**Youngshin Motherson Auto Tech Limited**
**CIN : U35999DL2017PLC321298**
**Balance sheet as at March 31, 2024**

(All amounts in INR lakh, unless otherwise stated)

| | Note | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3(a) | 1,286 | 1,277 |
| Capital work-in-progress | 3(b) | 28 | 70 |
| Right of use assets | 3(c) | 409 | 537 |
| Intangible assets | 4 | 7 | 2 |
| Financial assets | | | |
| i. Other financial assets | 6 | 44 | 32 |
| Other non-current assets | 7 | 0 | 2 |
| **Total non-current assets** | | **1,774** | **1,920** |
| **Current assets** | | | |
| Inventories | 8 | 1,436 | 1,103 |
| Financial assets | | | |
| i. Trade receivables | 9 | 1,752 | 1,199 |
| ii. Cash and cash equivalents | 10(a) | 76 | - |
| iii. Bank balances other than (ii) above | 10(b) | 10 | 60 |
| iv. Loans | 5 | - | 11 |
| v. Other financial assets | 6 | 2 | 2 |
| Current tax assets (net) | 11 | 12 | 11 |
| Other current assets | 12 | 456 | 485 |
| **Total current assets** | | **3,743** | **2,871** |
| **Total assets** | | **5,517** | **4,791** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 13 | 2,355 | 2,355 |
| **Other equity** | | | |
| Reserves and surplus | 14 | (1,785) | (2,286) |
| **Total equity** | | **570** | **70** |
| **Liabilities** | | | |
| **Non current liabilities** | | | |
| Financial liabilities | | | |
| i Borrowings | 15 | 1,020 | 1,012 |
| I (a). Lease liabilities | | 313 | 423 |
| Employee benefit obligations | 16 | 51 | 81 |
| **Total non-current liabilities** | | **1,384** | **1,517** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| i Borrowings | 17 | 630 | 1,024 |
| I (a). Lease liabilities | | 130 | 117 |
| ii. Trade payables | 18 | | |
| Total outstanding dues of micro enterprises and small enterprises | | 198 | 245 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 2,479 | 1,710 |
| iii. Other financial liabilities | 19 | 60 | 38 |
| Employee benefit obligations | 16 | 1 | 4 |
| Other current liabilities | 20 | 65 | 67 |
| **Total current liabilities** | | **3,563** | **3,204** |
| **Total liabilities** | | **4,947** | **4,721** |
| **Total equity and liabilities** | | **5,517** | **4,791** |

**Summary of material accounting policies** 2

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

**For and on behalf of the Board**

**Ajay Bahl**
**Director**
**DIN: 00946201**

**Rajesh Goel**
**Director**
**DIN: 06929756**

**Chetan Kumar Goyal**
**Chief Financial Officer**
**PAN : BGCPG7278R**
**Place : Noida**
**Date : 14.05.2024**

**Rinki Agarwal**
**Company Secretary**
**PAN : CAEPR2068H**

**As per our report of even date**
**For R K Khanna & Co.**
**Chartered Accountants**
**FRN 000033N**

R K KHANNA & CO. NEW DELHI Chartered Accountants

**Vipin Bali**
**Partner**
**M.No. 083436**
**Place :** Delhi
**Date :** 14.05.2024

**B.Sathishkumar**
**Manager**
**PAN: APEPS4795P**

Youngshin Motherson Auto Tech Limited
CIN : U35999DL2017PLC321298
Statement of profit and loss for the period ended March 31, 2024

(All amounts in INR lakh, unless otherwise stated)

| | Note | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| **Revenue** | | | |
| Revenue from Contract with Customers | 21(a) | 10,580 | 7,351 |
| Other Operating Revenue | 21(b) | 73 | 67 |
| **Total revenue from operations** | | **10,653** | **7,418** |
| Other income | 22 | 41 | 53 |
| **Total income** | | **10,695** | **7,471** |
| **Expenses** | | | |
| Cost of material and components consumed | 23 | 8,598 | 5,968 |
| Changes in inventory of work in progess & finished goods | 24 | (213) | (182) |
| Employee benefits expense | 25 | 673 | 680 |
| Finance costs | 26 | 241 | 197 |
| Depreciation and amortization expense | 27 | 302 | 290 |
| Other expenses | 28 | 598 | 573 |
| **Total expenses** | | **10,198** | **7,525** |
| **Profit before exceptional items** | | **497** | **(55)** |
| Exceptional items (income)/ expense | | - | - |
| **Profit/(loss) before tax** | | **497** | **(55)** |
| **Tax expenses** | | | |
| -Current tax | 29 | - | - |
| -Deferred tax expense / (income) | | - | - |
| -Short / (excess) of earlier years | | - | - |
| **Total tax expense** | | | |
| **Profit from continuing operations** | | **497** | **(55)** |
| **Profit/(loss) for the year** | | **497** | **(55)** |
| **Other comprehensive income** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Remeasurements of post-employment benefit obligations[Gain/(Loss)] | | 4 | 1 |
| Deferred tax on remeasurements of post-employment benefit obligations | | - | - |
| **Other comprehensive income for the year, net of tax** | | **4** | **1** |
| **Total comprehensive income for the year** | | **500** | **(54)** |
| **Earnings/(Loss) per share (in absolute figures):** | 30 | | |
| Nominal value per share: INR 10 each (Previous year : INR 10 each) | | | |
| Basic | | 2.11 | (0.23) |
| Diluted | | 2.11 | (0.23) |
| **Summary of material accounting policies** | 2 | | |

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

**For and on behalf of the Board**

**As per our report of even date**
**For R K Khanna & Co.**
**Chartered Accountants**
**FRN 000033N**

**Ajay Bahl**
**Director**
**DIN: 00946201**

**Rajesh Goel**
**Director**
**DIN: 06929756**

**Vipin Bali**
**Partner**
**M.No. 083436**
**Place :** Delhi
**Date :** 14.05.2024

R K KHANNA & CO. NEW DELHI Chartered Accountants

**Charan Kumar Goyal**
**Chief Financial Officer**
**PAN : BGCPG7278R**
**Place : Noida**
**Date : 14.05.2024**

**Rinki Agarwal**
**Company Secretary**
**PAN : CAEPR2068H**

**B.Sathishkumar**
**Manager**
**PAN: APEPS4795P**

**Youngshin Motherson Auto Tech Limited**
**CIN : U35999DL2017PLC321298**
**Statement of changes in equity for the period ended March 31, 2024**

(All amounts in INR lakh, unless otherwise stated)

**A. Equity Share Capital**

| | Amount |
|---|---|
| **As at April 01, 2022** | 2,355 |
| Issue of equity share capital | - |
| **As at March 31, 2023** | 2,355 |
| Issue of equity share capital | - |
| **As at March 31, 2024** | 2,355 |

**B. Other Equity**

| Particulars | Notes | Reserves and Surplus | Total |
|---|---|---|---|
| | | Retained Earnings | |
| **Balance as at April 01, 2022** | | (2,232) | **(2,232)** |
| Profit/(Loss) for the year | 14 | (55) | (55) |
| Other comprehensive income | 14 | 1 | 1 |
| Total Comprehensive Income for the year | | (54) | (54) |
| **Balance as at March 31, 2023** | | **(2,286)** | **(2,286)** |
| Profit/(Loss) for the year | 14 | 497 | 497 |
| Other comprehensive income | 14 | 4 | 4 |
| Total Comprehensive Income for the year | | 500 | 500 |
| **Balance at March 31, 2024** | | **(1,785)** | **(1,785)** |

**Summary of material accounting policies** 2

**The above statement of change in equity should be read in conjunction with the accompanying notes.**

**For and on behalf of the Board**

**As per our report of even date**
**For R K Khanna & Co.**
**Chartered Accountants**
**FRN 000033N**

R K KHANNA & CO. NEW DELHI Chartered Accountants

**Ajay Bahl**
**Director**
**DIN: 00946201**

**Rajesh Goel**
**Director**
**DIN: 06929756**

**Vipin Bali**
**Partner**
**M.No. 083436**
**Place :** Delhi
**Date :** 14.05.2024

**Chatan Kumar Goyal**
**Chief Financial Officer**
**PAN : BGCPG7278R**
**Place : Noida**
**Date : 14.05.2024**

**Rinki Agarwal**
**Company Secretary**
**PAN : CAEPR2068H**

**B.Sathishkumar**
**Manager**
**PAN: APEPS4795P**

Youngshin Motherson Auto Tech Limited
CIN : U35999DL2017PLC321298
Cash Flow Statement for the period ended March 31, 2024

(All amounts in INR lakh, unless otherwise stated)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **A. Cash flow from operating activities:** | | |
| **Net profit/(loss) before tax** | 497 | (55) |
| Adjustments for: | | |
| Depreciation and amortization | 302 | 290 |
| Interest income | (3) | (1) |
| Finance costs | 229 | 187 |
| Unrealised (gain)/loss on foreign exchange transactions | 47 | (38) |
| Provision for gratuity and compensated absences | (29) | 26 |
| **Operating profit/(loss) before working capital changes** | 1,043 | 410 |
| **Change in working capital:** | | |
| Increase/(decrease) in trade payables | 675 | 107 |
| Increase/(decrease) in current financial liabilities | 22 | 31 |
| Increase/(decrease) in other current liabilities | (2) | (113) |
| (Increase)/decrease in trade receivables | (554) | (580) |
| (Increase)/decrease in inventories | (333) | (464) |
| (Increase)/decrease in other non-current assets | 1 | 2 |
| (Increase)/decrease in other current assets | 29 | (34) |
| (Increase)/decrease in financial assets | 51 | (66) |
| **Cash used in operations** | 932 | (706) |
| Less: Income taxes paid | (12) | (11) |
| Add: Interest received on income tax refund | 1 | 0 |
| Add: Income tax refund | 11 | 4 |
| **Net cash used in operating activities** | 932 | (713) |
| **B. Cash flow from investing activities:** | | |
| Payments for property, plant & equipment and intangible assets (including CWIP) | (132) | (264) |
| Interest received | 1 | 0 |
| **Net cash used in investing activities** | (131) | (263) |
| **C. Cash flow from financing activities:** | | |
| Interest paid | (187) | (131) |
| Proceeds/ (repayment) from short term borrowings from Bank (net) | (480) | 380 |
| Proceeds of term loan taken from Bank | 237 | 450 |
| Repayment of term loan taken from Bank | (144) | (44) |
| Proceeds of loans taken from Related Parties | 400 | 800 |
| Repayment of loan taken from Related Parties | (400) | (400) |
| Payment of lease liabilities | (151) | (155) |
| **Net cash from financing activities** | (725) | 900 |
| **Net increase/(decrease) in cash & cash equivalents** | 76 | (76) |
| Add: Net Cash and cash equivalents at the beginning of the year | 0 | 76 |
| **Cash and cash equivalents as at current year closing** | 76 | 0 |

Notes:

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

(ii) The above cash flow statement should be read in conjunction with the accompanying notes.

**For and on behalf of the Board**

**As per our report of even date**
**For R K Khanna & Co.**
**Chartered Accountants**
**FRN 000033N**

R K KHANNA & CO. NEW DELHI Chartered Accountants

| | | |
|---|---|---|
| Ajay Bahl | Rajesh Goel | Vipin Bali |
| Director | Director | Partner |
| DIN: 00946201 | DIN: 06929756 | M.No. 083436 |
| | | Place : Delhi |
| | | Date : 14.05.2024 |

| | | |
|---|---|---|
| Chatan Kumar Goyal | Rinki Agarwal | B.Sathishkumar |
| Chief Financial Officer | Company Secretary | Manager |
| PAN : BGCPG7278R | PAN : CAEPR2068H | PAN: APEPS4795P |
| Place : Noida | | |
| Date : 14.05.2024 | | |

**1 Corporate information**

The company was incorporated on 27th July, 2017 vide Certificate of Incorporation issued by Registrar of Companies, Central Registration Centre under the provisions of the Companies Act, 2013 as a wholly owned subsidiary of Erstwhile Samvardhana Motherson International Limited (SAMIL). Joint venture was entered into between Youngshin Components Co. Ltd and SAMIL vide a Joint Venture Agreement dated 15th November 2017 with each JV partner holding 50% of the paid up capital.

Up to January 20, 2022 erstwhile Samvardhana Motherson International Limited (SAMIL) held 50% shareholding of the company. The Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 22nd December, 2021 sanctioned the composite scheme of amalgamation and arrangement amongst Motherson Sumi Systems Limited (MSSL) and SAMIL resulting in merger of SAMIL with MSSL. The appointed and effective date of the merger is January 21, 2022. Accordingly, equity shares held by SAMIL in the company stand transferred to MSSL on January 21, 2022 which then becomes the company's holding company wef January 21, 2022. The name of Motherson Sumi Systems Limited (MSSL) was changed to Samvardhana Motherson International Limited (SAMIL) w.e.f May 18, 2022.

Vide Share Purchase Agreement dated April 19, 2023, Youngshin Components Co. Limited, South Korea sold 70,65,660 Equity Shares to Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited). This increased the equity stake of Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited) from 50% to 80% in the paid up share capital of Youngshin Motherson Auto Tech Limited.

The entity's primary objective is to engage in the business of trading, marketing, purchasing, selling, exporting, importing and manufacturing of clutches and its parts for Automobiles or any other related applications as required.

**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).

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

• Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and

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

The financial statement are presented in INR and all values are rounded to the nearest lakh, except when otherwise indicated.

**b. Presentation of financial statements**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

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

(i) The normal course of business

(ii) The event of default

(iii) The event of insolvency or bankruptcy of the company and/or its counterparties

**Summary of material accounting policies**

**c. Current versus non-current classification**

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

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

All other assets are classified as non-current.

**A liability is current when:**

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

The Company classifies all other liabilities as non-current.

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

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

**d. Foreign currencies**

**(i) Functional and presentation currency**

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

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end.

Exchange rates are generally recognized in profit or loss. They are deferred in other comprehensive income if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

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

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments (other than investment in subsidiaries, joint ventures and associates) classified as FVOCI are recognised in other comprehensive income.

**e. Revenue recognition and Other income**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Sales of Goods:**

Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Sales are recognised at single point of time when the control of goods are transferred to the buyer as per the terms of contract.

**Sale of services:**

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

**Interest Income:**

Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate or as per bank certificate for the relevant period.

**Export Incentive benefits:**

Income from duty drawback and export incentives is recognized on an accrual basis.

**f. Income tax**

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

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

**g. Leases**

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

**As a Lessee**

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

**i) Right-of-use assets**

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

• Building: 5 years

Vechile : Over lease period

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.

**ii) Lease Liabilities**

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

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

The company's lease liabilities are included in Interest-bearing loans and borrowings.

**As a Lessor**

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

**h. Impairment of non-financial assets**

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

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

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

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

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

**i. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand short term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**j. Financial instruments**

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

**Financial assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

**Debt instruments at amortised cost**

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

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

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

**Debt instrument at FVOCI**

A 'debt instrument' is classified as at the FVOCI 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 FVOCI 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 instrument at FVPL**

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVOCI, is classified as at FVPL.

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

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

**Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. 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 FVOCI, 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 FVPL category are measured at fair value with all changes recognised in the P&L.

**De-recognition**

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

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

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

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

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

**Impairment of financial assets**

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

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

(b) Financial assets that are debt instruments and are measured as at FVTOCI.

(c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

(d) Loan commitments which are not measured as at FVTPL.

(e) Financial guarantee contracts which are not measured as at FVTPL

**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) Defined benefit plans**

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

Further details about gratuity obligations are given in **Note 16**

**(ii) Taxes**

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

**New and amended Standards**

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.

(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.

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

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

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.

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

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 2022.

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### 3 (a) Property, plant and equipment

(All amounts in INR lakh, unless otherwise stated)

| Particulars | Leasehold improvements | Plant and machinery | Electrical installations | Factory equipment's | Mould and dies | Furniture and fixtures | Office equipment's | Computers | Server | Vehicles | Total | Capital work-in progress |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Period ended March 31, 2023** | | | | | | | | | | | | |
| **Gross carrying amount** | | | | | | | | | | | | |
| **Opening gross carrying amount as at April 01, 2022** | 170 | 1,322 | 117 | 44 | 55 | 17 | 14 | 21 | 2 | - | 1,762 | - |
| Additions | - | 116 | 1 | 9 | 32 | 9 | 9 | 9 | - | 4 | 189 | 70 |
| Addition on account of acquisition | - | - | - | - | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - | - | - | - | - |
| Other adjustment | - | - | - | - | - | - | - | - | - | - | - | - |
| **Closing gross carrying amount as at March 31, 2023** | 170 | 1,438 | 118 | 53 | 87 | 26 | 23 | 30 | 2 | 4 | 1,951 | 70 |
| **Accumulated depreciation** | | | | | | | | | | | | |
| **Opening accumulated depreciation as at April 01, 2022** | 121 | 289 | 39 | 10 | 26 | 6 | 10 | 14 | 1 | - | 516 | - |
| Depreciation charge during the year | 34 | 86 | 12 | 3 | 12 | 2 | 3 | 4 | - | 0 | 158 | - |
| Disposals | - | - | - | - | - | - | - | - | - | - | - | - |
| Impairment loss | - | - | - | - | - | - | - | - | - | - | - | - |
| Other adjustment | - | - | - | - | - | - | - | - | - | - | (0) | - |
| **Closing accumulated depreciation as at March 31, 2023** | 155 | 375 | 50 | 13 | 39 | 8 | 13 | 19 | 1 | 0 | 673 | - |
| **Net carrying amount as at March 31, 2023** | 15 | 1,063 | 67 | 40 | 48 | 18 | 10 | 11 | 1 | 4 | 1,277 | 70 |
| **Period ended March 31, 2024** | | | | | | | | | | | | |
| **Gross carrying amount** | | | | | | | | | | | | |
| **Opening gross carrying amount as at April 01, 2023** | 170 | 1,438 | 118 | 53 | 87 | 26 | 23 | 30 | 2 | 4 | 1,951 | 70 |
| Additions | 10 | 116 | (0) | 7 | 21 | 5 | 1 | 5 | - | 2 | 168 | (43) |
| Addition on account of acquisition | - | - | - | - | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - | - | - | - | - |
| Other adjustment (Refer Note 2) | - | - | - | - | - | - | - | - | - | - | - | - |
| **Closing gross carrying amount as at March 31, 2024** | 180 | 1,554 | 118 | 60 | 108 | 31 | 24 | 35 | 2 | 5 | 2,118 | 28 |
| **Accumulated depreciation** | | | | | | | | | | | | |
| **Opening accumulated depreciation as at April 01, 2023** | 155 | 375 | 50 | 13 | 39 | 8 | 13 | 19 | 1 | 0 | 673 | - |
| Depreciation charge during the year | 14 | 99 | 12 | 1 | 18 | 3 | 3 | 7 | 1 | 1 | 159 | |
| Disposals | - | - | - | - | - | - | - | - | - | - | - | |
| Impairment loss | - | - | - | - | - | - | - | - | - | - | - | - |
| Other adjustment (Refer Note 2) | - | - | - | - | - | - | - | - | - | - | - | - |
| **Closing accumulated depreciation as at March 31, 2024** | 169 | 475 | 62 | 14 | 57 | 11 | 16 | 26 | 2 | 1 | 832 | - |
| **Net carrying amount as at March 31, 2024** | 11 | 1,080 | 56 | 47 | 51 | 20 | 8 | 9 | 0 | 5 | 1,286 | 28 |

**Notes:**
Note 1: Refer Note 41 for information on property, plant and equipments hypothecated as security by the company.

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## 3(b) Capital work in progress (CWIP)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Capital work in progress | 28 | 70 |
| | **28** | **70** |

### Capital work in progress (CWIP) ageing schedule

| Capital work in progress | Amount in CWIP for a period of | | | | As at March 31, 2024 |
|---|---|---|---|---|---|
| | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Projects in progress* | - | 28 | - | - | 28 |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **-** | **28** | **-** | **-** | **28** |

### Capital work in progress (CWIP) ageing schedule

| Capital work in progress | Amount in CWIP for a period of | | | | As at March 31, 2023 |
|---|---|---|---|---|---|
| | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Projects in progress* | 70 | - | - | - | 70 |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **70** | **-** | **-** | **-** | **70** |

*As at March 31, 2024, Projects in progress comprises plant and machinery under installation at the Noida Unit worth INR 28 Lakh and is expected to be brought in to use by Q2FY2024-25.

During FY2023-24, CWIP worth INR 42 Lakh was capitalised.

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### 3(c) Right-of-use assets

| Particulars | Buildings | Vehicles | Total |
|---|---|---|---|
| **Year ended March 31, 2023** | | | |
| **Gross carrying amount** | | | |
| **Opening gross carrying amount as at April 01, 2022** | **595** | **18** | **613** |
| Additions during the year | 479 | - | 479 |
| Disposals during the year* | (300) | | (300) |
| Other adjustment** | (91) | - | (91) |
| **Closing gross carrying amount as at March 31, 2023** | **683** | **18** | **701** |
| **Accumulated depreciation** | | | |
| **Opening accumulated depreciation as at April 01, 2022** | **332** | **9** | **340** |
| Depreciation charge during the year | 125 | - | 125 |
| Disposals* | (300) | - | (300) |
| Impairment loss | - | - | - |
| Other adjustment** | (0) | - | (0) |
| **Closing accumulated depreciation as at March 31, 2023** | **156** | **9** | **164** |
| **Net carrying amount as at March 31, 2023** | **527** | **10** | **537** |
| **Year ended March 31, 2024** | | | |
| **Gross carrying amount** | | | |
| **Opening gross carrying amount as at April 01, 2023** | **683** | **18** | **701** |
| Additions during the year | - | - | - |
| Disposals during the year | - | - | - |
| Other adjustment# | 8 | (1) | 7 |
| **Closing gross carrying amount as at March 31, 2024** | **691** | **17** | **708** |
| **Accumulated depreciation** | | | |
| **Opening accumulated depreciation as at April 01, 2023** | **156** | **9** | **164** |
| Depreciation charge during the year | 139 | 2 | 140 |
| Disposals | - | - | - |
| Impairment loss | - | - | - |
| Other adjustment# | (7) | 2 | (5) |
| **Closing accumulated depreciation as at March 31, 2024** | **287** | **12** | **299** |
| **Net carrying amount as at March 31, 2024** | **404** | **5** | **409** |

*The 5 year Lease period of the Noida plant ended on November 30, 2022. From December 1, 2022 a new 5 year lease for the Noida Plant was been renewed and thus, a corresponding Right of Use asset was been created.

**The value of the Right of Use asset of the Chennai Plant was reduced due to a reduction in monthly rent from INR 5.61 lakh to INR 3.25 lakh as the area under lease was reduced from 20,790 Sq ft to 14,790 Sq ft. vide supplementary rent agreement dated February 1, 2022.
# Other adjustment comprises of difference in opening balance of lease assets & related accumulated depreciation, due to change in lease terms of the Chennai plant in FY2022-23.

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## 4. Intangible assets

| Particulars | Software | Total |
|---|---|---|
| **Year ended March 31, 2023** | | |
| **Gross carrying amount** | | |
| **Opening gross carrying amount as at April 01, 2022** | 32 | 32 |
| Additions | 2 | 2 |
| Addition on account of acquisition | - | - |
| Disposals | - | - |
| **Closing gross carrying amount as at March 31, 2023** | 34 | 34 |
| **Accumulated amortisation** | | |
| **Opening accumulated amortisation as at April 01, 2022** | 28 | 28 |
| Amortisation charge during the year | 4 | 4 |
| Disposals | - | - |
| Additions on account of acquisition | - | - |
| Impairment loss | - | - |
| Other adjustment | - | - |
| **Closing accumulated amortisation as at March 31, 2023** | 32 | 32 |
| **Net carrying amount as at March 31, 2023** | 2 | 2 |
| **Year ended March 31, 2024** | | |
| **Gross carrying amount** | | |
| **Opening gross carrying amount as at April 01, 2023** | 34 | 34 |
| Additions | 7 | 7 |
| Addition on account of acquisition | - | - |
| Disposals | - | - |
| Other adjustment (Refer Note 1) | - | - |
| **Closing gross carrying amount as at March 31, 2024** | 41 | 41 |
| **Accumulated amortisation** | | |
| **Opening accumulated amortisation as at April 01, 2023** | 32 | 32 |
| Amortisation charge during the year | 2 | 2 |
| Disposals | - | - |
| Additions on account of acquisition | - | - |
| Impairment loss | - | - |
| Other adjustment (Refer Note 1) | - | - |
| **Closing accumulated amortisation as at March 31, 2024** | 33 | 33 |
| **Net carrying amount as at March 31, 2024** | 7 | 7 |

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**5. Loans**

| | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| **(Unsecured, considered good, unless otherwise stated)** | | | | |
| Loans to employees | - | - | 11 | - |
| | **-** | **-** | **11** | **-** |

Notes:

i. Home loan is provided to employee as per company policy bearing interest rate of 4% p.a.

ii. As at March 31, 2023: Outstanding loan of INR 11,26,911 was transferred on April 09, 2023 as the employee was transferred to a group company.

**6. Other financial assets**

| | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| (Unsecured, considered good unless stated otherwise) | | | | |
| Security deposits: | | | | |
| - Related parties | - | 31 | - | 20 |
| - Others | 2 | 13 | 2 | 12 |
| **Total** | **2** | **44** | **2** | **32** |

**7. Other non-current assets**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (Unsecured, considered good, unless otherwise stated) | | |
| Prepaid expenses | 0 | 2 |
| **Total** | **0** | **2** |

(All amounts in INR lakh, unless otherwise stated)

**8. Inventories**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Material and components | 990 | 889 |
| Work in progress | 250 | 130 |
| Finished goods | 196 | 84 |
| **Total** | **1,436** | **1,103** |
| Inventories include Inventory in transit of: | | |
| Material and components | 448 | 182 |

**9. Trade receivables**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| (Unsecured, considered good) | | |
| - Related Parties | 435 | 605 |
| - Others | 1,317 | 593 |
| Unsecured, credit impaired | - | 1 |
| **Total** | **1,752** | **1,200** |
| Less: Allowances for credit impaired receivable | - | (1) |
| **Net Total** | 1,752 | 1,199 |

**Trade receivables ageing schedule:**

| **Undisputed** | **Trade receivables – considered good** | | **Trade receivable – credit impaired** | |
|---|---|---|---|---|
| | **As at March 31,2024** | **As at March 31,2023** | **As at March 31,2024** | **As at March 31,2023** |
| Current but not due | 1,590 | 1,048 | - | - |
| Outstanding for following periods from due date of payment | | | | |
| Less than 6 Months | 162 | 143 | - | - |
| 6 months – 1 year | 0 | 8 | - | - |
| 1-2 years | - | - | - | - |
| 2-3 years | - | - | - | - |
| More than 3 years | - | - | - | 1 |
| **Total** | **1,752** | **1,199** | - | **1** |

Note 1: For the financial years ended March 31, 2024 & March 31, 2023, there are no disputed trade receivables and no unbilled receivables.
Note 2: There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

**10.(a) Cash and cash equivalents**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Balances with banks: | | |
| - In current accounts* | 76 | - |
| **Total** | **76** | - |

*Represents debit balance in the cash credit account.

**Change in liabilities arising from financing activities**

| | As at March 31, 2023 | Cash flow | Non cash items* | As at March 31, 2024 |
|---|---|---|---|---|
| Non current borrowings (including current maturity of long term borrow | 1,156 | 237 | - | 1,250 |
| Current borrowings | 880 | (480) | - | 400 |
| Current and non current lease liabilities | 540 | (151) | - | 443 |
| **Total liabilities from financing activities** | **2,576** | **(394)** | - | **2,093** |

| | As at March 31, 2022 | Cash flow | Non cash items** | As at March 31, 2023 |
|---|---|---|---|---|
| Non current borrowings (including current maturity of long term borrow | 350 | 850 | - | 1,156 |
| Current borrowings | 500 | 380 | - | 880 |
| Current and non current lease liabilities | 285 | (155) | 410 | 540 |
| **Total liabilities from financing activities** | **1,135** | **1,075** | **410** | **2,576** |

**Non cash items include new leases taken or termination of lease contracts in case of lease liabilities

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**10.(b) Other bank balances**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Current account balance with Axis Bank Limited (Refer (i) below) | 0 | 51 |
| Deposits with orignal maturity of more than 3 months but less than 12 months# | 10 | 9 |
| **Total** | **10** | **60** |

**Note:**

As authorized by the board vide resolution passed on 05-01-2024, the funds in account with Axis Bank Limited have been transferred to Kotak Mahindra Bank and adjusted against the overdraft facility obtained. Bank guarantee still stands with Axis Bank Limited and in process of being shifted to Kotak Mahindra Bank.

#Represents 100% margin for bank guarantee issued in favour of Customs Authorities in earlier years. The process of shifting the Bank Guarantee to Kotak Mahindra Bank has been initiated.

| **11. Current tax assets(net)** | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Opening balance** | 11 | 4 |
| Adjustment for prior period tax | 1 | - |
| Less: Income tax refund received | (11) | (4) |
| Add: Income tax paid | 11 | 11 |
| **Closing balance** | **12** | **11** |

**12. Other current assets**

| (Unsecured, considered good, unless otherwise stated) | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Advance to suppliers | | |
| - Related parties | 2 | 1 |
| - Others | 6 | 4 |
| Prepaid expenses | 1 | 18 |
| Balances with government authorities* | 445 | 462 |
| **Total** | **456** | **485** |

*Balance of INR 3,59,68,226 represents GST input credit as per books which is under reconciliation with balance of INR 3,71,45,063 as per the electronic credit ledger at the GST portal.

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## 13. Equity Share Capital

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Authorised:** | | |
| 30,000,000 Equity Shares of INR 10/- each<br>(As at March 31, 2023: 30,000,000 Equity Shares of INR 10/- each) | 3,000 | 3,000 |
| **Issued, Subscribed and Paid up:** | | |
| 23,552,200 equity shares of INR 10/- each, fully paid-up<br>(As at March 31, 2023: 23,552,200 equity shares of INR 10/-, fully paid-up) | 2,355 | 2,355 |
| **Total** | **2,355** | **2,355** |

**a. Movement in equity share capital**

| | Numbers | Amount |
|---|---|---|
| **As at March 31, 2023** | **236** | **2,355** |
| Add: Shares issued during the year | - | - |
| **As at March 31, 2024** | **236** | **2,355** |

**b. Rights, preferences and restrictions attached to shares**

**Equity Shares:**

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

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

**c. Equity shares held by the promoters at the end of the year**
**FY 2023-24**

| S.N. | Name | No. of shares | % of total shares | % change during the year |
|---|---|---|---|---|
| 1 | Samvardhana Motherson International Limited (Formerly known as Motherson Sumi Systems Limited) | 1,88,41,760 | 80% | 60% |
| 2 | Youngshin Components Co. Ltd., South Korea | 47,10,440 | 20% | (60%) |
| | **Total** | **2,35,52,200** | **100%** | |

The name of Motherson Sumi Systems Limited (MSSL) was changed to Samvardhana Motherson International Limited (SAMIL) w.e.f May 18, 2022.

Vide Share Purchase Agreement dated April 19, 2023, Youngshin Components Co. Limited, South Korea sold 70,65,660 Equity Shares to Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited). This increased the equity stake of Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited) from 50% to 80% in the paid up share capital of Youngshin Motherson Auto Tech Limited.

**FY 2022-23**

| S.N. | Name | No. of shares | % of total shares | % change during the year |
|---|---|---|---|---|
| 1 | Motherson Sumi Systems Limited* | 1,17,76,100 | 50% | - |
| 2 | Youngshin Components Co. Ltd., South Korea | 1,17,76,100 | 50% | - |
| | **Total** | **2,35,52,200** | **100%** | |

* Including 600 equity shares held by nominee shareholders

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

(All amounts in INR lakh, unless otherwise stated)

**14. Reserves and surplus**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Retained earnings | (1,785) | (2,286) |
| **Total reserves and surplus** | **(1,785)** | **(2,286)** |

**Retained earnings**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Opening balance** | **(2,286)** | **(2,232)** |
| Add/(Less): Profit/(loss) for the year | 497 | (55) |
| Add/(Less): Remeasurements of post-employment benefit obligation, net of tax [Gain/(Loss)] | 4 | 1 |
| **Closing balance** | **(1,785)** | **(2,286)** |

**15. Non-current borrowings**

| | As at March 31, 2024 | As at March 31,2023 |
|---|---|---|
| Long term borrowings from Bank* | 620 | 612 |
| Loan from Related Parties** | 400 | 400 |
| | **1,020** | **1,012** |

***Sanctioned and utilised long term borrowing limits from Kotak Mahindra Bank Limited:**

| Facility | Sanctioned | | Outstanding (Including current maturities) | |
|---|---|---|---|---|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| Term Loan-1<br>Purpose: Reimbursement of capex<br>Term: 5 year including one year moratorium period<br>Loan start date: 07-09-2021<br>Rate of interest: 6M MCLR + 25 bps, prevailing rate is 8.15%. | 100 | 100 | 63 | 88 |
| Term Loan-2<br>Purpose: For paying off working capital creditors of Youngshin Components Company Limited, South Korea<br>Term: 5 year including one year moratorium period<br>Loan start date: 07-09-2021<br>Rate of interest: 6M MCLR + 25 bps, prevailing rate is 8.15%. | 250 | 250 | 156 | 219 |
| Term Loan-3<br>Purpose: Purchase of plant & machinery/land & building/capacity expansion<br>Term: 5 year including one year moratorium period<br>Loan start date: 07-09-2021<br>Rate of interest: 6M MCLR + 25 bps, prevailing rate is 8.15%. | 450 | 450 | 394 | 450 |
| Term Loan-4<br>Purpose: For capital expenditure from October 2022 to September 2023<br>Term: 5 year including one year moratorium period<br>Loan start date: 15-12-2022<br>Rate of interest: 6M MCLR + 25 bps, prevailing rate is 8.15%. | 650 | 650 | 237 | - |
| Total | **1,450** | **1,450** | **850** | **756** |

**Security:**

i. The security for all the Four Term Loans mentioned above:
First and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets of the Borrower.

ii. Seperate Letters of Comfort, backed by board resolutions from Samvardhana Motherson International Limited (Formerly known as Motherson Sumi Systems Limited) and Youngshin Components Company Limited (YCCL, South Korea).

Both the parent companies agree to service facilites obtained from Banks, as below:
Samvardhana Motherson International Limited (Formerly known as Motherson Sumi Systems Limited): To the extent of 80% of the outstanding amount of facilities obtained from Banks.
Youngshin Components Company Limited (YCCL, South Korea): To the extent of 20% of the outstanding amount of facilities obtained from Banks.

****Loan from Related Parties**

| Lender | Interest rate | Amount (INR lakh) | Due date |
|---|---|---|---|
| Samvardhana Motherson International Limited (Formerly known as Motherson Sumi Systems Limited) (Refer (i) below) | RBI Repo Rate + 3% p.a.p.m. (8.5% p.a to 9.5% p.a.p.m) | 400 | December 19, 2025 |

Notes:
(i). This loan has been pre-paid on 27th March, 2024 as the lender excersised its right of prepayment.

| Lender | Interest rate | Amount (INR lakh) | Due date |
|---|---|---|---|
| SMR Automotive Systems India Limited (Refer (I) Below) | Fixed Rate of 9.5% p.a.p.m | 400 | December 31, 2025 |

Notes:
(i). The interest is payable at the end of each month. The lender and borrower both have right for prepayment, as per mutual consent, either partially or fully by giving five business days' notice in advance.

(All amounts in INR lakh, unless otherwise stated)

**16. Employee benefit obigations**

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Gratuity | 1 | 32 | 1 | 53 |
| Compensated absences | 1 | 19 | 2 | 28 |
| **Total** | **1** | **51** | **4** | **81** |

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

**A. Defined Benefit Schemes**

**Gratuity**

Every employee is entitled to a benefit equivalent to fifteen days' salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The plan is unfunded.

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

**(i) Present Value of Defined Benefit Obligation**

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **Obligations at year beginning** | 55 | 38 |
| Service Cost - Current | 6 | 7 |
| Acquisition Adjustment | - | 14 |
| Interest expense | 4 | 3 |
| **Amount recognised in profit or loss** | **10** | **24** |
| Remeasurements | | |
| Actuarial (gain) / loss from change in financial assumption | (4) | (1) |
| **Amount recognised in other comprehensive income** | **(4)** | **(1)** |
| Payment from plan: | | |
| Benefit payments | (29) | (7) |
| Acquisition adjustment | | |
| **Obligations at year end** | **33** | **55** |

**(ii) Assets and Liabilities recognized in the Balance Sheet**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Present Value of the defined benefit obligations | 33 | 55 |
| Fair value of the plan assets | - | - |
| **Amount recognized as Liability** | **33** | **55** |

**(iii) Defined benefit obligations cost for the year:**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Service Cost - Current | 6 | 7 |
| Interest Cost | 4 | 3 |
| Actuarial (gain)/loss | (4) | (1) |
| **Net defined benefit obligations cost** | **7** | **9** |

**(iv) Actuarial assumptions:**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Discount Rate per annum | 7.23% | 7.30% |
| Future salary increases | 7.00% | 7.00% |
| Expected return on plan asset | - | - |

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

**(v) Sensitivity Analysis**

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

| | Change in Assumption | | Impact | Increase in Assumption | | Impact | Decrease in Assumption | |
|---|---|---|---|---|---|---|---|---|
| | March 31, 2024 | March 31, 2023 | | March 31, 2024 | March 31, 2023 | | March 31, 2024 | March 31, 2023 |
| Discount Rate per annum | 0.50% | 0.50% | Decrease by | (2) | (3) | Increase by | 2 | 7 |
| Future salary increases | 0.50% | 0.50% | Increase by | 2 | 3 | Decrease by | (2) | (6) |

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

**vi) Risk exposure**

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

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

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

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

**vii) Defined benefit liability and employer contributions**

Weighted average duration of the defined benefit obligation is 16.88 years (March 31, 2023: 12.00 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) | 1 | 1 | 3 | 28 | 33 |
| March 31, 2023 | | | | | |
| Defined benefit obligation (gratuity) | 1 | 2 | 8 | 43 | 55 |

**B. Defined Contribution Schemes**

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

Amount recognised in the Statement of Profit & Loss is as follows (Refer note 25):

| | For the year ended March 31, 2024 | For the period ended March 31, 2023 |
|---|---|---|
| Provident fund paid to the authorities | 17 | 26 |
| Employee state insurance paid to the authorities | 2 | 3 |
| Total | 19 | 29 |

(All amounts in INR lakh, unless otherwise stated)

## 17. Current borrowings

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Secured Loans: | | |
| Working capital loan from Kotak Mahindra Bank Limited * | - | 480 |
| Current maturities of long term borrowings | 230 | 144 |
| Unsecured Loans: | | |
| Loan from Related Parties** | 400 | 400 |
| **TOTAL** | **630** | **1,024** |

***Sanctioned and utilised working capital facilities from Kotak Mahindra Bank Limited**

| Particulars | Margin | Total sanctioned amount is INR 550 interchangeable between the following facilities as shown | Utilized as at 31-Mar-2024 |
|---|---|---|---|
| **Fund based** | | | |
| Cash Credit | 25% | 550 | - |
| Working capital demand loan | 25% | 550 | - |
| Overdraft facility backed by cashflow | Nil | 200 | - |

| Particulars | Margin | Total sanctioned amount is INR 550 interchangeable between the following facilities as shown | Utilized as at 31-Mar-2023 |
|---|---|---|---|
| **Fund based** | | | |
| Cash Credit | 25% | 550 | 480 |
| Working capital demand loan | 25% | 550 | 480 |
| Overdraft facility backed by cashflow | Nil | 200 | 200 |

**Notes:**

i. Rate of interest for Cash credit & overdraft facility: Repo rate + 2.25% with quarterly reset, prevailing rate is 8.50%.

ii. Monthly statement of current assets filed with the bank are in agreement with the books of accounts.

iii. Security: First and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets.

**Loans from Related Parties:**

| Name | Interest Rate | Amount (in lakh) | Due date |
|---|---|---|---|
| Motherson Techno Tools Ltd (Refer below) | 8.5% per annum compunded yearly | 400 | 20-Apr-24 |

Notes** :

(i). The interest is payable at the end of loan tenure or principal repayment, whichever is earlier.

(ii). The lender and the borrower both have right to give seven days business days' notice in advance or any shorter notice as may be mutually decided by the lender and the borrower for the purpose of paying loan on demand or prepayment of loan either or fully respectively

(iii). Loan of INR 400 Lakh form Motherson Techno Tools Ltd., along with interest of INR 68 Lakh, has been repaid on 20th April'2024.

(All amounts in INR lakh, unless otherwise stated)

## 18. Trade payables

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Total outstanding due to micro and small enterprises (Refer Note 36): | | |
| - Related parties | 15 | 53 |
| - Others | 183 | 192 |
| Total outstanding dues to other than micro and small enterprises: | | |
| - Related parties | 1,158 | 1,308 |
| - Others | 1,321 | 402 |
| **Total** | **2,677** | **1,955** |

**Trade payables ageing schedule:**

| **Undisputed** | **Trade payables dues of micro and small enterprises** | | | | **Trade payables dues of creditors other than micro and small enterprises** | | | |
|---|---|---|---|---|---|---|---|---|
| | **As at March 31,2024** | | **As at March 31,2023** | | **As at March 31,2024** | | **As at March 31,2023** | |
| | **Related Parties** | **Others** | **Related Parties** | **Others** | **Related Parties** | **Others** | **Related Parties** | **Others** |
| Current but not due | 5 | 153 | 20 | 186 | 1,043 | 1,020 | 870 | 354 |
| **Outstanding for following periods from due date of payment:** | | | | | | | | |
| Less than 1 year | 10 | 30 | 33 | 6 | 115 | 301 | 438 | 48 |
| 1-2 years | - | - | - | - | - | - | - | - |
| 2-3 years | - | - | - | - | - | - | - | - |
| More than 3 years | - | - | - | - | - | - | - | - |
| **Total** | **15** | **183** | **53** | **192** | **1,158** | **1,321** | **1,308** | **402** |

Note: For the financial year ended March 31, 2024 and March 31, 2023, there are no disputed trade payables.

## 19. Other financial liabilities

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Interest accrued but not due on borrowings from Related Parties | 60 | 38 |
| **Total** | **60** | **38** |

## 20. Other current liabilities

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Statutory dues | 20 | 23 |
| Expenses payable | 7 | 16 |
| Employee benefits payable | 28 | 25 |
| Advance recovery from employees | 11 | 2 |
| | **65** | **67** |

(All amounts in INR lakh, unless otherwise stated)

**21(a). Revenue from Contract with Customers**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Sale of Goods** | | |
| - Within India | 10,580 | 7,349 |
| - Outside India | - | 1 |
| **Total** | **10,580** | **7,351** |

**21(b). Other Operating Revenue**

| | | |
|---|---|---|
| Scrap sales | 68 | 67 |
| Provision/Liabilities no longer required written back | 5 | - |
| | **73** | **67** |

**22. Other income**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Interest income on deposits with banks | 1 | 0 |
| Interest Income on Income tax refund | 1 | 0 |
| Gain on exchange fluctuation (Realised) | 34 | - |
| Gain on exchange fluctuation (Unrealised) | - | 38 |
| Interest income from financial assets at amortised cost | 1 | 5 |
| Miscellaneous income | 5 | 10 |
| **Total** | **41** | **53** |

**23. Cost of material and components consumed**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Opening stock of material and components | 889 | 607 |
| Add : Purchases of material and components | 8,717 | 6,250 |
| Less: Closing stock of material and components | (1,009) | (889) |
| **Cost of material consumed** | **8,598** | **5,968** |

**24. Changes in inventory of work in progess & finished goods**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **(Increase)/ decrease in stocks** | | |
| Stock at the opening of the year: | | |
| Work-in-progress | 130 | - |
| Finished goods | 84 | 32 |
| **Total A** | **214** | **32** |
| Stock at the end of the year: | | |
| Work-in-progress | 231 | 130 |
| Finished goods | 196 | 84 |
| **Total B** | **427** | **214** |
| **(Increase)/ decrease in stocks (A-B)** | **(213)** | **(182)** |

**25. Employee benefits expense**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Salary, wages & bonus | 580 | 590 |
| Contribution to provident & other Fund | 27 | 29 |
| Gratuity & Leave encashment | 18 | 10 |
| Staff welfare & other expenses | 48 | 52 |
| **Total** | **673** | **680** |

**26. Finance costs**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Interest on lease liabilities | 43 | 22 |
| Interest on working capital loan | 4 | 13 |
| Interest on term loans from Banks | 107 | 51 |
| Interest on loan from related parties | 75 | 67 |
| Interest on delayed payments | - | 34 |
| Bank charges | 12 | 10 |
| **Total** | **241** | **197** |

**27. Depreciation and amortization Expense**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Depreciation on property, plant and equipment | 159 | 161 |
| Amortisation on intangible assets | 3 | 4 |
| Depreciation on right of use assets | 140 | 125 |
| **Total** | **302** | **290** |

(All amounts in INR lakh, unless otherwise stated)

| 28. Other expenses | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Electricity, water and fuel | 70 | 60 |
| **Repairs and maintenance:** | | |
| -Others | 43 | 54 |
| Consumption of stores and spare parts | 102 | 67 |
| Job work expenses | 89 | 79 |
| Lease rent considered short term | 10 | 8 |
| Amortization cost of lease rent- factory | 4 | 2 |
| Amortization cost of lease rent- vehicles | 4 | 1 |
| Rates and taxes | 19 | 8 |
| Insurance | 7 | 5 |
| Security Expenses | 19 | 16 |
| Business Promotion | 2 | 1 |
| Travelling | 19 | 25 |
| Freight and forwarding | 35 | 35 |
| Postage and courier | 2 | 3 |
| General Office Expenses | 13 | 38 |
| Printing and stationery | 3 | 4 |
| Assets less than INR 5000 | 0 | 1 |
| Donation | 1 | 1 |
| Loss on exchange fluctuation (Realised) | - | 75 |
| Loss on exchange fluctuation (Unrealised) | 47 | - |
| Bad debts written off (Net of provision written back) | 4 | - |
| Fines & penalties | - | 0 |
| Payments to auditors (Refer Note (a) below) | 1 | 1 |
| Legal and professional expenses | 105 | 88 |
| **Total** | **598** | **573** |

| Note (a): Payments to auditors: | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **As Auditor:** | | |
| Audit fees | 1 | 1 |
| Limited review fees | 1 | 1 |
| **Total** | **1** | **1** |

## 29. Income tax expense

| (a) Income tax expense recognised in profit and loss | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Current tax** | | |
| Current tax on profit for the year | - | - |
| **Total current tax expense** | - | - |
| **Deferred tax (Refer note 32)** | | |
| Decrease/(increase) in deferred tax assets (net) | - | - |
| **Total deferred tax expense/(benefit)** | - | - |
| **Income tax expense** | - | - |

**(b) Reconciliation of tax expense with the accounting profit/(loss) multiplied by the applicable tax rate**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Profit/(loss) before income tax expense** | **497** | **(55)** |
| Applicable tax rate | 26.000% | 26.000% |
| **Tax calculated on applicable rate** | **129** | **(14)** |
| Tax effect of amounts which are not deductible in calculating taxable income | (23) | 7 |
| Unrecognised deferred tax on carried forward business losses & unabsorbed depreciation | (121) | (6) |
| Unrecognised deferred tax on other items | 15 | 14 |
| **Income tax expense** | **(0)** | - |

## 30. Earnings/(loss) per share

| a) Basic | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Net profit/(loss) after tax available for equity shareholders | 497 | (55) |
| Weighted average number of equity shares used to compute basic earnings per share | 2,35,52,200 | 2,35,52,200 |
| **Basic earnings/(loss) per share (absolute figures)** | **2.11** | **(0.23)** |
| **Diluted earnings/(loss) per share*** | **2.11** | **(0.23)** |

Note: The Company does not have any potential equity shares and thus there is no diluted EPS

(All amounts in INR lakh, unless otherwise stated)

**31. Fair value measurements**

**i) Financial instruments by category**

| Particular | As at March 31, 2024 | | | As at March 31, 2023 | | |
|---|---|---|---|---|---|---|
| | FVPL | FVOCI | Amortised Cost | FVPL | FVOCI | Amortised Cost |
| **Financial assets** | | | | | | |
| Trade receivables* | - | - | 1,752 | - | - | 1,199 |
| Cash and cash equivalents* | - | - | 76 | - | - | - |
| Bank balances other than above | - | - | 10 | - | - | 60 |
| Loans | - | - | - | - | - | 11 |
| Other financial assets* | - | - | 2 | - | - | 2 |
| **Total financial assets** | - | - | **1,840** | - | - | **1,272** |
| **Financial Liabilities** | | | | | | |
| Borrowings* | - | - | 759 | - | - | 1,140 |
| Trade payables* | - | - | 2,677 | - | - | 1,955 |
| Other financial liabilities* | - | - | 60 | - | - | 38 |
| **Total financial liabilities** | - | - | **3,497** | - | - | **3,133** |

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

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

| Particular | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| **Financial Assets** | | | | |
| Other financial assets* | 44 | 44 | 32 | 32 |
| | **44** | **44** | **32** | **32** |
| **Financial liabilities** | | | | |
| Borrowings* | 1,020 | 1,020 | 1,012 | 1,012 |
| | **1,020** | **1,020** | **1,012** | **1,012** |

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

**iii.) Valuation technique used to determine fair value**

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

(All amounts in INR lakh, unless otherwise stated)

## 32. Deferred tax liability/(assets) (net)

| | As at April 01, 2023 | Credit/ (charge) to Statement of Profit and Loss | Credit/ (charge) to other comprehensive income | As at March 31, 2024 |
|---|---|---|---|---|
| Property, plant and equipment and Intangible assets | (29) | (9) | - | (38) |
| Right of use assets | (140) | 33 | - | (106) |
| Prepaid Rent | - | 0 | | (0) |
| **Total deferred tax liabilities** | **(168)** | **24** | **-** | **(145)** |
| **Set-off of deferred tax assets pursuant to set-off provisions** | | | | |
| Carried forward business losses | 49 | (18) | - | 32 |
| SD Present value | - | (0) | - | (0) |
| Unabsorbed depreciation | 281 | 51 | | 331 |
| Security deposits | - | - | - | - |
| Employee benefit provisions | 22 | (8) | 1 | 14 |
| Impact of Lease liabilities as per INDAS 116 | 140 | (25) | - | 115 |
| Interest on delayed payments | 9 | (9) | - | - |
| **Total deferred tax assets** | **501** | **(9)** | **1** | **491** |
| **Deferred tax liability/(assets) (net)** | 333 | 15 | 1 | 347 |
| Less: Unrecognised deferred tax assets* | (333) | (15) | (1) | (347) |
| **Recognised deferred tax assets** | - | - | - | - |

**Note:**
*In absence of virtual certainty of sufficient taxable profit in the near future to realize the entire deferred tax assets, the same have been recognised only to the extent of deferred tax liabilities.

| Year ended March 31, 2022 | As at April 01, 2022 | Credit/ (charge) to Statement of Profit and Loss | Credit/ (charge) to other comprehensive income | As at March 31, 2023 |
|---|---|---|---|---|
| Property, plant and equipment and Intangible assets | (24) | (5) | - | (29) |
| Right of use assets | (71) | (69) | - | (140) |
| Prepaid Rent | - | - | - | - |
| **Total deferred tax liabilities** | **(95)** | **(74)** | **-** | **(168)** |
| **Set-off of deferred tax assets pursuant to set-off provisions** | | | | |
| Carried forward losses | 92 | (43) | - | 49 |
| SD Present value | - | - | - | - |
| Unabsorbed depreciation | 232 | 48 | | 281 |
| Employee benefit provisions | 15 | 7 | 0 | 22 |
| Impact of lease liabilities as per IND AS 116 | 74 | 66 | - | 140 |
| Interest on delayed payments | | 9 | | 9 |
| **Total deferred tax assets** | **413** | **88** | **0** | **501** |
| **Deferred tax liability/(assets) (net)** | 319 | 14 | 0 | 333 |
| Less: Unrecognised deferred tax assets** | (319) | (14) | (0) | (333) |
| **Recognised deferred tax assets** | - | - | - | - |

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

## 33. Related Party Disclosures

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

**(i) Has control or joint control of the reporting entity**

1. Youngshin Components Co. Ltd.
2. Samvardhana Motherson International Limited (Formerly known as Motherson Sumi Systems Limited)

**(ii) Key Managerial Personnel of the reporting entity or of a parent of the reporting entity**

**(I) Board Of Directors of the reporting entity**

1. Mr. Vishal Swarupshyam Kabadi
2. Mr. Seungbyung Park
3. Mr. Tae Hyang Kang (till June 02, 2023)
4. Mr. Ajay Bahl (effective June 02, 2023)
5. Mr. Naveen Ganzu (effective June 02, 2023)
6. Mr. Ravi Mathur (effective June 02, 2023)
7. Mr. Vivek Avasthi (till November 08, 2023)
8. Mr. Rajesh Goel (effective November 08, 2023)

**(II) Other Key Managerial Personnel of the reporting entity**

1. Mr. Gopal Agarwal (CFO) (effective May 16, 2023 till June 28, 2023)
2. Mr. Chatan Kuamr Goyal (CFO) (effective September 18, 2023)
3. Ms. Rinki Agarwal (CS)
4. Mr. Sathish Kumar (Manager) (effective January 5, 2024)

**(iii) Subsidiaries of Entities having joint control over the company (With whom transactions have taken place)**

1. Motherson Machinery And Automations Limited
2. Motherson Technology Services Limited
3. Motherson Techno Tools Limited
4. Samvardhana Motherson Global Management Services
5. Samvardhana Motherson Innovative Solutions Limited
6. Motherson Sumi Wiring India Limited
7. Motherson Air Travel Agencies Limited
8. Motherson Consultancies Service Limited

**(iv) Joint ventures of Entities having joint control over the company (With whom transactions have taken place)**

1. Samvardhana Motherson Global Carriers Ltd
2. Anest Iwata Motherson Private Limited (through SMISL)
3. MSSL Japan Limited
4. Motherson Auto Solutions Limited
5. Calsonic kansei motherson auto product Pvt. Ltd
6. Youngshin Components Co. Ltd.
7. Motherson Automotive Elastomers Technology
8. Motherson Sumi Electric Wires
9. SYSTEMATIC CONSCOM LIMITED
10. Motherson Auto Limited
11. Motherson Lease Solution Limited

(All amounts in INR lakh, unless otherwise stated)

II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 33 (I) above .

**(a) Key management personnel compensation**

| | March 31, 2024 | March 31, 2023 |
|---|---|---|
| Long-term employee benefits | - | 1 |
| Short-term employee benefits | 55 | 26 |
| **Total compensation** | **55** | **28** |

**Note: Reimbursements are not part of compensation to KMP's**

**(b) Transactions with related parties**

| S. No. | Particulars | Entities with control or joint control over the entity | | Subsidiaries and joint ventures of entities with control or joint control over the entity | |
|---|---|---|---|---|---|
| | | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| 1 | Purchase of Goods | 4,403 | 3,443 | 86 | 89 |
| 2 | Interest on loan | - | - | 67 | 67 |
| 3 | Purchase of capital goods | 20 | 9 | 21 | 24 |
| 4 | Reimbursement received | (0) | (2) | (0) | (12) |
| 5 | Reimbursement paid | - | - | 79 | 57 |
| 6 | Legal & Professional expenses | - | - | 27 | 25 |
| 7 | Technical assistance service charges | 70 | 25 | - | - |
| 8 | Commission paid | - | - | 0 | 0 |
| 9 | Sales | 3,981 | 1,854 | - | - |
| 10 | Repairs and maintenance | 1 | 4 | 9 | 1 |
| 11 | Tool development expenses | - | 91 | - | - |
| 12 | Freight and forwarding charges | 1 | - | 0 | 9 |
| 13 | Rent | - | - | 157 | 151 |
| 14 | Security deposit paid | - | - | 11 | - |
| 15 | Security Services | - | - | 5 | - |
| 16 | Travel expense paid | - | - | 15 | - |
| 17 | Electricity Charges | - | - | 32 | - |
| 18 | Office & Other Expenses | 4 | 19 | 31 | 46 |
| 19 | Interest expenses | 25 | 34 | - | - |
| | Total | 8,503 | 5,479 | 539 | 456 |

**(c) Outstanding balances arising from purchase of goods and services**

| S. No. | Particulars | Entities with control or joint control over the entity | | Subsidiaries and joint ventures of entities with control or joint control over the entity | |
|---|---|---|---|---|---|
| | | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| | **Payables/(Receivable)** | | | | |
| 1 | Anest Iwata Motherson Pvt Ltd | 0 | 7 | - | - |
| 2 | Calsonic Kansei Motherson Auto Products Private Limited | (352) | (0) | - | - |
| 3 | Motherson Air Travel Agencies Ltd | - | - | 3 | 4 |
| 4 | Motherson Auto Limited | - | - | 9 | 29 |
| 5 | Motherson Auto Solution Ltd | (2) | (0) | - | - |
| 6 | Motherson Automotive Elastomers Technology | - | - | 2 | 1 |
| 7 | Motherson Consultancies Service Limited | - | - | (0) | 0 |
| 8 | Motherson Lease Solution Limited | - | - | 14 | 2 |
| 9 | Motherson Machinery and Automations Limited | - | - | 0 | 0 |
| 10 | Motherson Sumi Electric Wires | - | - | 3 | 0 |
| 11 | Motherson Sumi Systems Limited | - | - | - | - |
| 12 | Motherson Sumi Wiring India Limited | - | - | 3 | 4 |
| 13 | Motherson Techno Tools Limited | - | - | 72 | 22 |
| 14 | Motherson Technology Services Limited | - | - | (0) | 13 |
| 15 | MSSL Japan Limited | - | - | 2 | 1 |
| 16 | Samvardhana Motherson Auto Component Private Limited | - | - | - | 10 |
| 17 | Samvardhana Motherson Global Carriers Ltd | - | - | 0 | 0 |
| 18 | Samvardhana Motherson Global Management Services | - | - | 0 | 3 |
| 19 | Samvardhana Motherson Innovative Solutions Limited | - | - | 6 | 21 |
| 20 | Samvardhana Motherson International Limited | - | - | - | - |
| 21 | SYSTEMATIC CONSCOM LIMITED | - | - | 1 | (0) |
| 22 | SMR Automotive Systems India ltd. | - | - | 1 | - |
| 23 | Youngshin Components Co. Limited | 1,039 | 1,102 | - | - |
| | Total | 686 | 1,108 | 116 | 111 |

(All amounts in INR lakh, unless otherwise stated)

**(d) Loans & deposits to / from related parties**

| S. No. | Particulars | Entities with control or joint control over the entity | | Subsidiaries and joint ventures of entities with control or joint control over the entity | |
|---|---|---|---|---|---|
| | | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| i. | **Security deposits given:** | | | | |
| | Beginning of the year | - | - | - | - |
| | Add: Given | 11 | - | - | - |
| | Less: Received back | - | - | - | - |
| | **End of the year** | **11** | - | - | - |
| ii. (a) | **Loans taken:** | | | | |
| | Beginning of the year | **400** | - | **400** | **400** |
| | Add: Loans taken | - | 400 | 400 | 400 |
| | Less: Loans repaid | - | - | (400) | (400) |
| | **End of the year** | **400** | **400** | **400** | **400** |
| ii. (b) | **Interest on loan taken:** | | | | |
| | Interest charged | 41 | 35 | 34 | 32 |
| | Less: TDS @ 10% deducted | (4) | (3) | (3) | (3) |
| | Interest paid | 37 | 31 | 31 | 29 |

(All amounts in INR lakh, unless otherwise stated)

**34. Segment Information:**

**Description of segments and principal activities**

The company is in the business of manufacturing, selling, Importing and exporting clutches, including its parts, for automobiles or any other related application as required.

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

**A. Information about geographical areas:**

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

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **i) Revenue from external customers** | | |
| India | 10,580 | 7,349 |
| Outside India | - | 1 |
| | **10,580** | **7,351** |

**ii) Segment Assets**

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

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| India | 1,730 | 1,888 |
| Outside India | - | - |
| | **1,730** | **1,888** |

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

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Customer 1 | 3,981 | 1,851 |
| Customer 2 | 2,427 | 1,913 |
| Customer 3 | 2,953 | 2,940 |

(All amounts in INR lakh, unless otherwise stated)

## 35. Capital and other Commitments

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

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Property, plant and equipment** | | |
| Estimated value of contracts in capital account remaining to be executed [Net of advances INR : Nil (March 31, 2023: INR Nil)] | 9 | 27 |
| **Total** | **9** | **27** |

(All amounts in INR lakh, unless otherwise stated)

**36. Due to micro and small enterprises**

The Company has written to its suppliers to intimate the status as micro or small enterprise in terms of "Micro, Small and Medium Enterprises Development Act 2006"and to provide a copy of their registration certificate. The Company has shown below dues if any to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') and a separate disclosure of the amount due to micro and small enterprises at the end of the year is given in Trade Payables. The disclosures pursuant to the said MSMED Act is as follows:

| **Particulars** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|
| Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | 198 | 245 |
| Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end | - | - |
| Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest due and payable towards suppliers registered under MSMED Act, for payments already made | - | - |
| Further interest remaining due and payable for earlier years | - | - |
| **Total** | **198** | **245** |

(All amounts in INR lakh, unless otherwise stated)

**37. Other disclosures**

**A. Contingent liabilities:**

| Particulars | For the year ended March 31,2024 | For the year ended March 31,2023 |
|---|---|---|
| Bank Guarantees | 10 | 10 |
| Total | 10 | 10 |

**B. Disclosure under Ind AS 115 - Revenue from Contracts with Customers**

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

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

| Particulars | For the year ended March 31,2024 | For the year ended March 31,2023 |
|---|---|---|
| **Opening balance** | 1 | - |
| Add: Additions | - | 1 |
| Less: Written back | (1) | - |
| Less: Utilised during the year | - | - |
| **Closing balance** | - | 1 |

**b. Disaggregation of revenue from contracts with customers**

| Segments | For the year ended March 31,2024 | For the year ended March 31,2023 |
|---|---|---|
| **Revenue by geography** | | |
| In India | 10,580 | 7,349 |
| Outside India | - | 1 |
| **Total revenue from contract with customers** | **10,580** | **7,351** |
| **Revenue by major product lines** | | |
| Sale of product | 10,580 | 7,351 |
| Sale of services | - | - |
| **Total revenue from contract with customers** | **10,580** | **7,351** |

**c. Timing of revenue recognition**

| | | |
|---|---|---|
| At a point in time | 10,580 | 7,351 |
| Over time | - | - |
| **Total revenue from contract with customers** | **10,580** | **7,351** |

**d. Contract balances**

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

| | | |
|---|---|---|
| Receivables | 1,752 | 1,199 |
| Contract liabilities (advance from customer) | - | - |

**e. Revenue from contracts with customers**

**Revenue recognised from**

| | | |
|---|---|---|
| Amounts included in contract liabilities at the beginning of the year | - | - |

**38. Financial risk management**

The Company is engaged in the business of manufacturing and selling of automobile parts and is exposed to market risks, credit risk and liquidity risk as with any other manufacturing process. This makes it necessary to have an organised risk management system. The adherance to regulations, instructions, implementational rules through planning, controlling and collectively monitoring along-with regular communication throughout the tightly woven management process form the base of the risk management system.

**Market risk:**

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

**A Price Risk**

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company in its various products segment. Substantial pricing pressure from major OEMs to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the Company.

**B Foreign currency risk:**

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

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

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

| Currencies | As at March 31, 2024 Payable / (Receivable) | | As at March 31, 2023 Payable / (Receivable) | |
|---|---|---|---|---|
| | Amount in Foreign currency (lakh) | Amount in INR (lakh) | Amount in Foreign currency (lakh) | Amount in INR (lakh) |
| United State Dollar (USD) | - | - | 1 | 45 |
| Korean Won (KRW) | 16,761 | 1,039 | 17,128 | 1,078 |
| Japanese Yen (JPY) | 4 | 2 | 3 | 2 |

**C Interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates. Currently company has availed interest free loan from holding company, thus the company is not exposed to cashflow interest rate risk.

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Variable rate borrowings* | 1,250 | 1,636 |
| Fixed rate borrowings | 400 | 400 |
| **Total borrowings** | **1,650** | **2,036** |

*Interest rate shall be floating for the entire loan tenure and is linked to RBI repo rate with quarterly reset

An analysis by maturities is provided in note (E (i)) Maturities of financial liabilities below.

**(ii) Sensitivity analysis**

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

| | Impact on profit after tax | |
|---|---|---|
| | As at March 31, 2024 | As at March 31, 2023 |
| Interest rates-increase by 50 basis points* | 6 | 8 |
| Interest rates-decrease by 50 basis points* | (6) | (8) |

* Holding all other variables constant

**D Credit risk:**

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

The adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The Company has deposited liquid funds at banking institutions in India.

**E 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 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 while maintaining sufficient headroom on its undrawn committed borrowing facilities / overdraft facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

**i. 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 | Up to 1 year | 1 to 5 years | More than 5 years | Total |
|---|---|---|---|---|
| **Non-derivatives** | | | | |
| Borrowings | 630 | 1,020 | - | 1,650 |
| Lease liabilities | 130 | 313 | - | 443 |
| Trade payables | 2,677 | - | - | 2,677 |
| Other financial liabilities | 60 | - | - | 60 |
| **Total non-derivative liabilities** | **3,497** | **1,333** | - | **4,830** |

| Period ended March 31, 2023 | Up to 1 year | 1 to 5 years | More than 5 years | Total |
|---|---|---|---|---|
| **Non-derivatives** | | | | |
| Borrowings | 1,024 | 1,012 | - | 2,036 |
| Lease liabilities | 117 | 423 | - | 540 |
| Trade payables | 1,955 | - | - | 1,955 |
| Other financial liabilities | 38 | - | - | 38 |
| **Total non-derivative liabilities** | **3,133** | **1,436** | - | **4,569** |

**39. Capital management**

**(a) Risk management**

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. Consistent with others in the industry, the Company monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs).

The Net Debt to EBITDA ratios were as follows:

| | For the year ended March 31,2024 | For the year ended March 31,2023 |
|---|---|---|
| Net Debt | 1,573 | 2,036 |
| EBITDA | 1,040 | 432 |
| **Net Debt to EBITDA** | **1.5** | **4.7** |

**(b) Loan covenants**

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

(All amounts in INR lakh, unless otherwise stated)

**40. Disclosure under Ind AS 116 Leases**

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

Upon adoption of Ind AS 116, the company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets, Leases for the accounting policy beginning April 01, 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the company.

***Leases previously classified as finance leases**

The company did not have any lease contract which are classified as finance lease prior to April 01, 2019. The company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17). The requirements of Ind AS 116 were applied to these leases from April 01, 2019.

***Leases previously accounted for as operating leases**

The company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

**Impact Assessment of Ind AS 116**

**(i) Impact on the statement of financial position (increase/(decrease)) as at 31 March, 2024**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Assets** | | |
| Right-of-use assets | 409 | 537 |
| Deferred tax liabilities | (106) | (140) |
| **Total** | **303** | **397** |
| **Liabilities** | | |
| Lease liabilities | 443 | 540 |
| Deferred tax assets | 115 | 140 |
| **Total** | **443** | **540** |
| **Net Impact on equity** | **(141)** | **(143)** |

**(ii) Impact on the statement of profit or loss (increase/(decrease)) for the year ended March 31, 2024:**

| Particulars | For the year ended March 31,2024 | For the year ended March 31,2023 |
|---|---|---|
| Lease rent derecognize | 151 | 155 |
| Depreciation of Right of Use asset | 140 | 125 |
| Interest expense on Lease liability (included in Finance Cost) | 43 | 22 |
| **Net Impact on Statement of profit and loss (increase/(decrease))** | **334** | **302** |

**Other disclosures:**

| | | |
|---|---|---|
| **1. Commitment for short term lease** | - | - |
| **2. Short term and/or low value lease payment** | 10 | 8 |

(All amounts in INR lakh, unless otherwise stated)

## 41. Assets hypothecated as security

Credit facilities obtained from **Kotak Mahindra Bank Limited** are against first and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets of the company.

| | For the year ended March 31,2024 | For the year ended March 31,2023 |
|---|---|---|
| **Current:** | | |
| **First charge** | | |
| Inventory | 1,436 | 1,103 |
| Trade receivables | 1,752 | 1,199 |
| Other Bank balances | 10 | 60 |
| Other financial assets | 2 | 2 |
| Other current assets | 456 | 485 |
| **Total current assets hypothecated as security** | **3,655** | **2,848** |
| **Non-current:** | | |
| **First charge** | | |
| Property, plant and equipment | 1,286 | 1,277 |
| Capital Work in Progress | 28 | 70 |
| Other financial assets | 44 | 32 |
| Other non-current assets | 0 | 2 |
| **Total non-current assets hypothecated as security** | **1,358** | **1,381** |
| **Total assets hypothecated as security** | **5,014** | **4,230** |

**Youngshin Motherson Auto Tech Limited**
**CIN : U35999DL2017PLC321298**
**Notes to the financial statements for the period ended March 31, 2024**

**42. Ratio analysis and its elements**

| S.No. | Ratio | Numerator | Denominator | For the year ended March 31,2024 | For the year ended March 31,2023 | % change | Reason in case variance is more than 25% |
|---|---|---|---|---|---|---|---|
| 1 | Current ratio | Current Assets | Current Liabilities | 1.1 | 0.9 | 17.2% | - |
| 2 | Debt-Equity Ratio | Debt = Current Liabilities + Non-Current Liabilities | Equity | 2.9 | 29.2 | (90.1%) | Variance due to:<br>1. Lower utilization of working capital limits<br>2. Increase in equity balance due to profits generated during the year due to higher sales volume to existing customers |
| 3 | Debt Service coverage ratio | [Net Profit after taxes + Non-Cash operating expenses (including depreciation and amortization)+interest expenses +other adjustments like loss on sale of fixed assets] | Current maturities of long term borrowing, interest expense (except Ind AS 116 finance cost) and lease payment | 2.5 | 1.5 | 73.0% | Variance due to:<br>1. Higher profits during the year due to higher sales volumes to existing customers leading to better interest coverage. |
| 4 | Return on Equity ratio | Profit after Tax | Average share holders equity fund | 1.6 | (0.6) | (374.8%) | Variance due to:<br>1. Higher profits during the year due to higher sales volume to existing customers. |
| 5 | Inventory Turnover | Cost of Goods Sold | Average inventory | 6.6 | 6.6 | (0.6%) | - |
| 6 | Trade Receivable Turnover Ratio | Revenue from contract with customers | Average trade receivables | 7.2 | 8.1 | (11.4%) | - |
| 7 | Trade Payables Turnover Ratio | Purchase of Raw material & Stock-in- Trade | Average trade payables | 3.8 | 3.3 | 14.6% | - |
| 8 | Net Capital Turnover Ratio | Net Sales | Average Working Capital | (137.7) | (12.1) | 1034.2% | Variance due to:<br>1. Higher sales volume to existing customers during the year. |
| 9 | Net Profit Ratio | Net Profit | Net Sales | 4.7% | (0.7%) | (731.6%) | Variance due to:<br>1. Higher profits during the year due to higher sales volume compared to lower sales volume last year and corresponding loss. |
| 10 | Return on Capital Employed | Earnings before interest and taxes | Average Capital Employed | 34.1% | 9.2% | 269.5% | Variance due to:<br>1. Higher sales volumes to existing customers during the year.<br>2. Higher average capital employeed. |
| 11 | Return on Investment | Interest Income | Investment | 5.8% | 5.1% | 13.8% | - |

Note: Investment comprises fixed deposits with bank.

**43. Other Statutory Information**

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

ii There are no transactions with companies that are struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

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 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 Beneficiaries) or

(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 Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

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

vii The Company does not have 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 has not been declared as wilful defaulter by any bank or financial institutions or any other lender.

ix The Company has not revalued its Property, Plant and equipment (including Right-of-Use Assets) and intangible assets during the year.

x The Company does not own any immovable properties.

**44.** Amount appearing as zero "0" in the financial statements are below the rounding off norm adopted by the Company.

**45.** 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.

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

**For and on behalf of Board**

**As per our report of even date**
**For R K Khanna & Co.**
**Chartered Accountants**
**FRN 000033N**

K KHANNA & CO.
NEW DELHI
Chartered Accountants

**Ajay Bahl**
**Director**
**DIN: 00946201**

**Rajesh Goel**
**Director**
**DIN: 06929756**

**Vipin Bali**
**Partner**
**M.No. 083436**
**Place :** Delhi
**Date :** 14.05.2024

**Chatan Kumar Goyal**
**Chief Financial Officer**
**PAN : BGCPG7278R**
**Place : Noida**
**Date : 14.05.2024**

**Rinki Agarwal**
**Company Secretary**
**PAN : CAEPR2068H**

**B.Sathishkumar**
**Manager**
**PAN: APEPS4795P**