(4)
(ii) Cross currency interest rate swap	USD 15	119		May'2020	1:1	MXP:USD : 0.05	119	(119)
	EUR 158	270		Dec'2021	1:1	EUR:USD : 1.11	722	(735)
	EUR 53	115		Jun'2020	1:1	EUR:USD : 1.13	115	(115)
	EUR 51	341		Aug'2023	1:1	EUR:USD : 1.17	167	(180)
	USD 80	-	67	Mar'2022	1:1	EUR:USD : 1.0783	(142)	142
	INR 5,750	-	808	Mar'2022	1:1	EUR:INR: 64.4517	351	(351)

March 31, 2019

March 31, 2019								
Type of hedge and risks	Nominal value	Carrying amount of hedging instruments		Maturity date	Hedge ratio	Weighted average strike price / rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
Cash flow hedge								
(i) Foreign exchange forward contracts	MXP 613	104		Apr'2019- Mar'2020	1:1	USD:MXP : 20.84	104	(104)
	MXP 26	4		Apr'2019 - Aug'2019	1:1	USD:MXP : 20.52	4	(4)
	MXP 1,483	122		Apr'2019 - Nov'2019	1:1	USD:MXP : 20.36	122	(122)
	HUF 9,856	49		Apr'2019- Mar'2020	1:1	EUR:HUF : 328.54	49	(49)
	CNY 4	3		Apr'2019 - Jun'2019	1:1	EUR:CNY : 8.13	3	(3)
	USD 9	(0)		Apr'2019 - Nov'2019	1:1	AUD:USD : 0.711	(0)	0
	MXP 218	54		Jun'2019 - Sep'2019	1:1	USD:MXP : 21.87	54	(54)
	MXP 417	17		Sep'2019 - Mar'2020	1:1	USD:MXP : 20.66	17	(17)
	EUR 3	0		Apr'2019	1:1	USD :EUR : 0.89	0	(0)
	CNY 93	55		Apr'2019 - Apr'2020	1:1	CNY:EUR : 8.12	55	(55)
	EUR 0		0	May'2019	1:1	CNY:EUR : 0.122	(0)	0
	USD 10	39		May'2020	1:1	MXP:USD : 0.046	39	(39)
	USD 5	10		Sep'2020	1:1	MXP:USD : 0.046	10	(10)
USD 45	82		Sep'2019 - Mar'2020	1:1	MXP:USD : 0.048	82	(82)	
(ii) Cross currency interest rate swap	EUR 158		421	Dec'2021	1:1	EUR:USD - 1.126	1,392	(1,392)
	EUR 26	96		Aug'2023	1:1	EUR:USD - 1.17	96	(96)
	EUR 26	66		Aug'2023	1:1	EUR:USD - 1.17	66	(66)
	EUR 26	26		Jun'2019	1:1	EUR:USD - 1.14	208	(208)
	EUR 26	26		Jun'2019	1:1	EUR:USD - 1.14	208	(208)
	USD 80	-	209	Mar'2022	1:1	EUR:USD : 1.0783	(596)	596
	INR 5,750	-	456	Mar'2022	1:1	EUR:INR : 64.4517	(435)	435

38. Capital management

(a) Risk management

The group's objectives when managing capital are to safeguard their ability to continue as a going concern and also their ability to fund inorganic growth, 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: Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs plus exceptional expense).

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, 2020	March 31, 2019
Net Debt*	68,973	79,917
EBITDA	50,333	55,686
Net Debt to EBITDA	1.37	1.44

* During March 31, 2020, Lease liabilities recognised as per Ind AS 116 is not included in Net Debt and Lease rent expense amounting INR 3,988 million derecognised as per Ind AS 116 is reduced from EBITDA. (Refer Note 46)

(i) Loan covenants

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

(b) Dividends

On Equity shares of INR 1 each Dividend

	March 31, 2020	March 31, 2019
Amount of dividend paid	9,474	4,737
Dividend per equity share	3.00	2.25

39 Distribution made

Cash dividends on equity shares declared and paid

	March 31, 2020	March 31, 2019
Final cash dividend for the year ended on March 31, 2019: INR 1.5 (March 31, 2018: INR 2.25) per share	4,737	4,737
DDT on final dividend*	915	766
Interim dividend for the year ended on March 31, 2020: INR 1.5 per share (March 31, 2019: Nil per share)	4,737	-
DDT on proposed dividend	425	-
	10,814	5,503

Proposed dividends on Equity shares

	March 31, 2020	March 31, 2019
Final cash dividend for the year ended on March 31, 2020: Nil per share (March 31, 2019: INR 1.5 per share)	-	4,737
DDT on proposed dividend	-	974
	-	5,711

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31.

* Amount of dividend distribution tax (DDT) is net of withholding tax credit on dividend received from subsidiary company

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(All amounts in INR Million, unless otherwise stated)

40 Related Party Disclosures

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

a. Promoters / Entities with joint control over the Company

Name	Place of Incorporation	Ownership interest	
		March 31, 2020	March 31, 2019
1 Samvardhana Motherson International Limited	India	33.43%	33.43%
2 Sumitomo Wiring Systems Limited, Japan	Japan	25.10%	25.10%

b. Joint Ventures:

- 1 Kyungshin Industrial Motherson Private Limited
- 2 Calsonic Kansei Motherson Auto Products Private Limited
- 3 Ningbo SMR Huaxiang Automotive Mirrors Co. Limited
- 4 Chongqing SMR Huaxiang Automotive Products Limited
- 5 Tianjin SMR Huaxiang Automotive Part Co. Limited
- 6 Eissmann SMP Automotive interieur Slovakia s.r.o.

c. Associate Companies:

- 1 Saks Ancillaries Limited
- 2 Re-time Pty Limited (became subsidiary from August 08, 2019)
- 3 Hubei Zhengao PKC Automotive Wiring Company Ltd.

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

(a) Key management personnel compensation

	March 31, 2020	March 31, 2019
Short-term employee benefits	250	260
Directors commission/sitting fees	26	21
Post-employment benefits payable	46	40
Long-term employee benefits payable	16	14

(b) Transactions with related parties

S. No.	Particulars	Associate companies		Joint Ventures		Key management personnel		Joint control over the entity		Other related parties	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Sale of products	-	-	5,697	5,327	-	-	1	4	383	369
2	Sales of services	-	-	617	723	41	-	4	17	74	69
3	Rent income	-	-	23	29	-	-	-	-	56	61
4	Sale of property, plant and equipment	-	-	-	-	-	-	0	0	-	1
5	Purchase of goods	-	-	2,844	2,831	-	-	5,819	6,367	1,900	1,458
6	Purchase of property, plant and equipment & Right-of-use assets	-	-	-	-	-	-	84	44	1,883	2,527
7	Purchase of services	-	-	7	4	-	-	44	55	3,515	3,265
8	Rent expense	-	2	-	-	5 *	5 *	45	48	385	524
9	Payment of lease liability	-	-	-	-	-	-	-	-	180	-
9	Reimbursement made	-	-	0	1	0	0	17	7	80	90
10	Reimbursement received	1	-	0	2	-	-	1	12	8	14
12	Shares issued during the year	-	-	-	-	-	-	-	-	-	-
13	Investments redeemed/ sale of shares	-	-	-	-	-	-	-	-	-	-
14	Royalty	-	-	-	-	-	-	312	92	-	-
15	Dividend paid	-	-	-	-	270 **	135 **	5,545	2,773	10	33
16	Dividend received	-	-	101	172	-	-	-	-	2	-
17	Capital received from minority	-	-	-	-	-	-	-	-	-	-

* Rent of INR 5 million (March 31, 2019: INR 5 million) paid to Mr. V.C Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, and Ms. Vidhi Sehgal.

**Dividend of INR 270 million (March 31, 2019 : INR 135 million) paid to Mr. V. C. Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, Ms. Neelu Mehra, Ms. Geeta Soni, Mr. Pankaj Mittal, Mr. G.N. Gauba, Ms. Geeta Mathur, Mr Naveen Ganzu, Arjun Puri, Alok Goel and Mr. Gautam Mukherjee.

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

S. No.	Particulars	Associate companies		Joint Venture		Key Management personnel		Joint control over the entity		Other related parties	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Trade Payable	-	-	538	403	-	-	2,070	1,519	1,018	971
2	Trade Receivable	-	-	853	767	-	-	2	7	175	160
3	Capital advances	-	-	-	-	-	-	-	-	1	19
4	Advances recoverable	-	-	-	0	-	-	-	0	152	197
5	Investments*	-	-	-	-	-	-	-	-	14	14
6	Advances from customer	-	-	-	-	-	-	1	0	0	1

* Investment in joint venture and associates companies are not disclosed in above table. Refer note 48 for investment in joint ventures and associates.

(d) Loans & advances to / from related parties

S. No.	Particulars	Associate Companies		Joint Venture		Key Management personnel		Joint control over the entity		Other related parties	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
i.	Security deposits given:										
	Beginning of the year	-	-	-	-	-	-	-	-	509	469
	Security deposit given	-	-	-	-	-	-	-	-	76	70
	Security deposits received back	-	-	-	-	-	-	-	-	(105)	(30)
	End of the year	-	-	-	-	-	-	-	-	480	509
ii.	Security Deposit Received:										
	Beginning of the year	-	-	35	35	-	-	-	-	15	16
	Security deposits received	-	-	-	-	-	-	-	-	2	-
	Security deposits repaid	-	-	-	-	-	-	-	-	(2)	(1)
	End of the year	-	-	35	35	-	-	-	-	15	15
iii.	Loans given:										
	Beginning of the year	-	-	-	-	-	-	-	-	34	200
	Loans given	-	-	-	-	-	-	-	-	216	-
	Interest income	-	-	-	-	-	-	-	-	6	1
	Loans & interest received back	-	-	-	-	-	-	-	-	(34)	(167)
	End of the year	-	-	-	-	-	-	-	-	222	34
iv.	Loans taken:										
	Beginning of the year	-	-	-	-	-	-	1	1	5,789	-
	Loans received	-	-	-	-	-	-	-	-	4,424	5,701
	Interest expense	-	-	-	-	-	-	-	0	299	88
	Loans repaid & interest paid	-	-	-	-	-	-	(1)	-	(8,028)	-
	End of the year	-	-	-	-	-	-	-	1	2,484	5,789

41 Segment Information:

(a) Description of segments and principal activities

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 categorized in to following segments:

Segments	Description
MSSL Standalone	Represents standalone operations of Motherson Sumi Systems Limited, engaged mainly in the business of manufacturing and trading of automobile parts for commercial and passenger vehicles.
SMR	Represents subsidiaries of Samvardhana Motherson Reflectec Group Holdings Limited which are engaged in development, manufacture and supply of rear view mirrors and drive assistance systems.
SMP	Represents subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. (SMRP BV) (an overseas subsidiary of the Company) which are engaged in manufacturing and supplies of plastic parts and system modules for vehicle interiors and exteriors.
PKC	Represents PKC Group Plc including its subsidiaries. PKC is engaged in designing, manufacturing and integrating electrical distribution systems, electronics and related components for commercial vehicle industries, rolling stock manufacturers and other related segments.
Others	Comprise other subsidiaries of the Company (excluding SMR, SMP and PKC defined above) that are below the thresholds for separate reporting as operating segments.

The CODM primarily uses a measure of revenue from operation and earnings before interest, tax, depreciation, amortisation and exceptional item (EBITDA) to assess the performance of the operating segments on monthly basis.

Unallocated:

Revenue, expenses, assets and liabilities have been identified to a segment on the basis of relationship to operating activities of the segment. Assets and liabilities which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed under unallocated.

Inter Segment transfer:

Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

(b) Revenue from operation

Interest income, rental income, dividend income, income recognised on sales of assets and investment are excluded from segment revenue. Transactions between segments are carried out at arm's length and are eliminated on consolidation. The segment revenue is measured in the same way as in the statement of profit or loss.

Revenue from operation (excludes interest income & Foreign exchange gain)

	March 31, 2020	March 31, 2019
MSSL Standalone	68,738	75,813
SMR	124,029	131,809
SMP	320,998	301,791
PKC	93,822	96,430
Others	44,240	45,075
Total	651,827	650,918
Less: Intersegment	16,459	15,689
Total revenue from operation as per profit and loss statement	635,368	635,229

Disaggregated revenue information

	March 31, 2020	March 31, 2019
India	73,813	76,008
Germany	137,034	152,231
Spain	37,059	38,057
USA	98,321	92,050
Others*	289,141	276,883
Total	635,368	635,229

* None of the other countries contribute materially to the revenue of the group.

Type of goods or Services

	March 31, 2020	March 31, 2019
Sales of Components	570,872	571,808
Tool development	54,860	53,908
Assembly of components	2,878	3,291
Others operating revenue	2,095	2,568
Total revenue from contracts with customers	630,705	631,575

Timing of revenue recognition

	March 31, 2020	March 31, 2019
As a point in time	577,663	578,303
Over a period of time	53,042	53,272
Total revenue from contracts with customers	630,705	631,575

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(c) EBITDA

	March 31, 2020	March 31, 2019
MSSL Standalone	11,685	13,347
SMR	14,598	15,215
SMP	12,930	13,338
PKC	9,457	8,522
Others	5,378	4,858
Total	54,048	55,280
Add: unallocated income / (expenses)		
Dividend Income	6	8
Interest income	361	354
Less: Intersegment	95	(44)
Total EBITDA	54,320	55,686
Depreciation	(27,780)	(20,582)
Finance costs	(5,986)	(4,232)
Company's share in net profit / (loss) of associates and joint ventures accounted for using the equity method	575	1,131
Income tax expense	(8,184)	(11,022)
Profit after tax	12,945	20,981

Interest and dividend income was allocated to segment EBITDA, which is considered as unallocated income in above table. Previous year number is also reclassified based on new classification of segment EBITDA.

(d) Segment Assets

Segment assets are allocated based on the operations of the segment and the physical location of the asset. Assets not used directly in operations of the segment like investments, other common assets are reported as unallocated assets.

	March 31, 2020	March 31, 2019
MSSL Standalone	43,415	42,503
SMR	95,556	73,677
SMP	227,734	213,119
PKC	50,907	44,570
Others	151,011	132,785
Total	568,623	506,654
Less: Intersegment	131,603	91,856
Unallocated:		
Deferred Tax	5,030	6,123
Non-current Tax	3,732	2,524
Other corporate assets and investments	9,176	9,857
Total assets as per balance sheet	454,958	433,302

Total of non-current assets other than financial instruments, investments accounted for using equity methods and deferred tax assets broken down by location of the assets, is shown below

	March 31, 2020	March 31, 2019
India	23,741	23,256
Germany	38,287	35,630
Spain	14,491	12,346
USA	29,491	25,717
Others*	106,578	107,299
	212,588	204,248

* None of the other countries contribute materially to the non-current assets other than financial instruments, investments accounted for using equity methods and deferred tax assets of the group.

Capital expenditure

	March 31, 2020	March 31, 2019
MSSL Standalone	3,471	3,976
SMR	4,068	4,989
SMP	10,825	13,803
PKC	2,852	2,578
Others	726	1,507
	21,942	26,853

(e) Segment liabilities

Segment liabilities are allocated based on the operations of the segment. Liabilities not used directly in operations of the segment common liabilities like borrowings are reported as unallocated liabilities.

	March 31, 2020	March 31, 2019
MSSL Standalone	29,525	26,006
SMR	51,455	37,222
SMP	203,986	177,568
PKC	32,580	28,150
Others	44,636	34,115
Total	362,182	303,061
Less: Intersegment	131,243	91,593
Deferred Tax	4,627	5,762
Current Tax	3,623	4,148
Other common / unallocated liabilities	67,509	67,500
Total	306,698	288,878

42 Capital and Other Commitments

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

	March 31, 2020	March 31, 2019
Property, plant and equipment		
Estimated value of contracts in capital account remaining to be executed, (Net of Advances of INR 887 million (March 31, 2019: INR 538 million))	4,428	6,236
Investment Property		
Estimated value of purchase consideration outstanding, (net of advances of INR 110 million (March 31, 2019: INR 107 million))	-	3
Total	4,428	6,239
Other Commitments		
Bank Guarantee	487	1,390
Others	160	242

Above commitments on property, plant and equipment includes group share of commitments of associates and joint ventures entities.
For capital expenditure contracted relating to associates and joint ventures refer to note 48

43 Contingent Liabilities:

In the ordinary course of business, the Group faces claims and assertions by various parties. The Group assesses such claims and assertions and monitors the legal environment on an on-going basis, with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its consolidated financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the consolidated financial statements but does not record a liability in its accounts unless the loss becomes probable.

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.

Claims against the Group not acknowledged as debts

	March 31, 2020	March 31, 2019
Excise, sales tax and service tax matters [#]	106	135
Claims made by workmen	146	123
Income tax matters	207	327
Unfulfilled export commitment under EPCG scheme	115	108
Others (refer note 'c' below)	3,263	2,093

[#] Against which Group has given bank guarantees amounting to INR 2 million (March 31, 2019 : INR 9 million)

- 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 of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- The Group has acted as surety in respect of subsidy received by one of its subsidiary, which limits the total liability of the Group to 1.2x of the amount of subsidy granted. As per the conditions of subsidy received from the local government the subsidiary is required to incur certain level of capital expenditure along with maintaining the headcount at certain level for a period of 5 years. As of March 31, 2020, both the conditions have been fulfilled however headcount level needs to be sustained for 5 years therefore the Group may be contingently liable for INR 2,447 million (March 31, 2019: INR 2,077 million) in the event of non-compliance of subsidy conditions by the subsidiary in the future.
- Above contingent liability includes group share of contingent liability of the associates and joint ventures entities.

For contingent liabilities relating to associates and joint ventures refer to note 48

44 Assets pledged as security

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

	March 31, 2020	March 31, 2019
Current:		
Financial assets		
Floating charge		
Cash and cash equivalents	25,286	15,207
Inventories	22,576	21,125
Receivables	27,024	49,284
Other current assets	21,854	5,871
Total current assets pledged as security	96,740	91,487
Non Current:		
First charge		
Freehold land	3,260	2,569
Buildings	30,805	28,615
Plant & Machinery	44,713	42,094
PPE under finance lease	3,567	2,659
Investment Property	747	872
Other non current assets	9,689	11,213
Total non current assets pledged as security	92,781	88,022
Total assets pledged as security	189,521	179,509

Further, loan amounting to INR 11,789 million (March 31, 2019: INR 16,703 million) has been obtained against security of pledge of shares of an overseas subsidiary company which has been eliminated on consolidation.

45 Ind AS 115 Revenue from contracts with customers

Effective April 1, 2018, the Group has adopted Ind AS 115, 'Revenue from Contracts with Customers', with a modified retrospective approach. The management has evaluated the implications of implementation of new standard on its revenue and has made appropriate adjustments to these results where significant. In certain contracts, it has been assessed that the Group is acting as an agent and therefore, revenue from sales of goods has been recognised excluding the cost of components sold.

The transaction price allocated to the remaining performance obligations related to tool development (unsatisfied or partially unsatisfied) are, as follows:

	March 31, 2020	March 31, 2019
Within one year	27,817	31,786
More than one year	19,477	17,827
Total	47,294	49,613

Table below provides information on revenue recognised from :

	March 31, 2020	March 31, 2019
Amounts included in contract liabilities at the beginning of the year	1,717	538
Performance obligations partly satisfied in previous years	25,197	43,126

The table below represents summary of contract assets and liabilities relating to contracts with customers :

	March 31, 2020	March 31, 2019
Receivables	65,782	73,292
Contract assets	28,472	39,581
Contract liabilities	5,342	4,296

Contract assets are initially recognised for revenue earned from development of tools and secondary equipment as receipt of consideration is conditional on successful completion and acceptance by the customer. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. The expected credit loss on contract assets is considered very low and hence no provision for credit loss is recorded in respect of contract assets.

46 Ind AS 116 Leases

The Group elected to apply Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from April 01, 2019, using the modified retrospective method. Accordingly, comparatives for the year ended March 31, 2019 have not been restated. The Group assesses each lease contract and if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Group recognised right to use assets and lease liabilities for those lease contracts except for short-term lease and lease of low-value assets.

As at March 31, 2019, the Group had minimum lease payment commitment under non-cancellable operating leases of INR 8,466 million. Pursuant to adoption of Ind AS 116, lease liabilities of INR 12,960 million were recognised on April 01, 2019, the transition date. The difference between the operating lease commitments under Ind AS 17 and lease liabilities recognised under Ind AS 116 is largely due to discounting of lease commitments and adoption of practical expedients on exclusion of short-term leases and leases of lowvalue and other adjustments due to reassessment of terms of the contracts. The Group's lease portfolio consist of multiple leases across various geographies and also there are differences in incremental borrowing rates per geography, so determination of weighted average incremental borrowing rate is not practicable.

As at the transition date April 01, 2019 following impacts were recognised in financial position on account of recognition of right of use assets, lease liabilities and reclassification of existing finance lease assets and liabilities.

	March 31, 2019	April 01, 2019	Change
Property, plant & equipment	140,539	137,139	(3,400)
Right-of-use assets	-	16,558	16,558
Other receivables and assets (non-current and current)	19,459	19,261	(198)
Borrowings (non-current and current, including current maturity of long term borrowing)	115,342	114,932	410
Lease Liabilities	-	13,370	(13,370)

The carrying amounts of lease liabilities and the movements during the period is given below:

	April 01, 2019
Recognised as at April 01, 2019 on account of adoption of ind AS 116	12,960
Reclassification from borrowings	410
	13,370
	March 31, 2020
Current lease liabilities	3,363
Non-current lease liabilities	10,300
	13,663
Amount recognised in Statement of Profit and Loss during the year:	March 31, 2020
Interest expense on lease liabilities (included in finance cost)	738
Depreciation of Right of Use assets	3,599
Lease expense derecognised	3,988
Short term and low value lease payments	3,113

47 Hyperinflation

With the effect from July 1, 2018, the Argentine economy was considered to be hyperinflationary in accordance with the criteria in IAS 29 "Financial Reporting in Hyperinflationary Economies" ("IAS 29"). This standard requires that the entity or components financial information whose functional currency is that of an economy considered hyperinflationary be restated using a general price index that reflects changes in general purchasing power. The inflation index used in Argentina was a synthetic index with the following characteristics: i) The Internal Wholesale Price Index (IPIM) until December 2016 and ii) after that date, the National Consumer Price Index (IPC). Additionally, due to the lack of national index on November and December 2015, Consumer Price Index of City of Buenos Aires (IPC CABA) was used.

The results and financial position of Argentine subsidiary SMRC Automotive Tech Argentina S.A., whose functional currency is the currency of a hyperinflationary economy, are first restated in accordance with IND AS 29 and are then translated into the presentation currency.

All balance sheet items of Argentine subsidiary have been segregated into monetary and nonmonetary items. Monetary items are units of currency held, and assets and liabilities to be received or paid, in fixed or determinable number of units of currency. These monetary items are not restated because they are already expressed in terms of the current monetary unit. In a period of inflation, an entity holding an excess of monetary assets over monetary liabilities loses purchasing power, and an entity with an excess of monetary liabilities over monetary assets gains purchasing power, to the extent the assets and liabilities are not linked to a price level. The gain or loss on the net monetary position is included in profit or loss. The effect of inflation on the net monetary position of the Argentine subsidiary for the year ended March 31, 2020 has been a loss of INR 29 million (March 31, 2019: gain of INR 41 million).

Non-monetary assets and liabilities (items which are not already expressed in terms of the monetary unit) are restated by applying the relevant index. After the IND AS 29 restatement of nonmonetary assets, it is necessary to consider whether the restated amount of the asset might exceed its recoverable amount. Additionally, the application of IND AS 29 results in the creation of temporary differences because while the book value of non-monetary assets is adjusted for inflation but not equivalent adjustment is made for tax purpose; the effect of such a temporary difference is a deferred tax liability.

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48 Interest in other entities

A. 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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
1	MSSL Mauritius Holdings Limited (MMHL)	Mauritius	100%	100%	0%	0%	March 31, 2020
2	Motherson Electrical Wires Lanka Private Limited	Sri Lanka	100%	100%	0%	0%	March 31, 2020
3	MSSL Mideast (FZE)	UAE	100%	100%	0%	0%	March 31, 2020
4	MSSL (S) Pte Limited	Singapore	100%	100%	0%	0%	March 31, 2020
5	Motherson Innovations Tech Limited (esrt MSSL Automobile Component Limited)	India	100%	100%	0%	0%	March 31, 2020
6	Samvardhana Motherson Polymers Limited (SMPL)	India	51%	51%	49%	49%	March 31, 2020
7	Motherson Polymers Compounding Solution Limited	India	100%	100%	0%	0%	March 31, 2020
8	MSSL (GB) Limited (Jointly held by the Company and MSSL Mideast (FZE))	UK	100%	100%	0%	0%	March 31, 2020
9	Motherson Wiring System (FZE) (held by MSSL Mideast (FZE))	UAE	100%	100%	0%	0%	March 31, 2020
10	MSSL Tooling (FZE) (held by MSSL Mideast (FZE))	UAE	100%	100%	0%	0%	March 31, 2020
11	MSSL GmbH (held by MSSL Mideast (FZE))	Germany	100%	100%	0%	0%	March 31, 2020
12	Samvardhana Motherson Invest Deutschland GmbH (held by MSSL GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
13	MSSL Advanced Polymers s.r.o.(held by MSSL GmbH)	Czech Republic	100%	100%	0%	0%	March 31, 2020
14	Motherson Techno Precision GmbH (held by MSSL GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
15	MSSL s.r.l. Unipersonale (held by MSSL (GB) Limited)	Italy	100%	100%	0%	0%	March 31, 2020
16	Motherson Techno Precision México, S.A. de C.V (held by Motherson Techno Precision GmbH)	Mexico	100%	100%	0%	0%	March 31, 2020
17	MSSL Manufacturing Hungary Kft (held by MSSL GMBH)	Hungary	100%	100%	0%	0%	March 31, 2020
18	Motherson Air Travel Pvt Ltd (held by MSSL GMBH as at March 31, 2018 and held by MSSL Mideast (FZE) as at March 31, 2019)	Ireland	100%	100%	0%	0%	March 31, 2020
19	MSSL Australia Pty Limited (held by MSSL (S) Pte. Limited during previous years)	Australia	80%	80%	20%	20%	March 31, 2020
20	Motherson Elastomers Pty Limited (held by MSSL Australia Pty Limited)	Australia	100%	100%	0%	0%	March 31, 2020
21	Motherson Investments Pty Limited (held by MSSL Australia Pty Limited)	Australia	100%	100%	0%	0%	March 31, 2020
22	MSSL Ireland Private Limited (held by MSSL (GB) Limited)	Ireland	100%	100%	0%	0%	March 31, 2020
23	MSSL Global RSA Module Engineering Limited (held by MSSL Mauritius Holdings Limited)	South Africa	100%	100%	0%	0%	March 31, 2020
24	MSSL Japan Limited (held by MSSL (S) Pte Limited)	Japan	100%	100%	0%	0%	March 31, 2020
25	Vacuform 2000 (Proprietary) Limited (held by MSSL Mauritius Holdings Limited)	South Africa	51%	51%	49%	49%	March 31, 2020
26	MSSL México, S.A. De C.V. (held by MSSL (S) Pte Limited)	Mexico	100%	100%	0%	0%	March 31, 2020
27	MSSL WH System (Thailand) Co., Ltd (held by MSSL (S) Pte. Ltd.)	Thailand	100%	100%	0%	0%	March 31, 2020
28	MSSL Korea WH Limited (held by MSSL (S) Pte. Ltd.)	South Korea	100%	100%	0%	0%	March 31, 2020
29	MSSL Consolidated Inc. (held by MSSL (GB) Ltd.)	USA	100%	100%	0%	0%	March 31, 2020
30	MSSL Wiring System Inc (held by MSSL Consolidated Inc.)	USA	100%	100%	0%	0%	March 31, 2020
31	Alphabet de Mexico, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2020
32	Alphabet de Mexico de Monclova, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2020
33	Alphabet de Sotillo, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2020
34	MSSL Wirings Juarez, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2020
35	Samvardhana Motherson Global Holdings Ltd. (SMGHL) (held by MSSL Mauritius Holdings Limited)	Cyprus	51%	51%	49%	49%	March 31, 2020
36	Samvardhana Motherson Automotive Systems Group B.V. (SMRPBV) (held by SMGHL and SMPL)	Netherlands	100%	100%	0%	0%	March 31, 2020
37	Samvardhana Motherson Reflectec Group Holdings Limited (SMR) (held by SMRPBV)	Jersey	98.45%	98.45%	1.55%	1.55%	March 31, 2020
38	SMR Automotive Technology Holding Cyprus Limited (held by SMR)	Cyprus	100%	100%	0%	0%	March 31, 2020
39	SMR Automotive Mirror Parts and Holdings UK Ltd (held by SMR)	UK	100%	100%	0%	0%	March 31, 2020

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S.No	Name of the Company	Country of Incorporation	Ownership interest held by the group		Ownership interest held by the non-controlling		Reporting Dates used for Consolidation
			March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
40	SMR Automotive Holding Hong Kong Limited (held by SMR)	Hong Kong	100%	100%	0%	0%	March 31, 2020
41	SMR Automotive Systems India Limited (Jointly held by the Company and SMR Automotive Technology Holding Cyprus Limited)	India	100%	100%	0%	0%	March 31, 2020
42	SMR Automotive Systems France S.A. (held by SMR Automotive Technology Holding Cyprus Limited)	France	100%	100%	0%	0%	March 31, 2020
43	SMR Automotive Mirror Technology Holding Hungary KFT (held by SMR Automotive Technology Holding Cyprus Limited)	Hungary	100%	100%	0%	0%	March 31, 2020
44	SMR Patents S.à.r.l. (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Luxembourg	100%	100%	0%	0%	March 31, 2020
45	SMR Automotive Technology Valencia S.A.U. (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Spain	100%	100%	0%	0%	March 31, 2020
46	SMR Automotive Mirrors UK Limited (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	UK	100%	100%	0%	0%	March 31, 2020
47	SMR Automotive Mirror International USA Inc. (held by SMR Mirrors UK Limited)	USA	100%	100%	0%	0%	March 31, 2020
48	SMR Automotive Systems USA Inc. (held by SMR Automotive Mirror International USA Inc.)	USA	100%	100%	0%	0%	March 31, 2020
49	SMR Automotive Beijing Company Limited (held by SMR Automotive Holding Hong Kong Limited)	China	100%	100%	0%	0%	March 31, 2020
50	SMR Automotive Yancheng Co. Limited (held by SMR Automotive Holding Hong Kong Limited)	China	100%	100%	0%	0%	March 31, 2020
51	SMR Automotive Mirror Systems Holding Deutschland GmbH (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Germany	100%	100%	0%	0%	March 31, 2020
52	SMR Holding Australia Pty Limited (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Australia	100%	100%	0%	0%	March 31, 2020
53	SMR Automotive Australia Pty Limited (held by SMR Holding Australia Pty Ltd.)	Australia	100%	100%	0%	0%	March 31, 2020
54	SMR Automotive Mirror Technology Hungary BT (held by SMR Automotive Technology Holding Cyprus Limited)	Hungary	100%	100%	0%	0%	March 31, 2020
55	SMR Automotive Modules Korea Ltd. (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	South Korea	100%	100%	0%	0%	March 31, 2020
56	SMR Automotive Beteiligungen Deutschland GmbH (held by SMR)	Germany	100%	100%	0%	0%	March 31, 2020
57	SMR Hyosang Automotive Ltd. (held by SMR Automotive Modules Korea Ltd.)	South Korea	100%	100%	0%	0%	March 31, 2020
58	SMR Automotive Mirrors Stuttgart GmbH (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
59	SMR Automotive Systems Spain S.A.U (held by SMR Automotive Mirrors Stuttgart GmbH)	Spain	100%	100%	0%	0%	March 31, 2020
60	SMR Automotive Vision Systems Mexico S.A de C.V (Jointly held by SMR Automotive Mirrors Stuttgart GmbH and SMR Automotive Systems Spain S.A.U.)	Mexico	100%	100%	0%	0%	March 31, 2020
61	Samvardhana Motherson Corp Management Shanghai Co Ltd. (held by SMR Automotive Mirrors Stuttgart GmbH)	China	100%	100%	0%	0%	March 31, 2020
62	SMR Grundbesitz GmbH & Co. KG (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	Germany	93.07%	93.07%	6.93%	6.93%	March 31, 2020
63	SMR Automotive Brasil Ltda. (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Brazil	100%	100%	0%	0%	March 31, 2020
64	SMR Automotive System (Thailand) Limited (held by SMR Automotive Technology Holding Cyprus Limited)	Thailand	100%	100%	0%	0%	March 31, 2020
65	SMR Automotives Systems Macedonia Dooel Skopje (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Macedonia	100%	100%	0%	0%	March 31, 2020
66	SMR Automotive Operations Japan K.K. (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Japan	100%	100%	0%	0%	March 31, 2020
67	SMR Automotive (Langfang) Co. Ltd (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	China	100%	100%	0%	0%	March 31, 2020
68	SMR Automotive Vision System Operations USA INC (held by SMR)	USA	100%	100%	0%	0%	March 31, 2020
69	SMR Mirror UK Limited (held by SMR Automotive Vision System Operations USA INC)	UK	100%	100%	0%	0%	March 31, 2020
70	Motherson Innovations Company Limited (held by SMR)	UK	100%	100%	0%	0%	March 31, 2020

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			March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
71	Motherson Innovations Deutschland GmbH (held by Motherson Innovations Company Limited)	Germany	100%	100%	0%	0%	March 31, 2020
72	Motherson Innovations LLC (held by Motherson Innovations Company Limited)	USA	100%	100%	0%	0%	March 31, 2020
73	Samvardhana Motherson Global (FZE) (held by SMR)	UAE	100%	100%	0%	0%	March 31, 2020
74	SMR Automotive Industries RUS Limited Liability Company (jointly held by SMR Automotive Mirror Technology Holding Hungary Kft & SMR Automotive Technology Holding Cyprus Ltd.)	Russia	100%	100%	0%	0%	March 31, 2020
75	Samvardhana Motherson Peguform GmbH (SMP) (held by SMRPBV)	Germany	100%	100%	0%	0%	March 31, 2020
76	SMP Automotive Interiors (Beijing) Co. Ltd. (held by SMRPBV)	China	100%	100%	0%	0%	March 31, 2020
77	SMP Deutschland GmbH (held by Samvardhana Motherson Peguform GmbH and SMGHL)	Germany	100%	100%	0%	0%	March 31, 2020
78	SMP Logistik Service GmbH (held by SMP Deutschland GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
79	SMP Automotive Solutions Slovakia s.r.o. (held by SMP Deutschland GmbH)	Slovakia	100%	100%	0%	0%	March 31, 2020
80	Changchun Peguform Automotive Plastics Technology Co., Ltd. (held by SMP Deutschland GmbH)	China	50% +1share	50% +1share	50% -1share	50% -1share	March 31, 2020
81	Foshan Peguform Automotive Plastics Technology Co. Ltd. (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2020
82	Shenyang SMP Automotive Plastic Component Co. Ltd. (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2020
83	Tianjin SMP Automotive Component Company Limited (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2020
84	SMP Automotive Technology Management Services (Changchun) Co. Ltd. (held by SMP Deutschland GmbH)	China	100%	100%	0%	0%	March 31, 2020
85	SMP Automotive Technology Iberica S.L. (held by SMRPBV)	Spain	100%	100%	0%	0%	March 31, 2020
86	Samvardhana Motherson Peguform Barcelona S.L.U (held by SMP Automotive Technology Iberica S.L.)	Spain	100%	100%	0%	0%	March 31, 2020
87	SMP Automotive Technologies Teruel Sociedad Limitada (held by SMP Automotive Technology Iberica S.L.)	Spain	100%	100%	0%	0%	March 31, 2020
88	Samvardhana Motherson Peguform Automotive Technology Portugal S.A. (held by SMP Automotive Technology Iberica S.L.)	Portugal	100%	100%	0%	0%	March 31, 2020
89	SMP Automotive Systems Mexico S.A. de C.V. (held by SMP Automotive Technology Iberica S.L.)	Mexico	100%-1share	100%-1share	0%	0%	March 31, 2020
90	SMP Automotive Produtos Automotivos do Brasil Ltda. (held by SMP Automotive Technology Iberica S.L.)	Brazil	100%-1share	100%-1share	0%	0%	March 31, 2020
91	SMP Automotive Exterior GmbH (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
92	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
93	Samvardhana Motherson Innovative Autosystems Holding Company BV (held by SMR)	Netherlands	100%	100%	0%	0%	March 31, 2020
94	SM Real Estate GmbH (held by SMGHL & SMP Automotive Exterior GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
95	Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V. (held jointly by SMR & SMP)	Mexico	100%	100%	0%	0%	March 31, 2020
96	SMP Automotive Systems Alabama Inc. (held by SMR Automotive Mirror International USA Inc.)	USA	100%	100%	0%	0%	March 31, 2020
97	Celulosa Fabril S.A. (held by SMP automotive technology Iberica S.L.)	Spain	50%	50%	50%	50%	March 31, 2020
98	Modulos Ribera Alta S.L.Unipersonal (held by Celulosa Fabril S.A.)	Spain	100%	100%	0%	0%	March 31, 2020
99	Motherson Innovations Lights GmbH & Co KG (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
100	Motherson Innovations Lights Verwaltungs GmbH (held by Motherson Innovations Lights GmbH & Co KG)	Germany	100%	100%	0%	0%	March 31, 2020
101	MSSL Estonia WH OÜ (held by MSSL (GB) Limited)	Estonia	100%	100%	0%	0%	March 31, 2020
102	PKC Group Plc (held by MSSL Estonia WH OÜ)	Finland	100%	100%	0%	0%	March 31, 2020

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			March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
103	PKC Wiring Systems Oy (held by PKC Group Plc)	Finland	100%	100%	0%	0%	March 31, 2020
104	PKC Group Poland Sp. z o.o. (held by PKC Eesti AS)	Poland	100%	100%	0%	0%	March 31, 2020
105	PKC Wiring Systems Llc (held by PKC Wiring Systems Oy)	Serbia	100%	100%	0%	0%	March 31, 2020
106	PKC Group APAC Limited (held by PKC Wiring Systems Oy)	Hong Kong	100%	100%	0%	0%	March 31, 2020
107	PKC Group Canada Inc. (held by PKC Wiring Systems Oy)	Canada	100%	100%	0%	0%	March 31, 2020
108	PKC Group USA Inc. (held by PKC Wiring Systems Oy)	USA	100%	100%	0%	0%	March 31, 2020
109	PKC Group Mexico S.A. de C.V. (held by PKC Wiring Systems Oy)	Mexico	100%	100%	0%	0%	March 31, 2020
110	Project del Holding S.a.r.l. (held by PKC Wiring Systems Oy)	Luxembourg	100%	100%	0%	0%	March 31, 2020
111	PK Cables do Brasil Ltda (jointly held by PKC Wiring Systems Oy & Project Del Holding S.à.r.l.)	Brazil	100%	100%	0%	0%	March 31, 2020
112	PKC Eesti AS (held by PKC Wiring Systems Oy)	Estonia	100%	100%	0%	0%	March 31, 2020
113	TKV-sariat Oy (held by PKC Wiring Systems Oy)	Finland	100%	100%	0%	0%	March 31, 2020
114	PKC SEGU Systemelektirik GmbH (held by PKC Wiring Systems Oy)	Germany	100%	100%	0%	0%	March 31, 2020
115	Groclin Luxembourg S.à.r.l. (held by PKC Group Poland Holding Sp. z o.o.)	Luxembourg	100%	100%	0%	0%	March 31, 2020
116	PKC Vehicle Technology (Suzhou) Co., Ltd. (held by PKC Group APAC Limited)	China	100%	100%	0%	0%	March 31, 2020
117	AEES Inc. (held by PKC Group USA Inc.)	USA	100%	100%	0%	0%	March 31, 2020
118	PKC Group Lithuania UAB (held by PKC Eesti AS)	Lithuania	100%	100%	0%	0%	March 31, 2020
119	PKC Group Poland Holding Sp. z o.o. (held by PKC Wiring Systems Oy)	Poland	100%	100%	0%	0%	March 31, 2020
120	OOO AEK (jointly held by PKC Eesti AS & TKV sarjat O)	Russia	100%	100%	0%	0%	March 31, 2020
121	Kabel-Technik-Polska Sp. z o.o. (held by Groclin Luxembourg S.à.r.l.)	Poland	100%	100%	0%	0%	March 31, 2020
122	T.I.C.S. Corporation (held by AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2020
123	AEES Power Systems Limited partnership (jointly held by T.I.C.S. Corporation & AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2020
124	Fortitude Industries Inc. (held by AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2020
125	AEES Manufactuera, S. De R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2020
126	Cableados del Norte II, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2020
127	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2020
128	Arneses y Accesorios de México, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2020
129	Asesoría Mexicana Empresarial, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2020
130	Arneses de Ciudad Juarez, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2020
131	PKC Group de Piedras Negras, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2020
132	PKC Group AEES Commercial S. de R.L de C.V (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2020
133	Jiangsu Huakai-PKC Wire Harness Co., Ltd. (held by PKC Group APAC Limited)	China	50%	50%	50%	50%	March 31, 2020
134	PKC Vehicle Technology (Hefei) Co, Ltd. (held by PKC Group APAC Limited)	China	50%	50%	50%	50%	March 31, 2020
135	Shangdong Huakai-PKC Wire Harness Co., Ltd. (held by Jiangsu Huakai-PKC Wire Harness Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2020
136	Motherson Rolling Stock Systems GB Limited (held by Kabel Technik Polska Sp. z o.o.)(incorporated on February 01, 2019) *	UK	100%		0%		March 31, 2020
137	Motherson PKC Harness Systems FZ-LLC (held by PKC Eesti AS) (incorporated on July 7, 2019)	UAE	100%	100%	0%	0%	March 31, 2020
138	Global Environment Management (FZC) (held by MSSSL Mauritius Holdings Limited)¹	UAE	100%	100%	0%	0%	March 31, 2020
139	SMRC Automotive Interiors Management B.V. (held by SMRPBV)*	Netherlands	100%	100%	0%	0%	March 31, 2020
140	SMRC Automotive Holdings B.V. (jointly held by SMRPBV and SMRC Automotive Interiors Management B.V.)*	Netherlands	100%	100%	0%	0%	March 31, 2020
141	SMRC Automotive Holdings Netherlands B.V. (held by SMRC Automotive Holdings B.V.)*	Netherlands	100%	100%	0%	0%	March 31, 2020

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(All amounts in INR Million, unless otherwise stated)

S.No	Name of the Company	Country of Incorporation	Ownership interest held by the group		Ownership interest held by the non-controlling		Reporting Dates used for Consolidation
			March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
142	SMRC Automotives Techno Minority Holdings B.V. (held by SMRC Automotive Holdings Netherlands B.V.)*	Netherlands	100%	100%	0%	0%	March 31, 2020
143	SMRC Smart Automotive Interior Technologies USA, LLC (held by SMRC Automotive Holdings Netherlands B.V.)*	USA	100%	100%	0%	0%	March 31, 2020
144	SMRC Automotive Modules France SAS (held by SMRC Automotive Holdings Netherlands B.V.)*	France	100%	100%	0%	0%	March 31, 2020
145	Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U. (held by SMRC Automotive Holdings Netherlands B.V.)*	Spain	100%	100%	0%	0%	March 31, 2020
146	SMRC Automotive Interiors Spain S.L.U. (held by Reydel Automotive Holding Spain , S.L.U)*	Spain	100%	100%	0%	0%	March 31, 2020
147	SMRC Automotive Interior Modules Croatia d.o.o (held by SMRC Automotive Holdings Netherlands B.V.)*	Croatia	100%	100%	0%	0%	March 31, 2020
148	Samvardhana Motherson Reydel Autotecc Morocco SAS (held by SMRC Automotive Holdings Netherlands B.V.)*	Morocco	100%	100%	0%	0%	March 31, 2020
149	SMRC Automotive Technology RU LLC (held by SMRC Automotive Holdings Netherlands B.V.)*	Russia	100%	100%	0%	0%	March 31, 2020
150	SMRC Smart Interior Systems Germany GmbH (held by SMRC Automotive Holdings Netherlands B.V.)*	Germany	100%	100%	0%	0%	March 31, 2020
151	SMRC Automotive Interiors Products Poland SA (held by SMRC Automotive Holdings Netherlands B.V.)*	Poland	100%	100%	0%	0%	March 31, 2020
152	SMRC Automotive Solutions Slovakia s.r.o. (held by SMRC Automotive Holdings Netherlands B.V.)*	Slovakia	100%	100%	0%	0%	March 31, 2020
153	SMRC Automotive Holding South America B.V. (held by SMRC Automotive Holdings Netherlands B.V.)*	Netherlands	100%	100%	0%	0%	March 31, 2020
154	SMRC Automotive Modules South America Minority Holdings B.V. (held by SMRC Automotive Holdings Netherlands B.V.)*	Netherlands	100%	100%	0%	0%	March 31, 2020
155	SMRC Automotive Tech Argentina S.A. (jointly held by SMRC Automotive Holding South America B.V. & SMRC Automotive Modules South America Minority Holdings B.V.)*	Argentina	100%	100%	0%	0%	March 31, 2020
156	SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda (held by SMRC Automotive Holding South America B.V.)*	Brazil	100%	100%	0%	0%	March 31, 2020
157	SMRC Automotive Products India Private Limited (held by SMRC Automotive Holdings Netherlands B.V.)*	India	100%	100%	0%	0%	March 31, 2020
158	SMRC Automotive Smart Interior Tech (Thailand) Ltd. (held by SMRC Automotive Holdings Netherlands B.V.)*	Thailand	100%	100%	0%	0%	March 31, 2020
159	SMRC Automotive Interiors Japan Ltd. (held by SMRC Automotive Holdings Netherlands B.V.)*	Japan	100%	100%	0%	0%	March 31, 2020
160	Shanghai Reydel Automotive Technology Consulting Co. Ltd. (held by SMRC Automotive Holdings Netherlands B.V.)*	China	100%	100%	0%	0%	March 31, 2020
161	PT SMRC Automotive Technology Indonesia (jointly held by SMRC Automotive Holdings Netherlands B.V. & SMRC Automotives Techno Minority Holdings B.V.)*	Indonesia	100%	100%	0%	0%	March 31, 2020
162	Yujin SMRC Automotive Techno Corp. (held by SMRC Automotive Holdings Netherlands B.V.)*	South Korea	50.9%	50.9%	49.1%	49.1%	March 31, 2020
163	SMRC Automotives Technology Phil Inc. (held by SMRC Automotive Holdings Netherlands B.V.)*	Philippines	100%	100%	0%	0%	March 31, 2020
164	Motherson Osia Innovation Ilc. (held by Motherson Innovations LLC)	USA	51%	51%	49%	49%	March 31, 2020
165	Re-time Pty Limited (held by SMR Automotive Australia Pty Limited)	Australia	71.4%	35%	28.6%		March 31, 2020
166	Wisetime Oy (held by PKC Wiring Systems Oy) (become subsidiary w.e.f March 6, 2020)	Finland	100.0%	19%	0%		March 31, 2020
167	MSSL M Tooling Ltd	Mauritius	100%	100%	0%	0%	March 31, 2020
168	Samvardhana Motherson Polymers Management Germany GMBH (held by MSSL GmbH) (Merged with MSSL GmbH from August 30, 2019)	Germany	100%	100%	0%	0%	March 31, 2020
169	MSSL Overseas Wiring System Ltd. (held by MSSL (GB) Ltd.) liquidated on January 29, 2019	UK	-	100%	-	0%	-
170	SMR Automotive Servicios Mexico S.A de C.V (held by SMR Automotive Vision Systems Mexico S.A de C.V) (liquidated on July 2, 2019)	Mexico	-	100%	-	0%	March 31, 2020
171	PKC Netherlands Holding B.V. (held by PKC Group Plc) (Liquidated on July 31, 2019)	Netherlands	-	100%	-	0%	March 31, 2020
172	PK Cables Nederland B.V. (held by PKC Netherlands Holding B.V.) (Liquidated on July 31, 2019)	Netherlands	-	100%	-	0%	March 31, 2020
173	Global Environment Management Australia Pty Limited (held by Global Environment Management (FZC)), (liquidated on April 20, 2018)	Australia	-	-	-	-	

* Acquired on August 02, 2018 (Refer Note 50)

B. Non-controlling interests (NCI)

Set out below the summarised financial information for subsidiary that has non-controlling interests that are material to the group.

Samvardhana Motherson Automotive Systems Group B.V.		
	March 31, 2020	March 31, 2019
Summarised balance sheet		
Current assets	126,377	130,860
Current liabilities	132,040	130,782
Net current assets	(5,663)	78
Non-current assets	169,188	151,412
Non-current liabilities	101,575	89,981
Net non-current assets	67,613	61,431
Net Assets	61,950	61,509
Accumulated Non controlling Interest	31,621	31,156

Samvardhana Motherson Automotive Systems Group B.V.		
	March 31, 2020	March 31, 2019
Summarised statement of profit and loss		
Revenue	445,679	434,378
Profit for the year	175	7,529
Other comprehensive income	1,353	444
Total comprehensive income	1,528	7,973
Profit allocated to non controlling interest	1,018	4,566
Dividend paid to NCI	1,381	1,413

Samvardhana Motherson Automotive Systems Group B.V.		
	March 31, 2020	March 31, 2019
Summarised cash flows		
Cash flows from operating activities	35,024	23,295
Cash flows from investing activities	(13,194)	(27,189)
Cash flows from financing activities	(11,623)	11,030
Net increase / (decrease) in cash and cash equivalents	10,207	7,136

C. Interest in associates companies consolidated using equity method of accounting

Name of the Company	Country of Incorporation	% of ownership interest March 31, 2020	Quoted fair value		Carrying amount	
			March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
SAKS Ancillaries Limited	India	40.01%	-*	-*	43	42
Re time Pty Limited (held by SMR) (Refer Note 50)	Australia			-*		7
Hubei Zhengao PKC Automotive Wiring Company Ltd. (held by PKC)	China	40%	-*	-*	875	842

* Unlisted entity - no quoted price available

D. Interest in Joint ventures companies consolidated using equity method of accounting

Name of the Company	Country of Incorporation	% of ownership interest March 31, 2020	Quoted fair value		Carrying amount	
			March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Kyungshin Industrial Motherson Limited	India	50%	-*	-*	2,076	1,987
Calsonic Kansei Motherson Auto Products Private Limited	India	49%	-*	-*	685	683
Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd. (through SMR) (Includes Chongqing SMR Huaxiang Automotive Products Limited & Tianjin SMR Huaxiang Automotive Part Co. Limited) ¹	China	50%	-*	-*	2,396	2,187
Eissmann SMP Automotive Interieur Slovensko s.r.o (through SMP Deutschland GmbH)	Slovakia	49%	-*	-*	267	408

* Unlisted entity - no quoted price available

1. Chongqing SMR Huaxiang Automotive Products Limited is 100% subsidiary of Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd. and Tianjin SMR Huaxiang Automotive Part Co. Limited is 100% subsidiary of Chongqing SMR Huaxiang Automotive Products Limited.

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E. Summarised financial information of joint ventures

The table below provide summarised financial information for those joint venture that are material to the group.

Summarised balance sheet	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko
March 31, 2020				
Current assets				
Cash and cash equivalents	1,009	491	1,937	186
Other assets	5,496	1,493	4,207	667
Total current assets	6,505	1,984	6,144	853
Total non-current assets	2,087	1,710	2,492	767
Current liabilities				
Financial liabilities (excluding trade payables)	3,078	981	-	-
Other liabilities	936	640	3,812	1,054
Total current liabilities	4,014	1,621	3,812	1,054
Total non-current liabilities	427	674	33	6
	-	-	-	(15)
Consolidation adjustments and currency translation adjustment				
Net assets	4,151	1,399	4,791	545

Reconciliation to carrying amounts:

	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko
March 31, 2020				
Opening net assets	3,973	1,394	4,373	833
Profit for the year	396	42	863	(331)
Other comprehensive income	(10)	1	-	-
Exchange gain / (loss)	-	-	166	43
Dividend paid	(208)	(38)	(611)	-
Closing net assets	4,151	1,399	4,791	545
Group's share in %	50%	49%	50%	49%
Group's share in INR	2,076	685	2,396	267
Carrying amount	2,076	685	2,396	267

Summarised balance sheet	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko s.r.o
March 31, 2019				
Current assets				
Cash and cash equivalents	7	283	1,092	2
Other assets	5,431	1,403	4,926	605
Total current assets	5,438	1,686	6,018	607
Total non-current assets	931	1,223	2,648	876
Current liabilities				
Financial liabilities (excluding trade payables)	41	404	-	-
Other liabilities	2,305	738	4,242	620
Total current liabilities	2,346	1,142	4,242	620
Total non-current liabilities	50	373	3	41
Consolidation adjustments and currency translation adjustment	-	-	(48)	11
Net assets	3,973	1,394	4,373	833

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(All amounts in INR Million, unless otherwise stated)

Reconciliation to carrying amounts:

	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko
March 31, 2019				
Opening net assets	3,694	1,298	3,664	881
Profit for the year	692	97	1,170	(31)
Other comprehensive income	2	(1)	-	-
Exchange gain / (loss)	-	-	(64)	(17)
Dividend paid	(415)	-	(397)	-
Closing net assets	3,973	1,394	4,373	833
Group's share in %	50%	49%	50%	49%
Group's share in INR	1,987	683	2,187	408
Goodwill				
Carrying amount	1,987	683	2,187	408

Summarised statement of profit and loss

	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko
March 31, 2020				
Revenue	16,053	4,829	12,902	3,392
Interest income	76	24	17	-
Depreciation and amortisation	214	434	392	163
Interest expense	39	110	4	0
Income tax expense	146	133	119	-
Profit from continuing operation	396	42	863	(331)
Other comprehensive income	(10)	(0)	-	-
Total comprehensive income	386	42	863	(331)

	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko
March 31, 2019				
Revenue	13,834	4,255	13,092	3,479
Interest income	157	24	12	-
Depreciation and amortisation	56	276	395	149
Interest expense	3	67	(1)	0
Income tax expense	368	60	170	-
Profit from continuing operation	692	97	1,170	(31)
Other comprehensive income	2	(2)	-	-
Total comprehensive income	694	95	1,170	(31)

F. Summarised financial information of Associate

The table below provide summarised financial information for associate that is material to the group.

Summarised balance sheet

	Hubei Zhengao PKC Automotive Wiring Company Ltd.
March 31, 2020	
Current assets	3,300
Non-current assets	331
Total assets	3,631
Non-current liabilities	0
Current liabilities	1,568
Total liabilities	1,568
Net assets	2,063
Group Share %	40%

Reconciliation to carrying amounts:

	Hubei Zhengao PKC Automotive Wiring Company Ltd.
March 31, 2020	
Opening net assets	842
Profit for the year	92
Exchange gain / (loss)	73
Dividend paid	(132)
Carrying amount	875

	Hubei Zhengao PKC Automotive Wiring Company Ltd.
March 31, 2019	
Current assets	3,144
Non-current assets	301
Total assets	3,445
Current liabilities	1,353
Total liabilities	1,353
Net assets	2,092
Group Share	40%

Reconciliation to carrying amounts:

	Hubei Zhengao PKC Automotive Wiring Company Ltd.
March 31, 2019	
Opening net assets	649
Investment during the year	-
Profit for the year	161
Exchange gain / (loss)	32
Carrying amount	842

G. Individually immaterial associates

The group has interests in a number of individually immaterial associates that are accounted for using equity method. The group share of investment and profit is disclosed below.

	March 31, 2020	March 31, 2019
Aggregate carrying amount of individually immaterial associates	43	49
Aggregate amounts of the group's share of:		
Profit / (loss) from continuing operations	1	6

H. Commitments and contingent liabilities in respect of associates and joint ventures

	March 31, 2020	March 31, 2019
Share of joint venture's contingent liabilities in respect of:		
Excise matters	42	2
Unfulfilled export commitments under EPCG Scheme	115	108
Others	13	13
Commitments - joint ventures		
Share of joint venture's estimated value of contracts in capital account remaining to be executed, (Net of Advances)	13	112

49 Statutory group information required by Schedule III

March 31, 2020:

Si. No.	Name of entity	Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
1	Motherson Sumi Systems Ltd	42	62,443	69	8,988	(4)	(112)	57	8,876
	Subsidiaries:								
	Indian:								
2	Samvardhana Motherson Polymers Limited	0*	529	0*	(0)	0*	-	0*	(0)
3	Motherson Innovations Tech Limited (esrt MSSL Automobile Component Limited)	0*	2	0*	2	0*	-	0*	2
4	Motherson Polymers Compounding Solution Limited	0*	22	0*	9	0*	(0)	0*	9
5	SMR Automotive Systems India Ltd.	2	2,699	1	193	(2)	(52)	1	141
6	SMRC Automotive Products India Private Limited	1	1,376	(2)	(239)	0*	-	(2)	(239)
	Foreign:								
7	Samvardhana Motherson Reflectec Group Holdings Limited	13	19,970	17	2,194	0*	-	14	2,194
8	SMR Automotive Technology Holding, Cyprus Ltd.	3	3,933	5	701	0*	-	5	701
9	SMR Automotive Brasil LTDA.	1	902	1	160	0*	-	1	160
10	SMR Automotive Mirror Technology Holding Hungary KFT	1	2,082	5	608	0*	-	4	608
11	SMR Holding Australia Pty Limited	1	1,531	5	610	0*	-	4	610
12	SMR Automotive Australia Pty Limited	1	1,184	6	757	(1)	(29)	5	728
13	SMR Automotive Mirror Technology, Hungary BT	0*	583	(3)	(366)	(7)	(178)	(3)	(544)
14	SMR Automotive Systems, France S.A.	0*	(293)	(3)	(410)	(1)	(30)	(3)	(440)
15	SMR Automotive System (Thailand) Limited	0*	526	0*	(11)	0*	(9)	0*	(20)
16	SMR Automotive Mirror Parts and Holdings, UK Ltd.	8	12,027	16	2,054	(1)	(14)	13	2,041
17	SMR Patents S.à.r.l.	0*	(39)	1	174	0*	-	1	174
18	SMR Automotive Technology Valencia S.A.U.	0*	199	0*	6	0*	-	0*	6
19	SMR Automotive Mirrors UK Limited	1	923	2	219	0*	-	1	219
20	SMR Automotive Mirror Systems Holding Deutschland GmbH	1	1,615	6	797	0*	(2)	5	796
21	SMR Hyosang Automotive Ltd.	1	2,083	1	151	0*	(11)	1	140
22	SMR Automotive Modules Korea Ltd.	2	3,541	(1)	(159)	(11)	(297)	(3)	(456)
23	SMR Automotive Beteiligungen Deutschland GmbH	0*	147	0*	(11)	0*	-	0*	(11)
24	SMR Automotive Systems Spain S.A.U.	1	952	6	766	0*	-	5	766
25	SMR Automotive Servicios Mexico S.A. de C.V. (Liquidated on July 2, 2019)	0*	-	0*	-	0*	-	0*	-
26	SMR Automotive Vision Systems Mexico S.A. de C.V.	2	2,746	5	688	(7)	(189)	3	499
27	SMR Automotive Mirror Stuttgart GmbH	1	1,006	4	508	(3)	(76)	3	432
28	SMR Grundbesitz GmbH & Co. KG	0*	256	0*	27	0*	-	0*	27
29	SMR Mirror UK Limited	1	1,315	31	3,954	0*	-	25	3,954
30	SMR Automotive Systems USA Inc.	3	4,653	29	3,702	0*	-	24	3,702
31	SMR Automotive Mirror International USA Inc.	11	15,795	36	4,638	4	94	30	4,731
32	SMR Automotive Vision System Operations USA INC	8	11,353	31	4,041	0*	-	26	4,041
33	SMR Automotive Beijing Company Limited	0*	395	0*	12	4	96	1	108
34	SMR Automotive Yancheng Co. Limited	1	769	0*	36	2	62	1	98
35	SMR Automotive Holding Hong Kong Limited	0*	473	0*	(2)	0*	-	0*	(2)
36	SMR Automotive Operations Japan k.k.	0*	(63)	(1)	(131)	0*	-	(1)	(131)
37	SMR Automotive (Langfang) Co. Limited	0*	64	1	75	0*	-	0*	75
38	SMR Automotives Systems Macedonia Dooel Skopje	0*	(14)	0*	(0)	0*	-	0*	(0)
39	SMR Automotive Industries RUS Limited Liability Company	0*	22	0*	2	0*	-	0*	2
40	Samvardhana Motherson Corp Management Shanghai Co., Ltd	0*	82	0*	(37)	0*	-	0*	(37)
41	Re time Pty Limited (Refer note 50)	0*	16	0*	(8)	0*	-	0*	1
42	Samvardhana Motherson Global (FZE)	0*	177	1	109	0*	-	1	109
43	Motherson Innovations Company Limited	1	909	(7)	(895)	0*	-	(6)	(895)
44	Motherson Innovations Deutschland GmbH	0*	47	0*	8	0*	-	0*	8
45	Motherson Innovations LLC	0*	-	0*	-	0*	-	0*	-
46	Samvardhana Motherson Peguform GmbH	(1)	(912)	(10)	(1,234)	0*	-	(8)	(1,234)
47	SMP Automotive Exterior GmbH	1	1,823	(1)	(162)	0*	-	(1)	(162)
48	SMP Deutschland GmbH	9	13,693	19	2,435	(3)	(75)	15	2,360
49	SMP Logistik Service GmbH	0*	48	0*	1	0*	-	0*	1
50	SMP Automotive Solutions Slovakia s.r.o.	(1)	(1,467)	(1)	(78)	0*	-	0*	(78)
51	Changchun Peguform Automotive Plastics Technology Ltd.	6	9,279	14	1,868	0*	-	12	1,868
52	Foshan Peguform Automotive Plastics Technology Co. Ltd.	0*	708	1	75	0*	-	0*	75

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(All amounts in INR Million, unless otherwise stated)

Si. No.	Name of entity	Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
53	Shenyang SMP Automotive Plastic Component Co. Ltd.	0*	242	1	104	0*	-	1	104
54	SMP Automotive Technology Management Services (Changchun) Co. Ltd.	0*	(34)	0*	-	0*	-	0*	-
55	SMP Automotive Interiors (Beijing) Co. Ltd.	1	1,290	5	623	0*	-	4	623
56	SMP Automotive Technology Iberica S.L.	5	7,964	12	1,517	0*	-	10	1,517
57	SMP Automotive Technologies Teruel Sociedad Limitada	0*	233	1	116	0*	-	1	116
58	Samvardhana Motherson Peguform Barcelona S.L.U	0*	352	2	283	0*	-	2	283
59	SMP Automotive Produtos Automotivos do Brasil Ltda	(1)	(1,937)	(16)	(2,041)	0*	-	(13)	(2,041)
60	SMP Automotive Systems México, S. A. de C. V.	4	5,596	3	448	(21)	(557)	(1)	(109)
61	Samvardhana Motherson Peguform Automotive Technology Portugal, S.A.	1	755	5	703	0*	-	5	703
62	Celulosa Fabril S.A.	1	2,093	5	646	0*	-	4	646
63	Modulos Ribera Alta S.L. Unipersonal	2	3,615	6	807	0*	-	5	807
64	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	2	2,782	(4)	(564)	0*	-	(4)	(564)
65	Samvardhana Motherson Innovative Autosystems Holding Company B.V.	0*	8	0*	0	0*	-	0*	0
66	Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V.	0*	449	(2)	(203)	0*	-	(1)	(203)
67	SM Real Estate GmbH	0*	148	0*	19	0*	-	0*	19
68	Motherson Innovations Lights GmbH & Co. KG	0*	36	0*	(45)	0*	-	0*	(45)
69	Motherson Innovations Lights Verwaltungs GmbH	0*	2	0*	0	0*	-	0*	0
70	SMP Automotive Systems Alabama Inc.	(10)	(15,137)	(102)	(13,154)	0*	-	(84)	#####
71	Tianjin SMP Automotive Components Co. Ltd.	0*	129	0*	(52)	0*	-	0*	(52)
72	SMRC Automotive Interiors Management B.V.	0*	9	0*	-	0*	-	0*	-
73	SMRC Automotive Holdings B.V.	1	857	(1)	(136)	0*	-	(1)	(136)
74	SMRC Automotive Holdings Netherlands B.V.	4	6,045	(4)	(566)	0*	-	(4)	(566)
75	SMRC Automotives Techno Minority Holdings B.V.	0*	51	0*	3	0*	-	0*	3
76	SMRC Smart Automotive Interior Technologies USA, LLC	0*	-	0*	-	0*	-	0*	-
77	SMRC Automotive Modules France SAS	3	4,079	22	2,834	0*	8	18	2,842
78	Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.	0*	704	0*	16	0*	-	0*	16
79	SMRC Automotive Interiors Spain S.L.U.	2	3,077	4	537	0*	-	3	537
80	SMRC Automotive Interior Modules Croatia d.o.o	0*	10	0*	1	0*	-	0*	1
81	Samvardhana Motherson Reydel Autotecc Morocco SAS	0*	247	(1)	(105)	0*	0	(1)	(105)
82	SMRC Automotive Technology RU LLC	0*	(188)	(3)	(445)	0*	-	(3)	(445)
83	SMRC Smart Interior Systems Germany GmbH	0*	96	0*	44	(1)	(23)	0*	22
84	SMRC Automotive Interiors Products Poland SA	0*	112	0*	7	0*	-	0*	7
85	SMRC Automotive Solutions Slovakia s.r.o.	0*	419	(3)	(361)	0*	(2)	(2)	(363)
86	SMRC Automotive Holding South America B.V.	0*	395	0*	(28)	0*	-	0*	(28)
87	SMRC Automotive Modules South America Minority Holdings B.V.	0*	29	0*	(0)	0*	-	0*	(0)
88	SMRC Automotive Tech Argentina S.A.	0*	676	0*	(61)	0*	-	0*	(61)
89	SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda	0*	461	0*	58	0*	-	0*	58
90	SMRC Automotive Smart Interior Tech (Thailand) Ltd.	1	758	0*	(24)	1	16	0*	(8)
91	SMRC Automotive Interiors Japan Ltd.	0*	13	0*	13	0*	(2)	0*	11
92	Shanghai Reydel Automotive Technology Consulting Co. Ltd.	0*	15	0*	3	0*	-	0*	3
93	PT SMRC Automotive Technology Indonesia	0*	(42)	0*	16	0*	-	0*	16
94	Yujin SMRC Automotive Techno Corp.	1	1,600	3	342	2	42	2	384
95	SMRC Automotives Technology Phil Inc.	0*	(27)	0*	(20)	0*	-	0*	(20)
96	PKC Group Ltd	7	10,246	8	1,080	0*	-	7	1,080
97	PKC Wiring Systems Oy	5	7,795	2	214	0*	-	1	214
98	PKC Netherlands Holding B.V (Liquidated on July 31, 2019)	0*	81	0*	4	0*	-	0*	4
99	PK Cables Nederland B.V.(Liquidated on July 31, 2019)	0*	(0)	0*	(3)	0*	-	0*	(3)
100	Wisetime Oy (become subsidiary w.e.f March 6, 2020, Refer Note 50)	0*	81	0*	4	0*	-	0*	
101	Motherson PKC Harness Systems FZ-LLC (incorporated on July 7, 2019)	0*	(0)	0*	(3)	0*	-	0*	
102	PKC Group Poland Sp. z o.o.	0*	(623)	(2)	(215)	0*	-	(1)	(215)
103	PKC SEGU Systemelektrik GmbH	0*	(212)	0*	59	0*	-	0*	59
104	PKC Wiring Systems Llc	0*	291	(2)	(214)	0*	-	(1)	(214)
105	PKC Eesti AS	10	14,195	8	1,057	0*	-	7	1,057

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

Si. No.	Name of entity	Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
106	TKV-Sariat Oy	0*	9	0*	2	0*	-	0*	2
107	OOO AEK	0*	409	0*	(42)	0*	-	0*	(42)
108	PKC Group Lithuania UAB	0*	459	1	94	0*	-	1	94
109	PK Cables do Brasil Ltda	0*	603	0*	(14)	0*	-	0*	(14)
110	PKC Group Canada Inc.	0*	294	0*	(14)	0*	-	0*	(14)
111	PKC Group Mexico S.A. de C.V.	0*	127	0*	-	0*	-	0*	-
112	Prolect Del Holding S.à.r.l.	1	1,358	0*	(3)	0*	-	0*	(3)
113	AEES Manufacturera, S. De R.L. de C.V	0*	659	0*	0	0*	-	0*	0
114	Arneses de Ciudad Juarez, S. de R.L. de C.V.	0*	30	0*	(1)	0*	-	0*	(1)
115	Arneses y Accesorios de México, S. de R.L. de C.V.	0*	110	1	126	0*	-	1	126
116	Cableados del Norte II, S. de R.L. de C.V.	0*	201	0*	40	0*	-	0*	40
117	Asesoria Mexicana Empresarial, S. de R.L. de C.V.	0*	103	0*	15	0*	-	0*	15
118	Manufacturas de Componentes Electricos de Mexico S. de R.L. de C.V.	0*	3	0*	-	0*	-	0*	-
119	PKC Group de Piedras Negras, S. de R.L. de C.V.	0*	60	0*	28	0*	-	0*	28
120	PKC Group AEES Commercial, S. de R.L. de C.V.	0*	37	0*	19	0*	-	0*	19
121	PKC Group USA Inc.	(9)	(13,152)	(7)	(939)	0*	-	(6)	(939)
122	AEES Inc.	9	12,665	22	2,853	0*	-	18	2,853
123	AEES Power Systems Limited Partnership	1	2,191	2	241	0*	-	2	241
124	Fortitude Industries Inc.	1	855	0*	(45)	0*	-	0*	(45)
125	PKC Vehicle Technology (Hefei) Co., Ltd.	1	956	1	94	0*	-	1	94
126	PKC Vehicle technology (Suzhou) Co. Ltd	0*	(111)	2	278	0*	-	2	278
127	Jiangsu Huakai-PKC Wire Harness Co., Ltd.	3	4,073	1	154	0*	-	1	154
128	Shandong Huakai-PKC Wire Harness Co. Ltd	1	1,163	1	146	0*	-	1	146
129	PKC Group APAC Ltd.	(1)	(2,019)	(1)	(191)	0*	-	(1)	(191)
130	Kabel Technik Polska Sp. z o.o.	1	848	0*	(22)	0*	-	0*	(22)
131	PKC Group Poland Holding Sp. z o.o.	1	770	0*	13	0*	-	0*	13
132	Groclin Luxembourg S.à.r.l.	1	1,863	0*	(2)	0*	-	0*	(2)
133	Motherson Rolling Stock Systems GB Limited	1	990	5	681	0*	-	4	681
134	MSSL Mideast (FZE)	16	24,457	6	804	0*	-	5	804
135	MSSL (GB) Limited	23	34,487	18	2,319	0*	-	15	2,319
136	MSSL Mauritius Holdings Limited	4	5,549	5	651	0*	-	4	651
137	Samvardhana Motherson Global Holdings Limited Cyprus	50	74,124	0*	14	0*	-	0*	14
138	MSSL (S) Pte Limited	1	1,128	0*	6	0*	-	0*	6
139	Motherson Electrical Wires Lanka Private Limited	0*	446	2	296	0*	(0)	2	296
140	MSSL Consolidated Inc. USA	1	1,753	13	1,688	0*	-	11	1,688
141	MSSL Wiring Systems Inc	3	4,539	11	1,425	(8)	(198)	8	1,227
142	Alphabet De Mexico S.A. de C.V	0*	86	0*	57	0*	-	0*	57
143	Alphabet De Saltillo S.A. de C.V.	0*	(10)	0*	(27)	0*	-	0*	(27)
144	Alphabet De Mexico de Monclova S.A. de C.V	0*	12	0*	(0)	0*	-	0*	(0)
145	MSSL Wirings Juarez S.A. de C.V.	0*	5	0*	4	0*	-	0*	4
146	MSSL Japan Limited	0*	27	0*	(28)	0*	-	0*	(28)
147	MSSL Mexico S.A. De C.V.	0*	710	1	122	0*	(10)	1	112
148	MSSL WH System (Thailand) Co. Ltd.	0*	394	1	124	0*	-	1	124
149	MSSL Korea WH Limited	0*	(13)	0*	(5)	0*	-	0*	(5)
150	MSSL Ireland Private Limited	0*	32	0*	2	0*	-	0*	2
151	MSSL s.r.l. Unipersonale	0*	14	0*	3	0*	-	0*	3
152	MSSL Estonia WH OU	1	1,889	15	1,943	0*	-	12	1,943
153	MSSL Australia Pty Limited	0*	267	1	116	0*	-	1	116
154	Motherson Elastomers Pty Limited	0*	372	1	113	0*	-	1	113
155	Motherson Investments Pty Limited	0*	14	0*	5	0*	-	0*	5
156	MSSL Global RSA Module Engineering Limited	1	1,361	6	745	0*	-	5	745
157	Jacuform 2000 (Proprietary) Limited	0*	37	0*	6	0*	-	0*	6
158	MSSL GMBH	1	1,225	0*	(44)	0*	-	0*	(44)
159	Samvardhana Motherson Invest Deutschland GmbH	0*	70	0*	0	0*	-	0*	0
160	MSSL Advanced Polymers s.r.o.	0*	488	0*	46	0*	-	0*	46
161	Motherson Techno Precision GmbH	0*	55	0*	(25)	0*	-	0*	(25)
162	Samvardhana Motherson Polymers Management Germany GMBH (Merged with MSSL GmbH from August 30, 2019)	0*	-	0*	-	0*	-	0*	-
163	Motherson Techno Precision México, S.A. de C.V	0*	(118)	0*	9	0*	-	0*	9
164	MSSL Manufacturing Hungary Kft	0*	39	0*	3	0*	-	0*	3
165	Motherson Air Travel Pvt Ltd	0*	(513)	(2)	(197)	0*	-	(4)	(566)
166	MSSL Tooling (FZE)	1	1,656	4	458	0*	-	3	458
167	Motherson Wiring System (FZE)	0*	(115)	0*	6	0*	-	0*	6
168	Global Environment Management (FZC)	0*	(62)	0*	6	0*	-	0*	6
169	Samvardhana Motherson Automotive Systems Group B.V.	65	96,929	38	4,858	11	288	33	5,146
170	MSSL M Tooling Ltd	0*	-	0*	-	0*	-	0*	-
171	Motherson Osia Innovation Ilc.	0*	-	0*	-	0*	-	0*	-

MOTHERSON SUMI SYSTEMS LIMITED
Notes to the consolidated financial statements
(All amounts in INR Million, unless otherwise stated)

Si. No.	Name of entity	Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
	Associates (Investment as per Equity method)								
	Indian:								
172	SAKS Ancillaries Limited	0*	42	0*	-	0*	-	0*	-
	Foreign:								
173	Hubei Zhengao PKC Automotive Wiring Company Ltd.	1	825	1	92	0*	-	1	92
	Joint Ventures (Investment as per Equity method)								
	Indian:								
174	Kyungshin Industrial Motherson Limited	1	2,077	2	198	0*	(5)	1	193
175	Calsonic Kansei Motherson Auto Products Private Limited	0*	627	0*	21	0*	(0)	0*	20
	Foreign:								
176	Eissmann SMP Automotive Interieur Slovensko s.r.o	0*	319	(1)	(189)	0*	-	(1)	(189)
177	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	3	3,726	3	398	0*	-	3	398
178	Chongqing SMR Huaxiang Automotive Products	1	806	0*	35	0*	-	0*	35
179	Tianjin SMR Huaxiang Automotive Part Co. Limited	0*	43	0*	(1)	0*	-	0*	(1)
	Minority Interest in All Subsidiaries	(24)	(35,650)	(10)	(1,244)	(31)	(822)	(13)	(2,066)

MOTHERSON SUMI SYSTEMS LIMITED
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March 31, 2019:

Sl. No.	Name of entity	Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
1	Motherson Sumi Systems Ltd	45	64,381	39	8,137	30	(56)	39	8,082
	Subsidiaries:								
	Indian:								
2	Samvardhana Motherson Polymers Limited	0*	525	0*	(1)	0*	-	0*	(1)
3	Motherson Innovations Tech Limited (esrt MSSL Automobile Component Limited)	0*	0	0*	(0)	0*	-	0*	(0)
4	Motherson Polymers Compounding Solution Limited	0*	13	0*	7	0*	(0)	0*	7
5	SMR Automotive Systems India Ltd.	2	2,604	2	512	123	(226)	1	286
6	SMRC Automotive Products India Private Limited	1	1,615	1	112	0*	-	1	112
	Foreign:								
7	Samvardhana Motherson Reflectec Group Holdings Limited	12	16,826	12	2,475	0*	-	12	2,475
8	SMR Automotive Technology Holding, Cyprus Ltd.	4	5,450	3	641	0*	-	3	641
9	SMR Automotive Brasil LTDA.	1	931	0*	80	510	(934)	(4)	(854)
10	SMR Automotive Mirror Technology Holding Hungary KFT	2	2,431	4	833	344	(630)	1	203
11	SMR Holding Australia Pty Limited	1	1,621	4	764	(181)	332	5	1,096
12	SMR Automotive Australia Pty Limited	1	1,140	3	682	52	(95)	3	587
13	SMR Automotive Mirror Technology, Hungary BT	1	1,268	(12)	(2,603)	(29)	54	(12)	(2,549)
14	SMR Automotive Systems, France S.A.	0*	120	(3)	(731)	23	(42)	(4)	(772)
15	SMR Automotive System (Thailand) Limited	0*	504	0*	9	(54)	98	1	107
16	SMR Automotive Mirror Parts and Holdings, UK Ltd.	8	11,084	12	2,579	6	(12)	12	2,568
17	SMR Patents S.à.r.l.	0*	(208)	(1)	(214)	0*	-	(1)	(214)
18	SMR Automotive Technology Valencia S.A.U.	0*	180	0*	5	0*	-	0*	5
19	SMR Automotive Mirrors UK Limited	0*	539	1	282	0*	-	1	282
20	SMR Automotive Mirror Systems Holding Deutschland GmbH	1	2,057	8	1,628	0*	-	8	1,628
21	SMR Hyosang Automotive Ltd.	1	1,876	2	323	(78)	142	2	465
22	SMR Automotive Modules Korea Ltd.	3	3,667	1	133	59	(108)	0*	25
23	SMR Automotive Beteiligungen Deutschland GmbH	0*	148	0*	(53)	0*	-	0*	(53)
24	SMR Automotive Systems Spain S.A.U.	0*	616	3	597	0*	-	3	597
25	SMR Automotivos Servicios Mexico S.A. de C.V. (Liquidated on July 2, 2019)	0*	48	0*	(0)	8	(15)	0*	(15)
26	SMR Automotive Vision Systems Mexico S.A. de C.V.	2	2,848	3	643	(127)	233	4	876
27	SMR Automotive Mirror Stuttgart GmbH	0*	432	(3)	(539)	45	(82)	(3)	(621)
28	SMR Grundbesitz GmbH & Co. KG	0*	212	0*	(23)	0*	-	0*	(23)
29	SMR Mirror UK Limited	1	1,389	5	1,052	0*	-	5	1,052
30	SMR Automotive Systems USA Inc.	4	5,162	20	4,246	(506)	926	25	5,171
31	SMR Automotive Mirror International USA Inc.	10	14,588	24	5,034	(312)	570	27	5,604
32	SMR Automotive Vision System Operations USA INC	4	6,449	10	2,137	(452)	827	14	2,964
33	SMR Automotive Beijing Company Limited	0*	369	0*	6	(84)	153	1	159
34	SMR Automotive Yancheng Co. Limited	0*	706	0*	(19)	(85)	155	1	136
35	SMR Automotive Holding Hong Kong Limited	0*	441	0*	(1)	0*	-	0*	(1)
36	SMR Automotive Operations Japan k.k.	0*	70	0*	10	(1)	2	0*	12
37	SMR Automotive (Langfang) Co. Limited	0*	(14)	0*	(23)	(37)	68	0*	46
38	SMR Automotives Systems Macedonia Dooel Skopje	0*	(13)	0*	0	0*	-	0*	0
39	SMR Automotive Industries RUS Limited Liability Company	0*	20	0*	0	3	(5)	0*	(4)
40	Samvardhana Motherson Peguform GmbH	(1)	(1,336)	(8)	(1,746)	0*	-	(8)	(1,746)
41	SMP Automotive Exterior GmbH	1	1,546	(1)	(220)	0*	-	(1)	(220)
42	SMP Deutschland GmbH	11	15,500	29	5,998	22	(40)	29	5,958
43	SMP Logistik Service GmbH	0*	44	0*	1	0*	-	0*	1
44	SMP Automotive Solutions Slovakia s.r.o.	(1)	(1,289)	0*	(1)	0*	-	0*	(1)
45	Changchun Peguform Automotive Plastics Technology Ltd.	6	8,310	13	2,687	0*	-	13	2,687
46	Foshan Peguform Automotive Plastics Technology Co. Ltd.	0*	278	0*	65	0*	-	0*	65
47	Shenyang SMP Automotive Plastic Component Co. Ltd.	0*	129	0*	(78)	0*	-	0*	(78)
48	SMP Automotive Technology Management Services (Changchun) Co. Ltd.	0*	(33)	0*	2	0*	-	0*	2
49	SMP Automotive Interiors (Beijing) Co. Ltd.	1	977	3	575	0*	-	3	575

MOTHERSON SUMI SYSTEMS LIMITED

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		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
50	SMP Automotive Technology Iberica S.L.	4	5,421	3	574	0*	-	3	574
51	SMP Automotive Technologies Teruel Sociedad Limitada	0*	209	1	111	0*	-	1	111
52	Samvardhana Motherson Peguform Barcelona S.L.U	0*	389	2	355	0*	-	2	355
53	SMP Automotive Produtos Automotivos do Brasil Ltda	(1)	(1,261)	(8)	(1,662)	0*	-	(8)	(1,662)
54	SMP Automotive Systems México, S. A. de C. V.	4	5,351	6	1,297	(434)	795	10	2,092
55	Samvardhana Motherson Peguform Automotive Technology Portugal, S.A.	0*	553	2	422	0*	-	2	422
56	Celulosa Fabril S.A.	2	2,476	3	734	0*	-	4	734
57	Modulos Ribera Alta S.L. Unipersonal	2	2,570	2	505	0*	-	2	505
58	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	2	3,145	(3)	(733)	0*	-	(4)	(733)
59	Samvardhana Motherson Innovative Autosystems Holding Company B.V.	0*	7	0*	0	0*	-	0*	0
60	Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V.	0*	701	0*	87	0*	-	0*	87
61	SM Real Estate GmbH	0*	118	0*	40	0*	-	0*	40
62	Motherson Innovations Lights GmbH & Co. KG	0*	77	0*	(27)	0*	-	0*	(27)
63	Motherson Innovations Lights Verwaltungs GmbH	0*	2	0*	0	0*	-	0*	0
64	SMP Automotive Systems Alabama Inc.	(1)	(744)	(32)	(6,701)	0*	-	(32)	(6,701)
65	Tianjin SMP Automotive Components Co. Ltd.	0*	177	(1)	(134)	0*	-	(1)	(134)
66	SMRC Automotive Interiors Management B.V.	0*	10	4	750	0*	-	4	750
67	SMRC Automotive Holdings B.V.	1	1,029	24	5,006	0*	-	24	5,006
68	SMRC Automotive Holdings Netherlands B.V.	4	6,184	9	1,866	0*	-	9	1,866
69	SMRC Automotives Techno Minority Holdings B.V.	0*	44	0*	7	0*	-	0*	7
70	SMRC Smart Automotive Interior Technologies USA, LLC	0*	-	0*	-	0*	-	0*	-
71	SMRC Automotive Modules France SAS	1	998	1	168	0*	(0)	1	167
72	Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.	0*	639	0*	5	0*	-	0*	5
73	SMRC Automotive Interiors Spain S.L.U.	2	2,335	3	589	0*	0	3	589
74	SMRC Automotive Interior Modules Croatia d.o.o	0*	8	0*	1	0*	-	0*	1
75	Samvardhana Motherson Reydel Autotecc Morocco SAS	0*	338	0*	15	0*	-	0*	15
76	SMRC Automotive Technology RU LLC	0*	222	0*	5	0*	-	0*	5
77	SMRC Smart Interior Systems Germany GmbH	0*	57	0*	1	10	(17)	0*	(16)
78	SMRC Automotive Interiors Products Poland SA	0*	104	0*	(4)	0*	-	0*	(4)
79	SMRC Automotive Solutions Slovakia s.r.o.	1	747	0*	(4)	0*	(0)	0*	(5)
80	SMRC Automotive Holding South America B.V.	0*	308	0*	(25)	0*	-	0*	(25)
81	SMRC Automotive Modules South America Minority Holdings B.V.	0*	29	0*	(1)	0*	-	0*	(1)
82	SMRC Automotive Tech Argentina S.A.	0*	542	0*	(39)	0*	-	0*	(39)
83	SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda	0*	708	0*	70	0*	-	0*	70
84	SMRC Automotive Smart Interior Tech (Thailand) Ltd.	1	730	1	171	(4)	7	1	178
85	SMRC Automotive Interiors Japan Ltd.	0*	(0)	0*	(10)	1	(1)	0*	(11)
86	Shanghai Reydel Automotive Technology Consulting Co. Ltd.	0*	12	0*	2	0*	-	0*	2
87	PT SMRC Automotive Technology Indonesia	0*	(60)	0*	(4)	0*	-	0*	(4)
88	Yujin SMRC Automotive Techno Corp.	1	1,463	0*	60	(8)	15	0*	75
89	SMRC Automotives Technology Phil Inc.	0*	(4)	0*	(24)	0*	-	0*	(24)
90	PKC Group Ltd	6	9,268	(1)	(225)	0*	-	(1)	(225)
91	PKC Netherlands Holding B.V (Liquidated on July 31, 2019)	1	931	0*	(36)	0*	-	0*	(36)
92	PK Cables Nederland B.V. ((Liquidated on July 31, 2019)	0*	5	0*	(0)	0*	-	0*	(0)
93	PKC Wiring Systems Oy	5	7,845	15	3,209	0*	-	15	3,209
94	PKC Group Poland Sp. z o.o.	0*	(396)	(1)	(291)	0*	-	(1)	(291)
95	PKC SEGU Systemelektrik GmbH	0*	(255)	0*	(60)	0*	-	0*	(60)
96	PKC Wiring Systems Llc	0*	482	0*	57	0*	-	0*	57
97	PKC Eesti AS	8	12,173	7	1,499	0*	-	7	1,499
98	TKV-Sarjat Oy	0*	6	0*	(1)	0*	-	0*	(1)
99	OOO AEK	0*	487	1	206	0*	-	1	206
100	PKC Group Lithuania UAB	0*	334	1	128	0*	-	1	128
101	PK Cables do Brasil Ltda	1	990	0*	(5)	0*	-	0*	(5)
102	PKC Group Canada Inc.	0*	297	0*	8	0*	-	0*	8
103	PKC Group Mexico S.A. de C.V.	0*	142	0*	-	0*	-	0*	-
104	Project Del Holding S.à.r.l.	1	1,267	3	559	0*	-	3	559
105	AEES Manufacturera, S. De R.L. de C.V	1	738	0*	99	0*	-	0*	99

MOTHERSON SUMI SYSTEMS LIMITED

Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

Sl. No.	Name of entity	Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
106	Ames de Ciudad Juarez, S. de R.L. de C.V.	0*	38	0*	11	0*	-	0*	11
107	Ames y Accesorios de México, S. de R.L. de C.V.	0*	29	1	157	0*	-	1	157
108	Cableados del Norte II, S. de R.L. de C.V.	0*	204	0*	52	0*	-	0*	52
109	Asesoría Mexicana Empresarial, S. de R.L. de C.V.	0*	104	0*	15	0*	-	0*	15
110	Manufacturas de Componentes Electricos de Mexico S. de R.L. de C.V.	0*	3	0*	(0)	0*	-	0*	(0)
111	PKC Group de Piedras Negras, S. de R.L. de C.V.	0*	50	0*	27	0*	-	0*	27
112	PKC Group AEES Commercial, S. de R.L. de C.V.	0*	23	0*	1	0*	-	0*	1
113	PKC Group USA Inc.	(8)	(11,122)	(5)	(1,017)	0*	-	(5)	(1,017)
114	AEES Inc.	7	9,437	13	2,722	0*	-	13	2,722
115	AEES Power Systems Limited Partnership	1	1,770	1	227	0*	-	1	227
116	Fortitude Industries Inc.	1	826	0*	47	0*	-	0*	47
117	PKC Vehicle Technology (Hefei) Co., Ltd.	1	827	0*	(48)	0*	-	0*	(48)
118	PKC Vehicle technology (Suzhou) Co. Ltd.	0*	(637)	(1)	(155)	0*	-	(1)	(155)
119	Jiangsu Huakai-PKC Wire Harness Co., Ltd.	3	3,776	3	594	0*	-	3	594
120	Shandong Huakai-PKC Wire Harness Co. Ltd	0*	510	0*	12	0*	-	0*	12
121	PKC Group APAC Ltd.	(1)	(1,634)	(1)	(178)	0*	-	(1)	(178)
122	Kabel Technik Polska Sp. z o.o.	1	871	0*	(79)	0*	-	0*	(79)
123	PKC Group Poland Holding Sp. z o.o.	1	745	0*	(23)	0*	-	0*	(23)
124	Groclin Luxembourg S.à r.l.	1	1,736	0*	(2)	0*	-	0*	(2)
125	Motherson Rolling Stock Systems GB Limited	0*	270	0*	-	0*	-	0*	-
126	MSSL Mideast (FZE)	17	24,303	4	767	0*	-	4	767
127	MSSL (GB) Limited	21	30,805	5	1,126	0*	-	5	1,126
128	MSSL Mauritius Holdings Limited	3	4,525	3	560	0*	-	3	560
129	Samvardhana Motherson Global Holdings Limited Cyprus	48	68,987	0*	(53)	0*	-	0*	(53)
130	MSSL (S) Pte Limited	1	1,077	1	162	0*	-	1	162
131	Motherson Electrical Wires Lanka Private Limited	0*	548	2	365	0*	1	2	366
132	MSSL Consolidated Inc. USA	1	995	(1)	(107)	0*	-	(1)	(107)
133	MSSL Wiring Systems Inc	3	3,995	7	1,531	3	(6)	7	1,526
134	Alphabet De Mexico S.A. de C.V	0*	133	0*	78	0*	-	0*	78
135	Alphabet De Saltillo S.A. de C.V.	0*	63	0*	55	0*	-	0*	55
136	Alphabet De Mexico de Monclova S.A. de C.V	0*	75	0*	66	0*	-	0*	66
137	MSSL Wirings Juarez S.A. de C.V.	0*	2	0*	2	0*	-	0*	2
138	MSSL Japan Limited	0*	51	0*	(40)	0*	-	0*	(40)
139	MSSL Mexico S.A. De C.V.	0*	541	0*	77	2	(4)	0*	73
140	MSSL WH System (Thailand) Co. Ltd.	0*	254	1	111	0*	-	1	111
141	MSSL Korea WH Limited	0*	(7)	0*	(3)	0*	-	0*	(3)
142	MSSL Ireland Private Limited	0*	28	0*	0	0*	-	0*	0
143	MSSL s.r.l. Unipersonale	0*	10	0*	3	0*	-	0*	3
144	MSSL Estonia WH OU	0*	(154)	1	141	0*	-	1	141
145	MSSL Australia Pty Limited	0*	164	0*	76	0*	-	0*	76
146	Motherson Elastomers Pty Limited	0*	390	0*	99	0*	-	0*	99
147	Motherson Investments Pty Limited	0*	9	0*	5	0*	-	0*	5
148	MSSL Global RSA Module Engineering Limited	1	1,367	4	792	0*	-	4	792
149	Vacuform 2000 (Proprietary) Limited	0*	36	0*	13	0*	-	0*	13
150	MSSL GMBH	1	1,039	0*	(72)	0*	-	0*	(72)
151	Samvardhana Motherson Invest Deutschland GmbH	0*	70	0*	0	0*	-	0*	0
152	MSSL Advanced Polymers s.r.o.	0*	439	0*	(87)	0*	-	0*	(87)
153	Motherson Techno Precision GmbH	0*	74	0*	1	0*	-	0*	1
154	Samvardhana Motherson Polymers Management Germany GMBH (Merged with MSSL GmbH from August 30, 2019)	0*	2	0*	(0)	0*	-	0*	(0)
155	Motherson Techno Precision México, S.A. de C.V	0*	(138)	0*	36	0*	-	0*	36
156	MSSL Manufacturing Hungary Kft	0*	34	0*	(96)	0*	-	0*	(96)
157	Motherson Air Travel Pvt Ltd	0*	(283)	(1)	(181)	0*	-	(1)	(181)
158	MSSL Tooling (FZE)	1	1,090	1	273	0*	-	1	273
159	Motherson Wiring System (FZE)	0*	(114)	0*	4	0*	-	0*	4
160	Global Environment Management (FZC)	0*	(71)	0*	1	0*	-	0*	1
161	Global Environment Management Australia Pty Limited (liquidated on April 20, 2018)	0*	-	0*	-	0*	-	0*	-
162	Samvardhana Motherson Global (FZE)	0*	118	0*	95	(1)	1	0*	96
163	Motherson Innovations Company Limited	1	1,262	(4)	(839)	0*	-	(4)	(839)
164	Motherson Innovations Deutschland GmbH	0*	36	0*	8	0*	-	0*	8
165	Motherson Innovations LLC	0*	-	0*	-	0*	-	0*	-
166	Samvardhana Motherson Corp Management Shanghai Co.,Ltd	0*	77	0*	(4)	(2)	3	0*	(1)
167	Samvardhana Motherson Automotive Systems Group B.V.	58	84,458	42	8,818	166	(303)	41	8,515
168	MSSL M Tooling Ltd	0*	-	0*	-	0*	-	0*	-
169	Motherson Osia Innovation Ilc.	0*	-	0*	-	0*	-	0*	-

MOTHERSON SUMI SYSTEMS LIMITED
Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

Sl. No.	Name of entity	Net Assets ¹		Share in profit or (loss) ¹		Share in other comprehensive income ¹		Share in total comprehensive income ¹	
		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
	Associates (Investment as per Equity method)								
	Indian:								
170	SAKS Ancillaries Limited	0*	42	0*	4	0*	-	0*	4
	Foreign:								
171	Hubei Zhengao PKC Automotive Wiring Company Ltd.	1	842	1	161	0*	-	1	161
172	Re time Pty Limited	0*	7	0*	2	0*	-	0*	2
	Joint Ventures (Investment as per Equity method)								
	Indian:								
173	Kyungshin Industrial Motherson Limited	1	1,988	2	346	(1)	1	2	347
174	Calsonic Kansei Motherson Auto Products Private Limited	0*	625	0*	47	0*	(1)	0*	47
	Foreign:								
175	Eissmann SMP Automotive Interieur Slovensko s.r.o	0*	415	0*	(15)	0*	-	0*	(15)
176	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	2	3,441	2	518	0*	-	2	518
177	Chongqing SMR Huaxiang Automotive Products	1	1,032	0*	67	0*	-	0*	67
178	Tianjin SMR Huaxiang Automotive Part Co. Limited	0*	41	0*	0	0*	-	0*	0
	Minority Interest in All Subsidiaries	(24)	(34,797)	(23)	(4,850)	93	(170)	(24)	(5,020)

¹ The aforementioned amounts are before group adjustments and intercompany eliminations

* is below the rounding off norm adopted by the Company

50 Business combination

A) Acquisition of Motherson Rolling Stock Systems GB Limited

One of the subsidiaries of the group, Motherson Rolling Stock Systems GB Limited, signed a definitive agreement with Bombardier Transportation (Rolling Stock) UK Ltd. ("Bombardier") on February 28, 2019 and acquired Bombardier's assets in connection with the production and installation of electrical components and systems for applications in the rail industry, comprising among others the manufacturing of wiring harnesses, panel and cabinet build and electromechanical assemblies in Derby, UK. effective from April 01, 2019

Through this, MSSL will expand its supply of electricals and wiring systems to Bombardier Transportation, to cover UK rolling stock projects.

i) Assets and Liabilities recognized as result of acquisition are as follows:

Particulars	Amount in INR Million
ASSETS / (LIABILITIES)	
Property, plant and equipment	54
Intangible assets	509
Inventories	561
Deferred tax liabilities (net)	(102)
Net identifiable assets acquired	1,022
	Amount in INR Million
ii) Calculation of goodwill / (gain on bargain purchase)	
Purchase consideration	851
Net identifiable assets acquired	1,022
Goodwill / (gain on bargain purchase)	(171)

The Group recognised gain on bargain purchase of INR 171 million (GBP 1.88 million) being excess of fair value of identifiable net assets assumed on acquisition over the purchase consideration. The gain has been recognised under capital reserve on consolidation.

B) Acquisition of Wisetime Oy

On March 06, 2020, the group through one of its step down subsidiary (PKC Group Ltd) additionally acquired 81% shares of Wisetime Oy. The Group already held 19% shares of Wisetime Oy, therefore it now became 100% subsidiary of the Group.

Wisetime Oy is a Finnish software company founded in 1991 and has long-term experience in developing industrial Enterprise Resource Planning (ERP) systems.

Wisetime now being part of the Group, will provide growth opportunities and enhances Group's diversification into information technology sector.

i) Assets and Liabilities recognized as result of acquisition are as follows:

Particulars	Amount in INR Million
ASSETS / (LIABILITIES)	
Property, plant and equipment	15
Intangible assets	97
Trade receivables	34
Cash and cash equivalents	74
Borrowings	(13)
Deferred tax liabilities (net)	(20)
Trade payables	(3)
Other current liabilities	(31)
Net identifiable assets acquired	153
	Amount in INR Million
ii) Calculation of goodwill / (gain on bargain purchase)	
Purchase consideration (including fair value of shares held)	444
Net identifiable assets acquired	153
Goodwill / (gain on bargain purchase)	291

The Group had initially recognised goodwill amounting to INR 291 million (EUR 3.5 million) after provisional fair valuation of its Assets and liabilities, recorded in these consolidated financial statements.

MOTHERSON SUMI SYSTEMS LIMITED
Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

C) Acquisition of Re-Time Pty Limited

On August 08, 2019 the Group acquired 71.4% stake in Re-Time Pty Limited

Re-Time Pty Ltd was formed in 2010 to help people re-time their body clocks and improve sleep through Re-Timer light therapy glasses. The company is dedicated to helping people sleep, and to feel and perform better by using the latest sleep science. Re-Timer is assembled in a state of the art clean room, in Adelaide, Australia. Re-Timer has been sold in more than 40 different countries worldwide and is the world's number one selling wearable light therapy device.

The acquisition enhances Group's diversification into health sector.

i) Assets and Liabilities recognized as result of acquisition are as follows:

Particulars	Amount in INR Million
ASSETS / (LIABILITIES)	
Property, plant and equipment	11
Intangible assets	3
Inventories	11
Trade receivables	0
Cash and cash equivalents	13
Borrowings	(5)
Provisions	(2)
Accrued employee liabilities	(1)
Trade payables	(2)
Net identifiable assets acquired	28
- thereof attributable to non-controlling interests	8
Total identifiable net assets attributable to the Group	20
ii) Calculation of goodwill / (gain on bargain purchase)	Amount in INR Million
Purchase consideration	20
Net identifiable assets acquired	20
Goodwill / (Bargain gain)	-

D) Acquisition of Reydel Automotive Holdings B.V. and Reydel Automotive Management B.V.

On August 02, 2018, the Company through one of its step down subsidiary, Samvardhana Motherson Automotive Systems Group B.V. (SMRP BV) acquired 100% stake in Reydel Automotive Holdings B.V. and Reydel Automotive Management B.V. (jointly Reydel Automotive Group) at a consideration of EUR 173.0 million (INR 13,767 million).

Reydel Automotive Group is a leading global developer and supplier of interior components to the global automotive manufacturers. Reydel's Interiors Product Portfolio includes Instrument Panels, Door Panels, Console Modules, Decorative Parts and Cockpit Modules. Reydel Automotive Group has been subsequently renamed as "Samvardhana Motherson Reydel Companies". (hereinafter referred to as "SMRC"). The acquisition enhances Group's diversification across customer portfolio and geographical footprint.

Value of the assets and liabilities recognised as a results of acquisitions are as follows:

i) Assets and Liabilities recognized as result of acquisition are as follows:

Particulars	Amount in INR Million
ASSETS / (LIABILITIES)	
Property, plant and equipment	11,388
Capital work in progress	1,000
Other intangible assets (including intangible assets under development)	1,610
Deferred tax assets (net)	487
Other non-current assets	1,914
Inventories	1,677
Trade receivables	11,918
Cash and cash equivalents	6,550
Other current assets	4,485
Borrowings	(3,512)
Provisions	(259)
Accrued employee liabilities	(4,011)
Deferred tax liabilities (net)	(1,235)
Other non-current liabilities	(1,674)
Trade payables	(12,379)
Other current liabilities	(2,097)
Net identifiable assets acquired	15,863

MOTHERSON SUMI SYSTEMS LIMITED
Notes to the consolidated financial statements

(All amounts in INR Million, unless otherwise stated)

ii) Calculation of goodwill / (gain on bargain purchase)

	Amount in INR Million
Purchase consideration	13,767
Non controlling interest acquired	1,128
Net identifiable assets acquired	(15,863)
Gain on bargain purchase	(968)

The Group recognised gain on bargain purchase of INR 968 Million (EUR 12.2 million) being excess of fair value of identifiable net assets assumed on acquisition over the purchase consideration. The gain has been recognised under capital reserve on consolidation after allocating share to non controlling interest. The group determined that the excess of fair value over consideration paid is largely attributable to increase in fair values of property, plant and equipment over their book values as well as recognition of intangible assets in respect of customer relationships of SMRC amongst other items, as netted off by related tax impacts.

Gain on bargain purchase resulted from combination of Group's unique position to complement Reydel's business portfolio, its potential ability to manage and grow the business through synergies and a limited number of potential buyers which gave us sufficient purchasing power to achieve a beneficial transaction.

- 51 During the year, the Group has recognised an expense of INR 74 million (31 March 2019: Nil) toward its proportionate share of costs allocated by the Samvardhana Employees Welfare Trust ('the Trust') constituted by Samvardhana Motherhood International Limited for providing share scheme and other benefits to the employees of the participating companies. The trust helps the employees of participating companies to dispose off shares at fair value.

The Company has also given a loan amounting to INR 125 million (31 March 2019: Nil) to the Trust and is outstanding as on March 31, 2020. The loan carries interest rate of 9.5% p.a. and is repayable after 5 years from the date of loan.

52 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Group has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to fulfil its performance obligations under the contract with customers; (ii) revision of estimations of costs to complete the contract because of additional efforts; (iii) termination or deferment of contracts by customers. The Group has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Group will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future demand of its products. The Group has performed analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

- 53 The Board of Directors in its meeting dated January 30, 2020, has constituted Sub Committee to examine and submit proposal to the Board for reorganization of business within the group which will, inter alia, demerge domestic wiring harness business of the Company into a newly formed legal entity with mirror shareholding, which shall be listed and consolidating shareholding in Samvardhana Motherhood Automotive Systems Group B.V. ("SMRP BV") in MSSL through a process of merger to bring 49% stake held by Samvardhana Motherhood International Limited ("SAMIL") in SMRP BV into MSSL. The sub-committee as formed by the Board of directors is currently evaluating all options which will be submitted to the board for their final approval and necessary actions thereafter.

- 54 Amounts appearing as zero "0" in financial are below the rounding off norm adopted by the Group.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**PANKAJ
CHADHA**

Digitally signed by PANKAJ CHADHA
DN: cn=PANKAJ CHADHA, c=IN,
o=Personal,
email=pankaj.chadha@srb.in
Reason: I am approving this document
Date: 2020.06.03 19:49:46 +05'30'

per **PANKAJ CHADHA**

Partner

Membership No.: 091813

Place: Gurugram

Date: June 02, 2020

For and on behalf of the Board

**VIVEK
CHAAND
SEHGAL**

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VIVEK CHAAND
SEHGAL
Date: 2020.06.03
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V.C. SEHGAL
Chairman

**Gaya
Nand
Gauba**

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G.N. GAUBA
Chief Financial Officer

Place: Noida

Date: June 02, 2020

**PANKAJ
KUMAR MITAL**

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Date: 2020.06.03
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PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

**Alok
Goel**

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by Alok Goel
Date: 2020.06.03
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ALOK GOEL
Company Secretary