MOTHERSON INNOVATIONS TECH LIMITED
CIN U31501MH2011PLC286826
Balance Sheet as at March 31, 2024

(All amounts in INR hundred, unless otherwise stated)

	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	138,822	78,711
Right-of-use assets	31	13,761	22,257
Intangible assets	4	61,063	41,014
Other financial assets	5	14,839	15,742
Deferred tax assets (net)	6	19,310	10,286
Non-current tax assets (net)	15	4,889	-
Total non-current assets		**252,684**	**168,010**
Current assets			
Financial assets			
i) Trade receivables	7	212,131	202,134
ii) Cash and cash equivalents	8	30,805	10,165
iii) Other financial assets	5	95,295	54,482
Other current assets	9	282,988	150,372
Total current assets		**621,219**	**417,153**
Total Assets		**873,903**	**585,163**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	5,000	5,000
Other equity			
Reserves and surplus	11	408,522	195,974
Total equity		**413,522**	**200,974**
Liabilities			
Non-current liabilities			
Financial liabilities			
i) Lease liabilities	31	8,589	15,100
ii) Other financial liabilities	12	15,022	11,125
Employee benefit obligations	13	95,890	55,059
Total non-current liabilities		**119,501**	**81,284**
Current liabilities			
Financial liabilities			
i) Lease liabilities	31	6,510	8,495
ii) Trade Payable			
-Total outstanding dues of micro enterprises and small enterprises	14	103,717	18,408
-Total outstanding dues of creditors other than micro enterprises and small enterprises	14	54,719	190,271
iii) Other financial liabilities	12	123,649	54,119
Employee benefit obligations	13	1,844	1,250
Current tax liabilities (net)	15	-	4,060
Other current liabilities	16	50,441	26,302
Total current liabilities		**340,880**	**302,905**
Total liabilities		**460,381**	**384,189**
Total equity and liabilities		**873,903**	**585,163**
Summary of material accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

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Date: 2024.05.20 22:01:02 +05'30'
ANIL MEHTA

per Anil Mehta
Partner
Membership No: 095812

Place : Gurugram
Date : May 20, 2024

For and on behalf of the Board of Directors of
Motherson Innovations Tech Limited

RAJAT JAIN
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Rajat Jain
Director
DIN: 00658228

Place : Noida
Date : May 20, 2024

AMIT BHAKRI
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Amit Bhakri
Director
DIN: 08230325

Place : Noida
Date : May 20, 2024

MOTHERSON INNOVATIONS TECH LIMITED
CIN U31501MH2011PLC286826
Statement of Profit and Loss for the year ended March 31, 2024

(All amounts in INR hundred, unless otherwise stated)

	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
REVENUE			
Revenue from contract with customers	**17**	3,031,984	1,503,070
Other income	**18**	10,284	12,858
Total revenue		**3,042,268**	**1,515,928**
EXPENSES			
Employee benefits expense	**19**	1,683,925	885,830
Finance costs	**20**	5,771	6,215
Depreciation and amortisation expense	**21**	77,743	44,315
Other expenses	**22**	990,308	419,310
Total expenses		**2,757,747**	**1,355,670**
Profit before tax		**284,521**	**160,258**
Tax expenses	**23**		
-Current tax		**81,587**	**45,531**
-Adjustment of tax relating to earlier years		**-**	**(1,196)**
-Deferred tax		**(9,173)**	**(3,000)**
Profit for the year		**212,107**	**118,923**
Other comprehensive income			
Items not to be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	**12**	**590**	**(1,408)**
Deferred tax on Remeasurements of post-employment benefit obligations	**5**	**(149)**	**354**
Other comprehensive income for the year, net of tax		**441**	**(1,054)**
Total comprehensive income for the year, net of tax		**212,548**	**117,869**
Earning per share (refer to note 24)			
Nominal value per share Rs. 10 (previous year Rs. 10)			
Basic (amount in INR)		425.10	235.74
Diluted (amount in INR)		425.10	235.74
Summary of material accounting policies	**2.1**		

The accompanying notes are an integral part of the financial statements.

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per Anil Mehta
Partner
Membership No: 095812

Place : Gurugram
Date : May 20, 2024

For and on behalf of the Board of Directors of
Motherson Innovations Tech Limited

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Director
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Director
DIN: 08230325

Place : Noida
Date : May 20, 2024

MOTHERSON INNOVATIONS TECH LIMITED
CIN U31501MH2011PLC286826
Statement of changes in equity as at March 31, 2024

(All amounts in INR hundred, unless otherwise stated)

A. Equity share capital	No. of Shares	Amount
As at April 01, 2022	**50,000**	**5,000**
Changes in equity share capital		-
As at March 31, 2023	**50,000**	**5,000**
Changes in equity share capital		-
As at March 31, 2024	**50,000**	**5,000**

B. Other equity	Reserves and Surplus	
	Retained earning	Total
Balance as at April 01, 2022	78,105	78,105
Profit for the year	118,923	118,923
Other comprehensive income	(1,054)	(1,054)
Total comprehensive income for the year	**117,869**	**117,869**
Balance as at March 31, 2023	195,974	195,974
Profit for the year	212,107	212,107
Other comprehensive income	441	441
Total comprehensive income for the year	**212,548**	**212,548**
Balance as at March 31, 2024	**408,522**	**408,522**

Summary of material accounting policies **2.1**
The accompanying notes are an integral part of the financial statements.

As per our report of even date
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ANIL MEHTA

per Anil Mehta
Partner
Membership No: 095812

Place : Gurugram
Date : May 20, 2024

For and on behalf of the Board of Directors of
Motherson Innovations Tech Limited

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Director
DIN: 00658228

Place : Noida
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Amit Bhakri
Director
DIN: 08230325

Place : Noida
Date : May 20, 2024

MOTHERSON INNOVATIONS TECH LIMITED
CIN U31501MH2011PLC286826
Cash Flow Statement for the year ended March 31, 2024

(All amounts in INR hundred, unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities:		
Profit before tax	**284,521**	**160,258**
Adjustment to reconcile profit before tax to net cash flow:		
Depreciation and amortisation expense	77,743	44,315
Interest on Income Tax	538	1,278
Interest income from financial assets at amortised cost	(1,468)	(1,073)
Notional lease rent on vehicle	1,365	1,162
Finance costs	5,771	6,215
Gain on reassessment of lease	-	(1,888)
Unrealised foreign exchange loss /(gain) (net)	193	(1,190)
Operating profit/ (loss) before working capital adjustment	**368,663**	**209,077**
Change in working capital:		
(Decrease)/Increase in trade payables	(50,243)	114,852
Increase in other payables	65,027	14,269
Increase in other financial liabilities	74,018	38,706
(Increase) in trade receivables	(10,189)	(141,806)
(Increase) in other financial assets	(39,808)	(30,738)
(Increase) in other receivables	(132,616)	(90,336)
Cash generated from/ (used in) operations	**274,852**	**114,024**
Taxes paid	(88,388)	(44,891)
Net cash flows from operating activities (A)	**186,464**	**69,133**
Cash flow from investing activities		
Payments for property, plant & equipment and intangible assets	(151,558)	(85,185)
Net cash used in investing activities (B)	**(151,558)**	**(85,185)**
Cash flow from financing activities		
Finance costs	(4,129)	(2,505)
Repayment of Lease Liablities	(10,137)	(16,782)
Net cash flow used in financing activities (C)	**(14,266)**	**(19,287)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**20,640**	**(35,339)**
Cash and cash equivalents at the beginning of the Year	**10,165**	**45,503**
Cash and cash equivalents at the end of the Year	**30,805**	**10,165**
Cash and Cash equivalents comprise of:		
Balance with banks		
Current accounts	30,805	10,165
Total Cash and Cash Equivalents	**30,805**	**10,165**

Change in Liability arising from fianancing activity

Particulars	**As at April 1, 2023**	**Cash flows**	**Non-cash changes**		**As at March 31, 2024**
			New leases	**Others**	
Lease liability	23,595	(10,137)	-	1,642	15,100

Particulars	**As at April 1, 2022**	**Cash flows**	**Non-cash changes**		**As at March 31, 2023**
			New leases	**Others**	
Lease liability	50,956	(16,782)	7,770	(18,349)	23,595

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” notified under section 133 of the Companies Act,2013.
ii) Figures in brackets indicate Cash Outflow.

Summary of material accounting policies **2.1**
The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

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per Anil Mehta
Partner
Membership No: 095812

Place : Gurugram
Date : May 20, 2024

For and on behalf of the Board of Directors of
Motherson Innovations Tech Limited

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Rajat Jain
Director
DIN: 00658228

Place : Noida
Date : May 20, 2024

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Amit Bhakri
Director
DIN: 08230325

Place : Noida
Date : May 20, 2024

MOTHERSON INNOVATIONS TECH LIMITED
CIN U31501MH2011PLC286826
Notes to the financial statements for the year ended March 31, 2024

1 Corporate Information

Motherson Innovations Tech Limited (formerly known as MSSL Automobile Component Limited) is incorporated in India on July 5, 2011 under the Companies Act, 1956 with an initial object of carrying the business of manufacture and sale of automobile parts, but later it changed main object to provide of scientific research and development for the manufacture of all type of industrial products and in particulars for automotive industry, computer software, end-to-end software, engineering design, data processing and information retrieval, human resource, customer relationship management & business process outsourcing (BPO) contracts to companies around the globe. It is a wholly owned subsidiary of Motherson Sumi Systems Limited.

The financial statements were authorised for issue in accordance with a resolution of the Board of directors on May 20, 2024.

2.1 Material accounting policies

(a) Basis of preparation

Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements. The financial statements have been prepared on a historical cost basis, except for certain financial

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in INR and all values are rounded to the nearest hundered (INR 00), except when otherwise indicated.

New and amended standards and interpretation

The Company applied for the first time certain standards or amendments which are effective for annual periods begining on or after April 1, 2023.

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12,there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2023.

The amendments had no impact on the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

(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, or
• 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, or
• It is held primarily for the purpose of trading, or
• 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

Functional and presentation currency

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

Transactions and balances

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

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, because it typically controls the goods or services before transferring them to the customer.

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

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

Sale of products

Revenue from sale of products 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 product, 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).

Sale of services

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

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

(e) Other income

Interest Income

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

(f) Taxes

Current Income & Deferred 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.

(g) 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 for consideration.

Company as a lessee

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

i) Right-of-use assets

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

• Motor vehicles	3 to 5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.

ii) Lease Liabilities

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

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

iii) 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 of assets that are considered to be of 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.

(h) Impairment of non-financial assets

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

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

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

For assets, 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.

(i) Cash and cash equivalents

Cash and cash equivalent include cash in 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.

(j) Inventory

Raw materials, stores and spares, work in progress and finished goods

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

Cost of raw material 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 first-in-first-out ('FIFO')

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified and measured at :

• Amortised cost

• Fair value through other comprehensive income (FVTOCI)

• Fair value through profit or loss (FVTPL)

Debt instruments at amortised cost

A financial asset 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 statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset’s contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised 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 instruments at Fair value through Other Comprehensive income (FVTOCI)

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

c. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

d. The asset’s contractual cash flows represent SPPI.

Debt instruments at Fair value through profit and loss (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

Equity investments

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

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised 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 recognised in the P&L.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised 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.

Derecognition

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

a) The rights to receive cash flows from the asset have expired, or

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

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

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

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) 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.

c) Financial guarantee contracts which are not measured as at FVTPL

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

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at

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 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) recognised during the period is recognised as income/ expense in the Statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost, contractual revenue 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.

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 measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or as payables, 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.

Subsequent measurement

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.

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 recognised in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. 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

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.

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 nonderivative 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.

Off setting of financial instruments

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

Reclassification of financial assets

(l) 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 and 25)
- Quantitative disclosures of fair value measurement hierarchy (note 25)
- Financial instruments (including those carried at amortised cost) (note 5, 7, 12, 14 and 25)

(m) 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 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. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

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

Depreciation methods and useful lives

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

Assets	Useful life (years)*
Leasehold Improvements	Over the period of lease
Plant and Machinery	15 years
Furniture & Fixtures	10 years
Office Equipments	5 years
Computers	3 years
Moulds	6.17 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

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 and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

(n) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated

Assets	Useful life (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.

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

The amortisation methods, the usual useful lives and the residual values of intangible assets are checked annually.

(o) 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
The amortisation methods, the usual useful lives and the residual values of intangible assets are checked annually.

(p) Provisions and contingent liabilities

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

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

Contingent Liabilities

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

(q) 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.

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 unfunded.
The liability 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. 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.

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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.

(r) 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. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(s) Earnings per share

(i) *Basic earnings per share*

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

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

(ii) *Diluted earnings per share*

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

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

2.2 Significant accounting judgements, estimates and assumptions

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

Judgements

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

Estimates and assumptions

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

(i) Useful life of property, plant and equipment

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

(ii) Defined benefit plans

The cost of the defined benefit gratuity plan is determined using actuarial valuations. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these Further details about gratuity obligations are given in Note 13.

(iii) Taxes

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

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3. Property, plant and equipment **(All amounts in INR hundred, unless otherwise stated)**

Particulars	Plant & Machinery	Furniture & fixtures	Office equipments	Computers	Total
Year ended March 31, 2023					
Gross carrying amount					
Opening gross carrying amount as at April 01, 2022	14,583	2,922	2,127	39,510	**59,142**
Addition during the year	-	-	1,300	50,795	**52,095**
Closing gross carrying amount as at March 31, 2023	**14,583**	**2,922**	**3,427**	**90,305**	**111,237**
Accumulated depreciation					
Opening accumulated depreciation as at April 01, 2022	1,255	597	545	8,121	**10,518**
Depreciation charge during the year	973	292	543	20,200	**22,008**
Closing accumulated depreciation as at March 31, 2023	**2,228**	**889**	**1,088**	**28,321**	**32,526**
Net carrying amount as at March 31, 2023	**12,355**	**2,033**	**2,339**	**61,984**	**78,711**
Year ended March 31, 2024					
Gross carrying amount					
Opening gross carrying amount as at April 01, 2023	14,583	2,922	3,427	90,305	**111,237**
Addition during the year	36,759	1,952	3,718	66,463	**108,892**
Closing gross carrying amount as at March 31, 2024	**51,342**	**4,874**	**7,145**	**156,768**	**220,129**
Accumulated depreciation					
Opening accumulated depreciation as at April 01, 2023	2,228	889	1,088	28,321	**32,526**
Depreciation charge during the year	2,234	395	1,264	48,207	**52,100**
Disposals / Other adjustment	-	-	-	(3,319)	**(3,319)**
Closing accumulated depreciation as at March 31, 2024	**4,462**	**1,284**	**2,352**	**73,209**	**81,307**
Net carrying amount as at March 31, 2024	**46,880**	**3,590**	**4,793**	**83,559**	**138,822**

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(All amounts in INR hundred, unless otherwise stated)

4. Intangible assets

Particulars	Software	Total
Year ended March 31, 2023		
Gross carrying amount		
Opening gross carrying amount as at April 01, 2022	21,612	**21,612**
Addition during the year	33,090	**33,090**
Closing gross carrying amount as at March 31, 2023	**54,702**	**54,702**
Accumulated amortisation		
Opening accumulated amortisation as at April 01, 2022	5,248	**5,248**
Amortisation charge during the year	8,440	**8,440**
Closing accumulated amortisation as at March 31, 2023	**13,688**	**13,688**
Net carrying amount as at March 31, 2023	**41,014**	**41,014**
Year ended March 31, 2024		
Gross carrying amount		
Opening gross carrying amount as at April 01, 2023	54,702	**54,702**
Addition during the year	40,516	**40,516**
Disposal/other adjustments	-	**-**
Closing gross carrying amount as at March 31, 2024	**95,218**	**95,218**
Accumulated amortisation		
Opening accumulated amortisation as at April 01, 2023	13,688	**13,688**
Amortisation charge during the year	19,299	**19,299**
Disposals / Other adjustment	1,168	**1,168**
Closing accumulated amortisation as at March 31, 2024	**34,155**	**34,155**
Net carrying amount as at March 31, 2024	**61,063**	**61,063**

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(All amounts in INR hundred, unless otherwise stated)

5 Other financial assets

	March 31, 2024		March 31, 2023	
	Current	**Non-Current**	**Current**	**Non-Current**
(Unsecured, considered good unless otherwise stated)				
Security deposits to related parties (refer to note 29)	28,528	14,839	23,724	15,742
Security deposits to others	2,160	-	-	-
Prepaid expenses	64,607	-	30,758	-
Total	**95,295**	**14,839**	**54,482**	**15,742**

6 Deferred tax assets (net)

	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Provision for employee benefit obligations	24,598	15,186
Others	3,800	5,939
Deferred tax liabilities		
Property, plant and equipment	(9,088)	(10,839)
Total	**19,310**	**10,286**

Movement in Deferred tax assets

Year ended March 31, 2024	**As at April 01, 2023**	**(Charge)/ credit to Statement of Profit and Loss**	**(Charge)/credit to other comprehensive income**	**As at March 31, 2024**
Property, plant and equipment and intangible assets	(10,839)	1,751	-	(9,088)
Employee benefit provisions	15,186	9,560	(149)	24,598
Others	5,939	(2,138)	-	3,800
Total deferred tax assets	**10,286**	**9,173**	**(149)**	**19,310**
Recognised deferred tax assets/(liabilities) (net)	**10,286**	**9,173**	**(149)**	**19,310**

Year ended March 31, 2023	**As at April 01, 2022**	**(Charge)/ credit to Statement of Profit and Loss**	**(Charge)/credit to other comprehensive income**	**As at March 31, 2023**
Property, plant and equipment and intangible assets	(14,717)	3,878	-	(10,839)
Employee benefit provisions	8,857	5,975	354	15,186
Others	12,792	(6,853)	-	5,939
Total deferred tax assets	**6,932**	**3,000**	**354**	**10,286**
Recognised deferred tax assets/(liabilities) (net)	**6,932**	**3,000**	**354**	**10,286**

(All amounts in INR hundred, unless otherwise stated)

7 Trade receivables

	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)		
Trade receivable from related parties (refer to note 29)	212,131	202,134
Total	**212,131**	**202,134**

Trade Receivables ageing schedule as on March 31, 2024

Particulars	**Outstanding for following periods from due date of payment**						
	Current but not due	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables- considered good.	181,646	30,485	-	-	-	-	212,131
(ii) Undisputed Trade receivables- which have significant increase in credit risk.	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables- considered good.	-	-	-	-	-	-	-
(v) Disputed Trade receivables- which have significant increase in credit	-	-	-	-	-	-	-
(vi) Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-
Total	**181,646**	**30,485**	**-**	**-**	**-**	**-**	**212,131**

Trade Receivables ageing schedule as on March 31, 2023

Particulars	**Outstanding for following periods from due date of payment**						
	Current but not due	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables- considered good.	114,252	87,882	-	-	-	-	202,134
(ii) Undisputed Trade receivables- which have significant increase in credit risk.	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables- considered good.	-	-	-	-	-	-	-
(v) Disputed Trade receivables- which have significant increase in credit	-	-	-	-	-	-	-
(vi) Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-
Total	**114,252**	**87,882**	**-**	**-**	**-**	**-**	**202,134**

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Notes to the financial statements for the year ended March 31, 2024

(All amounts in INR hundred, unless otherwise stated)

8 Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Balances with banks		
-in current account	30,805	10,165
Total	**30,805**	**10,165**

9 Other current assets

	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)		
Balance with government authorities	279,683	143,997
Other receivables	3,257	-
Advance to suppliers	48	6,375
Total	**282,988**	**150,372**

10. Equity Share Capital

	As at March 31, 2024	As at March 31, 2023
Authorised:		
50,000 (March 31,2023: 50,000) equity shares of Rs.10 each	5,000	5,000
Issued, Subscribed and Paid up:		
50,000 (March 31,2023: 50,000) equity shares of Rs.10 each	5,000	5,000
Total	**5,000**	**5,000**
Movement in equity share capital		
	Numbers	**Amount**
As at March 31, 2023	500	5,000
Issue of equity share capital	-	-
As at March 31, 2024	**500**	**5,000**

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company / details of promoter's shareholding are as follows:

	March 31, 2024		March 31, 2023	
	Nos.	**%**	**Nos.**	**%**
Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited) (including 6 shares held by its nominee)	50,000	100%	50,000	100%
	50,000	**100%**	**50,000**	**100%**

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.

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(All amounts in INR hundred, unless otherwise stated)

11 Reserves and surplus

Retained earnings	**As at March 31, 2024**	**As at March 31, 2023**
Opening balance	195,974	78,105
Profit for the year	212,107	118,923
Remeasurements of post-employment benefit obligation, net of tax	441	(1,054)
Closing balance	**408,522**	**195,974**

12 Other financial liabilities

	As at March 31, 2024	**As at March 31, 2023**
Non-current		
Security deposit received	15,022	11,125
	15,022	**11,125**
Current		
Liability for capital expenditure for related party (refer note 29)	32,786	19,563
Liability for capital expenditure - others	20,650	-
Employee benefits payable	70,213	34,556
	123,649	**54,119**
Total	**138,671**	**65,244**

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(All amounts in INR hundred, unless otherwise stated)

13. Employee benefit obligations

	March 31, 2024		March 31, 2023	
	Current	Non-current	Current	Non-current
Gratuity	894	59,972	659	33,751
Compensated absences	950	35,918	591	21,308
Total	**1,844**	**95,890**	**1,250**	**55,059**

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

A. Defined Benefit Schemes

Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. Gratuity is payable at the time of separation from the company or retirement whichever is earlier. Every employee is entitle to a benefit equivalent to last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of services. The gratuity plan of the company is a non-funded 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

	March 31, 2024	March 31, 2023
Obligations at beginning of the year	34,407	23,679
Service Cost - Current	24,504	10,933
Interest expense	2,543	1,719
Amount recognised in profit or loss	**61,454**	**36,331**
Remeasurements		
Actuarial (gain) / loss on obligation	(590)	1,408
Amount recognised in other comprehensive income	**(590)**	**1,408**
Additions/ (Deletion) due to transfer of employees	-	(3,332)
Obligations at end of the year	**60,864**	**34,407**

(ii) Assets and liabilities recognised in the Balance Sheet

	March 31, 2024	March 31, 2023
Present Value of the defined benefit obligations	60,864	34,407
Amount recognised as Liability	**60,864**	**34,407**

(iii) Defined benefit obligations cost for the year:

	March 31, 2024	March 31, 2023
Service Cost - Current	24,504	10,933
Interest Cost	2,543	1,719
Actuarial (gain) / loss	(590)	1,408
Net defined benefit obligations cost	**26,457**	**14,060**

(iv) Actuarial assumptions:

	March 31, 2024	March 31, 2023
Discount Rate per annum	7.12%	7.39%
Future salary increases	8.00%	8.00%

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

(v) Amount recognised in current year and previous four years:

	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
Defined benefit obligations	60,864	34,407	23,679	13,511	7,649
	60,864	**34,407**	**23,679**	**13,511**	**7,649**

(vi) Sensitivity Analysis

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

	Change in Assumption			**Increase in Assumption**			**Decrease in Assumption**	
	March 31, 2024	**March 31, 2023**	**Impact**	**March 31, 2024**	**March 31, 2023**	**Impact**	**March 31, 2024**	**March 31, 2023**
Discount rate per annum	0.50%	0.50%	Decrease by	(4,700)	(2,575)	Increase by	5,210	2,845
Future salary increases	0.50%	0.50%	Increase by	5,140	2,814	Decrease by	(4,684)	(2,572)

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

(vii) Risk exposure

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

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

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

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

(viii) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 17.95 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, 2024 Defined benefit obligation (gratuity)	894	1,015	4,292	54,665	**60,866**
March 31, 2023 Defined benefit obligation (gratuity)	659	769	2,605	30,376	**34,409**

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 for the benefit of the employees.

Amount recognised in the Statement of Profit and Loss is as follows:

	March 31, 2024	**March 31, 2023**
Provident fund paid to the authorities	63,419	31,851
	63,419	**31,851**

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Notes to the financial statements for the year ended March 31, 2024

(All amounts in INR hundred, unless otherwise stated)

14 Trade Payable

	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises		
-Related parties (refer to note 29)	71,295	12,650
-Others	32,422	5,759
Total outstanding dues of creditors other than micro enterprises and small enterprises		
-Related parties (refer to note 29)	11,420	109,041
-Others	43,299	81,229
Total	**158,436**	**208,679**

Trade Payables ageing schedule as on 31st March 2024

Particulars	Outstanding for following periods from due date of payment					
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	65,694	38,023	-	-	-	**103,717**
Total outstanding dues of creditors other than micro enterprises and small enterprises	22,647	32,072	-	-	-	**54,719**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**88,341**	**70,095**	**-**	**-**	**-**	**158,436**

Trade Payables ageing schedule as on 31st March 2023

Particulars	Outstanding for following periods from due date of payment					
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	1,028	17,380	-	-	-	**18,408**
Total outstanding dues of creditors other than micro enterprises and small enterprises	340	189,931	-	-	-	**190,271**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**1,368**	**207,311**	**-**	**-**	**-**	**208,679**

15 Non-Current tax Assets / Current tax liabilities (net)

Non-Current tax Assets (net)

	As at March 31, 2024	As at March 31, 2023
Non-Current tax assets (net of provision for tax of Rs.81,587 (31 March 2023 : Rs.Nil)	4,889	-
Total	**4,889**	**-**

Current tax liabilities (net)

	As at March 31, 2024	As at March 31, 2023
Current tax (net of advance tax of Rs. Nil (31 March 2023: Rs.42,000))	-	4,060
Total	-	**4,060**

16 Other current liabilities

	As at March 31, 2024	As at March 31, 2023
Statutory dues including provident fund and tax deducted at source	32,464	26,302
Deferred Revenue	17,977	
Total	**50,441**	**26,302**

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17 Revenue from contracts with customers

(All amounts in INR hundred, unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Sales of services		
-Outside India	3,031,984	1,503,070
Total	**3,031,984**	**1,503,070**

18 Other income

	For the year ended March 31, 2024	For the year ended March 31, 2023
Exchange fluctuation-net	8,582	9,897
Interest income from financial assets at amortised cost	1,468	1,073
Miscellaneous Income	234	1,888
Total	**10,284**	**12,858**

19 Employee benefits expense

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salary, wages and bonus	1,600,496	838,227
Contribution to provident & other funds	63,419	31,851
Staff welfare expenses	20,010	15,752
Total	**1,683,925**	**885,830**

20 Finance costs

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on lease liabilities	1,642	3,710
Bank charges	4,129	2,505
Total	**5,771**	**6,215**

21 Depreciation and amortisation expense

	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment (refer note no. 3)	48,781	22,008
Depreciation on right of use assets (refer note no. 31)	8,495	13,867
Amortisation of intangible assets (refer note no. 4)	20,468	8,440
Total	**77,743**	**44,315**

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Notes to the financial statements for the year ended March 31, 2024

22 Other expenses

(All amounts in INR hundred, unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Design and development charges	202,285	86,883
Rates and taxes	50	50
Power and electricity	10,085	6,679
Repair & maintenance		
- Computer	2,333	5,633
- Vehicle	5,781	4,268
- Others	826	-
- Premises	119,920	106,451
- Vehicle	1,365	1,162
- Others	4,534	1,605
Freight & cartage	1,278	215
Insurance	11,555	5,086
Conference & Seminar	1,635	-
Donation	150	245
Membership fees	4,024	76
Recruitment expenses	26,999	19,208
Subscription	10	194
Training expenses	14,278	5,145
Security expenses	2,714	-
Telephone expenses	-	280
Relocation expense	1,531	-
Jobwork expense	1,700	680
Software licences	73,483	27,687
Printing & stationery	3,103	1,373
Travelling expenses	199,566	25,009
Office expenses	43,795	34,501
Payment to auditors (refer note a)	3,780	4,137
Legal and professional fee	103,522	58,439
Consultancy expenses	148,956	22,190
Miscellaneous expenses	1,050	2,114
Total	**990,308**	**419,310**

Note a : Payment to auditors

	For the year ended March 31, 2024	For the year ended March 31, 2023
As Auditor:		
Audit fees	3,780	3,637
In other capacity :		
Certification	-	500
Total	**3,780**	**4,137**

(All amounts in INR hundred, unless otherwise stated)

23 Income tax expenses

The major components of income tax expenses for the year ended March 31, 2024 and March 31, 2023 are :

Profit and loss section	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
(a) Tax expense		
Current tax		
Current tax on profit for the year	81,587	45,531
Adjustment for current tax for prior years	-	(1,196)
Total current tax expenses	**81,587**	**44,335**
Deferred tax (refer note 6)		
Increase in deferred tax assets (net)	(9,173)	(3,000)
Total deferred tax expense/ (benefit)	**(9,173)**	**(3,000)**
Income tax expense reported in statement of profit & loss	**72,414**	**41,335**
Income tax expense is attributable to:		
Profit from operations	72,414	41,335
Total	**72,414**	**41,335**
(b) OCI section		
Deffered tax related to items recognised in OCI during in the year:		
Remeasurements of post-employment benefit obligations	(149)	354
Income tax charged to OCI	**(149)**	**354**

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

	For the year ended March 31, 2024	**For the year ended March 31, 2023**
Profit before income tax expense	284,521	160,258
India`s tax rate	**25.168%**	**25.168%**
Tax amount	71,608	40,334
Tax effect of amounts which are not deductible in calculating taxable income	560	1,347
Other adjustments	246	(345)
Total	**72,414**	**41,335**

24 Earnings per share

Basic and Diluted earnings per share

	For the year ended March 31, 2024	**For the year ended March 31, 2023**
Net profit after tax available for equity shareholders	212,548	117,869
Weighted average number of equity shares of Rs.10 each (March 31, 2023 : Rs. 10 each)	50,000	50,000
Basic / Diluted earning per share	**425.10**	**235.74**

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(All amounts in INR hundred, unless otherwise stated)

25. Fair value measurements

Financial instruments by category

	March 31, 2024			March 31, 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Trade receivables	-	-	212,131	-	-	202,134
Cash and cash equivalents	-	-	30,805	-	-	10,165
Other financial assets	-	-	110,134	-	-	70,224
Total financial assets	**-**	**-**	**353,070**	**-**	**-**	**282,523**
Financial Liabilities						
Lease liabilities	-	-	15,099	-	-	23,595
Trade payables	-	-	158,436	-	-	208,679
Other financial liabilities	-	-	138,671	-	-	65,244
Total financial liabilities	**-**	**-**	**312,206**	**-**	**-**	**297,518**

a. Fair value hierarchy

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

	March 31, 2024			March 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Other financials assets	-	-	95,295	-	-	54,482
Total financial assets	**-**	**-**	**95,295**	**-**	**-**	**54,482**
Financial liabilities						
Other financial liabilities	-	-	123,649	-	-	54,119
Total financial liabilities	**-**	**-**	**123,649**	**-**	**-**	**54,119**

The carrying amounts of trade receivables, cash and bank balances, loans, other current financial assets, trade payables, otherpayables and other current financial liabilities are considered to be the same as fair value due to their short term maturities.

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

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

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

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

	March 31, 2024		March 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Other financial assets	14,839	14,839	15,742	15,742
Total	**14,839**	**14,839**	**15,742**	**15,742**
Financial liabilities				
Other financial liabilities	15,022	15,022	11,125	11,125
	15,022	**15,022**	**11,125**	**11,125**

The fair value of financial assets carried at amortized cost is calculated using discounted cash flow method

c. Valuation technique used to determine fair value

Discounted cashflow technique is used for valuation of financial instruments (covered in level 3) using significant unobservable input i.e. company's borrowing rat

26. Segment Information:

Description of segments and principal activities

The objects of the Company is to engage in and conduct the business of scientific, technical and other research and development in any field, particularly in the field of developing/ deploying technologies, electronics, computer software, systems integration and related services.

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments . The Company operates through a single segment, hence there are no reportable segments as per Ind AS 108 "Operating Segments"

27. Capital management

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. In order to meet its capital requirement, the Company is generally funded by its shareholder, either as equity or debt.

28. Financial risk management
The Company, as an internationally active provider of IT services expose its business and products to various market risks, credit risk and liquidity risk. The Company’s primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks.

Below notes explain the sources of risks in which the Company is exposed to and how it manages the risks:

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

A Foreign currency risk:
The exchange variations in India has mainly impacted the imports, Company does not have arrangements with its major domestic customers for passing on the exchange impact on import purchase.

The unhedged foreign currency exposure is as follows:

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

	As at March 31, 2024 Payable / (Receivable)		As at March 31, 2023 Payable / (Receivable)	
	Amount in Foreign currency	Amount in INR	Amount in Foreign currency	Amount in INR
Trade receivable in USD	(52,238)	(43,567)	(1,461)	(120,036)
Trade receivable in AUD	-	-	(218)	(11,980)
Trade receivable in Euro	(187,265)	(167,919)	(787)	(70,119)
Trade payable in USD	6,693	5,582	72	5,988

(ii) Foreign currency sensitivity on unhedged exposure:

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

	Change in exchange rate	Effect on profit before tax
March 31, 2024		
USD against INR	+5%	(1,899)
	-5%	1,899
AUD against INR	+5%	-
	-5%	-
Euro against INR	+5%	(8,396)
	-5%	8,396
March 31, 2023		
USD against INR	+5%	(5,702)
	-5%	5,702
AUD against INR	+5%	(599)
	-5%	599
Euro against INR	+5%	(3,506)
	-5%	3,506

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B Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. For the period under review, the Company does not have any borrowings, therefore there is no interest rate risk.

C Credit risk:

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

D Liquidity risk:

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating division of the Company and managed 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.

Maturities of financial liabilities

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

Year ended March 31, 2024	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Lease liabilities	6,510	8,589	-	**15,099**
Trade payables	158,436	-	-	**158,436**
Other financial liabilities	123,649	15,022	-	**138,671**
Total non-derivative liabilities	**288,595**	**23,611**	**-**	**312,206**

Year Ended March 31, 2023	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Lease liabilities	8,495	15,100	-	**23,595**
Trade payables	208,679	-	-	**208,679**
Other financial liabilities	54,119	11,125	-	**65,244**
Total non-derivative liabilities	**271,293**	**26,225**	**-**	**297,518**

29. Related party disclosures

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

A. Holding Comapny
Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited)

B. Fellow subsidiaries
Motherson Innovations Company Limited,
Motherson Auto Limited
Motherson Technology Services Limited (formerly known as Mothersonsumi Infotech and Design Limited)
Motherson Air Travel Agencies Limited
Motherson Air Travel Agencies Limited, GmbH
Motherson Invenzen Xlab Private Limited
AEES Inc.
SMR Automotive Systems India Limited
Motherson Lease Solution Limited
SMR Automotive Australia Pty Limited
SMR Automotive Mirrors Stuttgart GMBH

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

(a) Transactions with related parties

S. No.	Particulars	Holding company		Fellow subsidiaries		Other related parties	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1	Sale of services	-	-	1,320,915	806,569	1,729,046	696,501
2	Purchase of services	163	3,769	-	-	304,899	141,278
3	Purchase of goods	-	-	-	-	27,144	5,649
4	Purchase of fixed assets	-	-	-	-	68,745	51,175
5	Lease rent	195	-	-	-	127,059	116,243
6	Reimbursements paid	612	-	-	-	8,022	31,553
7	Reimbursements received	-	-	-	-	-	10,721

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

S. No.	Particulars	Holding company		Fellow subsidiaries		Other related parties	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1	Trade receivables	-	-	-	-	212,131	202,134
2	Trade payables	790	3,797	-	-	81,925	117,894
3	Liability for capital expenditure for related party	-	-	-	-	32,786	19,563
4	Advance to Supplier	-	-	-	-	48	4,288

(c) Loans & advances to / from related parties

S. No.	Particulars	Holding company		Fellow subsidiaries		Other related parties	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
i.	**Security deposits given:**						
	Opening balance	-	-	-	-	43,339	29,036
	Given	-	-	-	-	5,934	14,304
	Refund	-	-	-	-	(3,500)	-
	Closing balance	-	-	-	-	45,773	43,339

30. Capital and other commitments

	March 31, 2024	March 31, 2023
Estimated value of contracts in capital account remaining to be executed (net of advance)	-	-
Total	**-**	**-**

31. 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 liablities for those lease contracts except for short-term lease and lease of low-value assets.

The Company has leases contracts for vehicles. These lease arrangement for vehicles are for 5 years. The Company also has certain leases of premises with lease terms of 12 months or less. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Right to use assets	**March 31, 2024**	**March 31, 2023**
Opening gross carrying amount	36,963	65,807
Additions during the year	-	7,770
Disposals/ transfer during the year*	-	(36,614)
Closing gross carrying amount	**36,963**	**36,963**
Accumulated depreciation	**March 31, 2024**	**March 31, 2023**
Opening accumulated depreciation	14,707	17,282
Depreciation charge during the year	8,495	13,867
Disposals/ transfer during the year	-	(16,442)
Closing accumulated depreciation	**23,202**	**14,707**
Net carrying amount	**13,761**	**22,257**

Lease liabilities	**March 31, 2024**	**March 31, 2023**
Opening balance	23,595	50,956
Additions during the year	-	7,770
Disposals/ transfer during the year	-	(22,059)
Finance cost charged during the year	1,642	3,710
Payments made during the year	(10,137)	(16,782)
Closing balance	**15,100**	**23,595**
Classified as current	6,510	8,495
Classified as non-current	8,589	15,100

The following are the amounts recognised in statement of profit and loss	**March 31, 2024**	**March 31, 2023**
Depreciation expense on right-of-use assets	8,495	13,867
Finance cost	1,642	3,710
Gain on Reassessment of Lease	-	(1,888)
Total	**10,137**	**15,689**

***relates to transfer persuant to an employee transfer to another group**

32. Information in terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

	March 31, 2024	March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	124,367	18,408
Interest due to suppliers registered under the MSMED Act and remaining	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

(This space has been intentionally left blank)

33. Ratio analysis and its elements.

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% Change	Reason for variance
Current Ratio	Current Assets	Current Liabilities	1.82	1.38	32%	Increase due to Increase in Trade Receivable and Balance with GST Department
Debt-Equity Ratio	Total Debt (Long term borrowing, short term borrowing and lease liabilities as per Ind AS 116)	Total Equity	0.04	0.12	-69%	Increase this ratio due to payment of lease liabilities
Debt Service Coverage Ratio	Profit for the year + finance cost + non cash operating expense (depreciation ,amortisation expense , Bad debts/advances written off, Provision for doubtful debts / advances, Unrealised foreign exchange (gain) / loss (net))	Current maturities of long term borrowing, interest expense (except Ind AS 116 finance cost) and lease payment	N/A	N/A	N/A	
Return on Equity ratio	Net profit after taxes-Preference Dividend	Average Shareholder's Equity	0.69	0.84	-18%	
Inventory Turnover Ratio	Costs of goods sold	Average Inventory	N/A	N/A	N/A	
Trade Receivables Turnover Ratio	Revenue from contract with customers (excluding other operating revenue)	Average Trade Receivable	14.29	7.44	92%	Decrease in ratio due to debtor collection.
Trade Payables Turnover Ratio	Purchase of raw-materials	Average Trade Payable	N/A	N/A	N/A	
Net Capital Turnover Ratio	Revenue from contract with customers (excluding other operating revenue)	Average working capital (i.e. Current assets-Current liabilities)	15.37	19.02	-19%	
Net Profit Ratio	Net profit for the year	Revenue from contract with customers (excluding other operating revenue)	0.07	0.08	-12%	
Return on capital employed (ROCE)	Profit before tax + finance cost	Average capital employed (i.e.Tangible net worth (Total equity), Total Debt and Deferred Tax Liability)	0.94	1.17	-19%	
Return on Investment	Interest(Finance Income)	Investment	N/A	N/A	N/A	

MOTHERSON INNOVATIONS TECH LIMITED
CIN U31501MH2011PLC286826
Notes to the financial statements for the year ended March 31, 2024

34. Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has 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 Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(viii) The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.

35. Audit Trail

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with.

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

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Digitally signed by ANIL MEHTA
DN: cn=ANIL MEHTA, c=IN, o=Personal, email=anil.mehta@srb.in
Date: 2024.05.20 22:04:14 +05'30'
ANIL MEHTA

per Anil Mehta
Partner
Membership No: 095812

Place : Gurugram
Date : May 20, 2024

For and on behalf of the Board of Directors of
Motherson Innovations Tech Limited

RAJAT JAIN
Digitally signed by RAJAT JAIN
Date: 2024.05.20 21:32:47 +05'30'

Rajat Jain
Director
DIN: 00658228

Place : Noida
Date : May 20, 2024

AMIT BHAKRI
Digitally signed by AMIT BHAKRI
Date: 2024.05.20 21:35:30 +05'30'

Amit Bhakri
Director
DIN: 08230325

Place : Noida
Date : May 20, 2024